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Special Session: The British Empire and Asia in the Long Eighteenth Century: Introduction

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According to Chris Bayly, there have been three critical periods of particularly active imperialism in modern history. The first period was characterized by Iberian and Dutch conquests in the New World and Asia between 1520 and 1620. These invasions drastically changed global immigration and the international flow of silver in favour of Europe. The second great imperial epoch was between about 1760 and 1830 when European empires first occupied important territories in South and Southeast Asia, Canada, Australasia, the near east and southern Africa. This period also experienced the peak of the Atlantic slave system. The third period culminated with the Partition of Africa after 1878, the Russian conquest of central Asia and the battle for concessions in China. If we consider the distribution of the world's resources and population occupied by European powers, the second was the most important. In this period sophisticated and commercial cultures of Asia were brought under direct European domination.

However, the second imperial period remains short of broader argument about imperialism. This period has been sometimes described as a prelude to the "real" imperialism of the later nineteenth century. It has also been regarded as one episode in the longer history of "the imperialism of free trade" or the imperialism of "gentlemanly capitalism". 40 years ago, Vincent Harlow regarded the period as the end of an older imperialism of mercantile monopoly and territorial expansion in North America, but also pointed to an aggressive search for new markets and trades in Asia, a "swing to the East." This means the period of the Second British Empire between 1763 and 1860.

British social and economic history has paid some attention to the so-called "long eighteenth century". It has recently been argued that Great Britain remained an ancient regime until the mid-nineteenth century by some historians such as Peter Clark, John Brewer, Linda Colley, Bill Rubinstein, Cain & Hopkins and others. For example, Cain and Hopkins also describe the period as an important moment in the history of gentlemanly capitalism characterized by the rise of the so-called "military-fiscal state" in Britain. The development of military-fiscalism was linked with its territorial expansion overseas and the growth of global

capitalism. At the same time the debate on the military fiscal state suggests the expansion of military fiscalism in continental Europe and extra-European colonies as well as in Britain. This means European comparative history concerning the ancient regime and the fiscal-military state.

The history of the British Empire also needs a comparative approach with other European Empires. Comparative history has the great advantage of exhibiting both the similarities/differences and the continuities/changes in the experiences of different peoples, institutions, and times. This seminar draws attention to the Dutch empire. The British and Dutch empires had two similar characters. Firstly, by 1750 the two great imperial states had acquired territories, trading posts and influence in many parts of the world. In that period, a significant part of the imperial activities of both was controlled by companies such as the East India Company. Secondly, the primary area of overseas involvement for Britain and Holland was South and Southeast Asia in the late eighteenth and early nineteenth centuries. Therefore, the purpose of this seminar is to reconsider the Second British Empire, in comparison with the case of the Dutch empire in the long eighteenth century.

Thus, we have four specialists on the studies of British and Dutch imperial histories. The first speaker is Tony Webster (Liverpool John Moors University) on “A New View of Gentlemanly Capitalism: British Economic Interests and Colonial Policy in Asia 1790-1860”. Webster has special interests in the economic expansion of the nineteenth century British Empire in India and South-east Asia. The discussion focuses upon the critics of the “gentlemanly capitalism” thesis proposed by P. J. Cain and A. G. Hopkins. Yukihiisa Kumagai (Ryukyu University) supports Webster’s thesis from the Scottish perspective. Kumagai points out the importance of the Glasgow commercial group to the activities of London-based gentlemanly capitalists in the discussion paper, “Scottishness and the British Empire: The Glasgow East India Association and the East India Trade, 1829-1833”. From the Dutch East India Company’s perspective, on the other side, Ryuto Shimada (Seinan Gakuin University) discusses “Dutch Commercial Networks in Asia in transition, 1740-1830”. From the peripheral perspective, “Stateless Sea People and Empires: Struggles for Network-making in the Melaka Strait Region, 1820-1840” by Atsushi Ota (Academia Sinica), focuses upon the formation of an imperial border between Britain and Holland in the Straits of Melacca. In addition, we have two discussants as well; firstly Toshiyuki Miyata (Tokyo University of Foreign Studies) makes comments from the perspective of Siam’s economic history, and secondly, Tomotaka Kawamura (University of Toyama) comments from the point of view of gentlemanly capitalism.

A New View of Gentlemanly Capitalism: British Economic Interests and Colonial Policy in Asia 1790-1860

Anthony WEBSTER

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Thirty years after the publication of their first, ground-breaking article on British imperialism in the *Economic History Review* the work of Antony Hopkins and Peter Cain continues to exercise a powerful influence on the debate about the origins and nature of the British Empire¹. Two further articles in the same journal in 1987 expanded on the general argument offered seven years earlier; but it was not until the publication of their two volume study in 1993 that the full implications of their thesis for specific geographical theatres of British imperial expansions were spelled out². Inevitably, the mid 1990s saw a range of responses to their work, which in 2001 prompted a second, revised iteration of their books, this time as a single volume³. This paper will revisit their analysis of the growth of the British imperial presence in Asia during the period from the last decade of the eighteenth century until the end of the East India Company's regime in India and south-east Asia at the end of the 1850s. In doing so, it will explore key aspects of the 'gentlemanly capitalism' thesis as currently constituted, and offer not only a revised interpretation of the development of the British imperial presence in Asia, but also some wider observations in respect of the political methods of gentlemanly capitalists and their relationships with business interests in the British provinces and on the periphery of empire.

The central themes of the 'gentlemanly capitalism' thesis are well known, but are worth repeating for the sake of clarifying the argument which will be offered here. In essence, the thesis identifies the financial interests of the City of London as the principal driving force behind imperial expansion and policy. City merchant bankers, merchants and prominent investors historically formed a crucial economic interest group from the late eighteenth

¹ P.J. Cain and A.G. Hopkins, 'The Political Economy of British Expansion Overseas 1750 to 1914' *Economic History Review* 33:4 (1980) pp. 463-490.

² P.J. Cain and A.G. Hopkins, 'Gentlemanly Capitalism and British expansion Overseas, I: The Old Colonial System, 1688-1850' *Economic History Review* 39:4 (1986) pp501-525; P.J. Cain and A.G. Hopkins, 'Gentlemanly Capitalism and British expansion Overseas, II: New Imperialism, 1850-1945' *Economic History Review* 40:1 (1987) pp 1-26; P.J. Cain and A.G. Hopkins, *British Imperialism: Innovation and Expansion Volume 1: 1688-1914* (Longman, London 1993); P.J. Cain and A.G. Hopkins, *British Imperialism: Crisis and Deconstruction Volume 2 1914-1990* (Longman, London 1993).

³ P.J. Cain and A.G. Hopkins, *British Imperialism 1688-2000* (Pearson, Edinburgh, 2001)

century, providing extensive credits for the country's burgeoning foreign trade and funding the National Debt. The former imbued them with both an interest in British economic expansion overseas, imperial or otherwise, whilst the latter brought a high degree of political influence over the British state, especially in the sphere of foreign and imperial policy. This placed them in a position of advantage over other British economic interests groups, particularly the emergent industrialists and merchants of provincial Britain. The latter are characterised in the thesis as 'political outsiders', certainly not bereft of political clout, but excluded from the 'charmed circle' in London of financiers, aristocratic politicians and civil servants who held powerful positions in Whitehall, Parliament, the Bank of England and the City. Moreover, by the latter half of the nineteenth century the role of the City of London as the principal global source of investment finance not only intensified its interest in imperial questions, it also further underlined its importance for the national economy in the minds of members of the governing elite, thereby strengthening the relative political advantage enjoyed by gentlemanly capitalists over their provincial peers.

These overarching principles underpin Cain and Hopkins' interpretation of British imperial expansion in Asia in the first half of the nineteenth century, and major aspects of them are addressed in specific chapters in *British Imperialism*. These include ones on India and China, though southeast Asia was one of the few global regions which are not examined directly in their work. Cain and Hopkins offer a number of key arguments in respect of British expansion into India and China in the eighteenth and nineteenth centuries. In the case of India they stress the importance of the East India Company as a bulwark of the City and as 'undoubtedly the most impressive overseas manifestation of the alliance between land and finance in the eighteenth century'⁴. This organisation, central as it was to the City of London and the configuration of gentlemanly capitalist power in the eighteenth century, effectively led the way to the conquest of India and the imposition of a regime dedicated to the extraction and repatriation of Indian tax revenues for the benefit of the Company's stockholders, and the creation of employment for the sons of landed families. On the question of the eventual undermining of the monopolistic privileges of the Company, Cain and Hopkins see the Charter Acts of 1813 and 1833 as state responses to crises, rather than concessions to the provincial industrialists and merchants who were demanding an end to the Company's monopoly rights over trade with India and China⁵. The argument runs that in

⁴ Ibid., p279.

⁵ In part this is based upon my own contribution to this debate. See A. Webster, 'The Political Economy of Trade Liberalization: The East India Company Charter Act of 1813' *Economic History Review* 43:3 (1990) pp404-419. See Cain and Hopkins, *British Imperialism* p282, note 23. As will become clear, I now have reason to revise some of my earlier conclusions.

1813, a regime of partially liberalised trading policies was seen by the Liverpool administration as essential to tackle high domestic inflation and secure steady supplies of Indian imports. The ending of the China trade was likewise principally a response to a crisis in British trade with India, the aim being that liberalised trade with China would promote Indian exports to that empire and south-east Asia, thereby stimulating the Indian economy and the flow of trade and remitted revenues back to Britain. This phase of trade liberalisation was followed by one of promoting the development of the Indian economy to consolidate and improve the returns from imperial rule to the Company and Britain; but efforts to do this via the transplantation of British institutions proved unsuccessful, not least because of the heavy burden of taxation which Company rule imposed on ordinary Indians. The City was reluctant to invest in India, and even when major communications projects were launched in the 1840s, such as the East Indian Railway and the Great Indian Peninsular Railway, investors had to be enticed by generous guarantees of dividends by the British state. Ultimately, Company rule itself came to be seen as the principal obstacle to gentlemanly capitalist exploitation of the sub-continent, especially in the wake of the Great Rebellion of 1857. Only with the complete overhaul of the system of governance in the late 1850s was a regime established in which British investors felt sufficient confidence to trust large amounts of their capital⁶. According to this interpretation, the merchants and manufacturers of provincial Britain played only a marginal role in this unfolding narrative, notwithstanding their vocal political activism, especially in the years immediately preceding the Charter Acts of 1813 and 1833. Rather it was wider considerations of political economy and the need to respond to pressing crises which pushed the British state towards trade liberalisation.

In respect of China, Cain and Hopkins again note the primacy of the East India Company in the late eighteenth and early nineteenth centuries. The Company found a ready market in Britain and Europe for Chinese tea, silk and ceramics, and a lucrative market in China for Indian opium, cotton and other commodities. From the 1790s, the illegality in China of the opium trade paved the way for Indian based firms (agency houses) outside the Company to take over the export in the commodity, smuggling it into China, and paying the receipts into the Company's treasury at Canton in return for bills of exchange payable in London or India. In this way China became an integral part of a multilateral British trading system which was essential for enabling the Company to repatriate wealth and meet the 'home charges'. As described above, Cain and Hopkins argue that the China monopoly was ended in 1833 to improve the performance of British and Indian exports in the Chinese market, in response to specific difficulties at that time. Thus, for Cain and Hopkins, the main

⁶ Cain and Hopkins, *British Imperialism* pp282-284.

driving force behind British policy towards China was the desire to open the empire for British trade, particularly exports from both Britain itself and India. The latter figured particularly in the unfolding of British policy. The Opium War of 1839-42 was in direct response to the efforts of the imperial authorities a Canton to stop the opium trade, and the Treaty of Nanking which followed British victory was designed to ensure British access to the Chinese market; as was the second war of 1858-60 and the subsequent Treaty of Tientsin⁷. But later in the century, trading priorities were overtaken by the value of China as a profitable outlet for British investment, particularly loans to the Imperial Chinese government. Thus did British interest in China evolve from trade to finance, in the process bringing the Chinese empire within the realm of London's 'gentlemanly capitalists'.

Before reassessing this interpretation of British imperial expansion in Asia, it is worth exploring certain aspects of the wider debate about the 'gentlemanly capitalism' thesis. Historians have questioned it on a number of counts, but two in particular are relevant to the question of Asia in this period. Firstly, one of the earliest dissenting voices remains one of the strongest. Martin Daunton challenges the thesis head on, specifically Cain and Hopkins' view that industry and provincial interests were marginal in shaping state imperial policy⁸. He contends that the heavy dependence of industrialists on overseas markets led to close collusion and contact between the former and merchants and commission agents based in the City of London, especially in the later nineteenth century⁹. As a result, there were greater opportunities for industrialists to assert influence over policy through collaboration with these City contacts and allies than recognised by Cain and Hopkins. A second critique offered by A.C. Howe addresses the extent to which the City was able to present a common, unified front to the British state in arena of policy formation¹⁰. Considering attitudes in the City to the debate around the question of free trade, Howe concludes that there was a marked absence of unity on this question in London, and that if anything the debate demonstrated that the City was riven with differences based on ethnic and competing financial interests¹¹. These two perspectives on gentlemanly capitalism continue to be debated by historians, and as will be seen, are especially pertinent in respect of British imperialism in Asia in the early nineteenth century. John Darwin also offers ideas on the development of imperial policy which are also relevant to the present work. He contends that competing pressures on government in the field of imperial policy were so intense and fast moving that it was

⁷ Ibid., pp362-363.

⁸ M.Daunton, 'Gentlemanly Capitalism and British Industry 1820-1914' *Past and Present* 122 (1989) pp119-158.

⁹ Ibid. p139.

¹⁰ A.C. Howe, 'Free Trade and the City of London c.1820-1870' *History* 77 (1992) pp391-410.

¹¹ Ibid., pp405-407.

practically impossible for Whitehall to maintain a consistent line on imperial policy, and that the scope for the exercise of influence by pressure groups was arguably greater than has hitherto been realised¹². Moreover, Darwin offers an important concept for the process of policy formation: the notion of the ‘bridgehead’ of British commercial and other interests at the periphery of empire, which was in itself an important pressure group in the promotion of imperial expansion¹³. In Darwin’s view, the ability of the coalition of merchants, missionaries and colonial officials who made up the bridgehead to shape imperial policy was in part determined by its ability to secure the help of allies in Britain, such as commercial, religious or other pressure groups interested in imperial questions. Darwin’s ideas raise the possibility of trans-imperial networks of interested parties working together in a co-ordinated fashion, to secure commonly held objectives. Implicitly this suggests radical new insights into how imperial policy was fashioned. Rather than being confronted with single, British or imperial interest groups, British governments may have been compelled to respond to the demands of alliances which linked the metropole with the imperial ‘bridgehead’. Gentlemanly capitalists, far from eschewing association with provincial industrialists or lesser merchants at the edge of empire, may have found it expedient to work with them, allowing these allies purchase over policy formation, and by implication, occasionally permitting their own priorities to be compromised.

Darwin’s notion of trans-imperial coalitions also chimes with recent work on the development of the business and political strategies employed by British firms in the industrial revolution. Wilson, Popp and others have stressed the importance of the growth of complementary commercial relationships between industrial firms in the same regions and industrial conurbations, which allowed small family firms to externalise such costs as the recruitment of skilled labour and the acquisition of raw materials and components¹⁴. While the long term effects in Britain were to enable the family firm model to endure and to obstruct the emergence of the modern publicly owned and professionally managed large corporations as described by Chandler for late nineteenth century America, collaborative clusters and networks of industrial firms were well placed to co-operate in pursuit of political ends¹⁵. The rise of city-based chambers of commerce and other commercial

¹² J. Darwin, ‘Imperialism and the Victorians: The Dynamics of Territorial Expansion’ *English Historical Review* (1997) pp614-642.

¹³ *Ibid.* p629.

¹⁴ J.F. Wilson, and A. Popp, Introduction. in: J.F. Wilson, and A. Popp, (eds.) *Industrial Clusters and Regional Business Networks in England, c1750-1970* (Ashgate, Aldershot 2003) pp.1-18; F. Carnevali, ‘ ‘Crooks, Thieves and Receivers’: Transaction Costs in Nineteenth Century Industrial Birmingham’ *Economic History Review* 57:3 (2004) pp533-550.

¹⁵ J.F. Wilson and A. Thomson, *The Making of Modern Management: British Management in Historical*

pressure in British provincial cities from the late eighteenth stands as testament to this process; yet the activities of these bodies have received surprisingly little attention from historians. Moreover, reflecting the increasingly global orientation of British business in the period, networking and clustering relationships were not confined to the region or locality. Industrialists in search of overseas markets or supplies of raw materials depended upon merchant firms in Liverpool, London, Bristol and other major ports to seek out essential overseas contacts to facilitate these transactions, This in turn required the growth of complementary, collaborative networks between British merchants and firms in foreign ports, both within and outside the British empire. Thus was the way paved for trans-national and trans-imperial co-operation in the political as well as the business spheres. This was demonstrated, for example, by the growth of chambers of commerce in Calcutta, Madras, Bombay, Penang, Singapore and Canton in the 1830s, and the way in which they quickly established working relationships with their counterpart organisations in Britain¹⁶. Thus there emerged complex trans-imperial networks of commercial groups which were able to co-operate in their efforts to protect or promote their interests by persuading the British state to adopt congenial imperial policies. It will be seen that gentlemanly capitalists did not stand aside from these networks, and indeed frequently led them, suggesting a new framework for understanding how they operated. Such a 'network' based model of pressure group activity in the sphere of imperial policy promises a much more complex and sophisticated interpretation of why empire expanded and how it was governed. It will be seen to be particularly apt in the case of Britain's Asian sphere of influence.

In the light of the analysis of British imperialism in Asia offered by Cain and Hopkins, and the debate which their wider theories has generated, what are the main aspects of the reassessment offered here? There are several major themes which will be explored in respect of the British in Asia during this period. Firstly, this was a period of transition, in which the East India Company was displaced in the field of commerce with Asia by other commercial organisations. The central position of the Company in the City of London made it a citadel of gentlemanly capitalist power and influence, and its demise inevitably had implications for the gentlemanly capitalist nexus in Asian trade and policy. But it is by no means clear how quickly and decisively the Company's power waned. True, the period saw the stripping of first its Indian and then its Chinese trade monopolies, and its enforced withdrawal from trade in 1833. But the Company remained the principal organ of Indian governance, and the Court

Perspective (Oxford UP, Oxford 2006) pp53-55; A.D. Chandler, *The Visible Hand: The Managerial Revolution in American Business* (Harvard UP, Cambridge Mass. 1977).

¹⁶ I. Nish, 'British Mercantile Co-operation in the Indo-China Trade from the end of the East India Company's Trading Monopoly' *Journal of Southeast Asian History* 3:2 (1962) pp74-91

of Directors continued to exercise patronage in Indian appointments and influence over the direction of policy. Few studies have grappled with the issue of the pace of Company decline. In part this is because perhaps the most exhaustive ones have chosen the 1833 Charter Act as their terminal date¹⁷. While more recent histories of the Company by Lawson and Robins have tried to follow the history of the Company to its bitter end in the wake of the Great Rebellion, their treatments of the post 1833 period are quite cursory, and tend to depict the 1833 to 1858 period as an endgame, the results of which were inevitable and entirely predictable¹⁸. Yet it will be seen that this was not the perception of either the Company's leaders or its opponents at the time. In practice the organisation continued to have a real voice in policy formation at least up to the end of the 1840s. Secondly, it is implied in the Cain and Hopkins thesis that the inheritors of the Company's Indian legacy were themselves part of the City hub of finance and wealth. The prime candidates were the London East India agency houses which had grown up in the last decades of the eighteenth century, mostly set up by partners in sister Indian agency houses who had retired to Britain after making their fortunes in India. These organisations indeed grew in wealth and influence in the early nineteenth century, prospering by the new opportunities opened by the rolling back of the Company's privileges, and even building a substantial presence in the Courts of Proprietors and Directors which governed Company affairs. But of course they were not the only beneficiaries of the retreat of the Company. The opening of the Indian and Chinese trades offered new markets for industrialists and merchants in the British provinces, and as will be seen the effectiveness of their efforts to shape policy have been previously underestimated, not least by the present writer. In addition, the withdrawal of the Company created new space into which independent commercial organisations on the periphery of empire could move, and as the century wore on, they also began to organise themselves and seek a voice in policy formation. How then did these general themes shape the development of Anglo-Asian commerce and politics during the period?

The process by which the Company was first forced to surrender concessions to its rivals, and then stripped of its trading privileges, was a prolonged process which spanned the early 1770s to the mid 1830s. While, as shall be seen, the demands of rival commercial interests played a part in this, there were other intractable factors at work which weakened

¹⁷ H.V. Bowen, *The Business of Empire: The East India Company and Imperial Britain, 1756-1833* (Cambridge UP, 2006); C.H. Philips, C.H. *The East India Company 1784-1834* (Manchester UP, Manchester 1961); H. Mui, and L.H. Mui, *The Management of Monopoly. A Study of the East India Company's Conduct of its Tea Trade, 1784-1833* (University of British Columbia Press, Vancouver 1984).

¹⁸ P. Lawson, *The East India Company: A History* (Longman, London 1993); N. Robins, *The Corporation that Changed the World: How the East India Company Shaped the Modern Multinational* (Pluto Press London 2006)

both the confidence of the British state in the Company, and the ability of the Company's leadership to defend its privileges. The roots of this lay in the transformation of the Company from being a primarily trading organisation into a vehicle of imperial conquest and rule in the decades following the battle of Plassey in 1757. By the early 1770s, the costs of conquest and the uncontrolled avarice of the Company's servants had produced a major crisis in the Company's finances, which necessitated intervention by the British state. The Company received financial aid, but in return the Company's Indian administration was made answerable to the British government under Lord North's Regulating Act of 1773¹⁹. But the underlying weaknesses in the Company's administrative structures and the escalating costs of imperial expansion caused a further financial crisis less than ten years later. William Pitt the Younger's India Act of 1784 further entrenched the control of the British state, establishing a new government department, the Board of Control, the President of which enjoyed Cabinet rank. Appointment of the Governor-General and his Council would now be the prerogative of the President and the Board, whose political grip on the Company and the developing Indian empire was significantly tightened. Henry Dundas, the architect of the new system, was not content to stop there. He pressed for major reforms of the Company civil service and the system of land revenue collection, in an effort to place the Company on a more solid financial footing. The latter was effected in the Permanent Settlement of 1793, but in respect of the emergence of Anglo-Indian commercial interests outside the Company, the most important change was implemented in 1787 by Governor-General Cornwallis. In exchange for a major increase in their salaries, the vast majority of Company servants were barred from engaging in commercial activities on their own account. This regulation was intended at a stroke to cleanse the organisation of corruption, and emphatically asserted the authority of the British state over the governing practices of the Company in India.

However, the reforms proved to be a catalyst for the emergence of powerful non-Company commercial interests in India and Britain. Before the reforms, the small number of non-Company merchants trading in India and Asia (the 'free merchants') had to compete with Company servants whose status and position within the East India Company allowed them a distinct advantage. This had limited the scope of the free merchants' activities, and the prohibition of private commerce by the Company's employees opened vast new opportunities. In particular, the prohibition fuelled the expansion of a new form of commercial organisation among the free merchants – the agency house. Company employees, unable to trade on their own account, but in receipt of substantially increased salaries, needed a profitable outlet for their increased savings, and a range of financial

¹⁹ Bowen, *The Business of Empire* p35 and pp70-71.

services to manage their incomes and repatriate their funds. Free merchants were able to exploit this by offering banking and other financial services to Company employees, accessing in the process a rich source of capital to finance the expansion of non-Company commercial activities to fill the vacuum left by the retreat of Company servants from private trade. These activities included the intra Asian trade with south-east Asia and China (the 'country' trade), ship building and ownership, investment in commercial crop production such as indigo, and acting as financial advisers and agents to Company employees. To cope with the increased volume of business, many free merchants formed partnerships with their peers, and the 'agency house' business organisational form emerged in the 1780s and 1790s. They strengthened their links with the Indian commercial community by recruiting, on an informal basis, Indian merchants (*banians*) to act as intermediaries²⁰. All of the main Indian presidencies saw the establishment of such houses, and by 1790 there were fifteen such houses in Calcutta alone, rising to 29 by 1830, on the eve of the great financial crisis which wiped most of them out²¹. About six of the firms came to dominate the non-Company sector in Calcutta, namely John Palmer & Co., Fairlie, Fergusson and Co. and Alexander and Co²². The proliferation and growth of the Indian agency houses was greatly assisted by the supportive role to the East India Company they came to perform in a number of areas. Firstly, as shown, they provided financial and other services to Company servants which otherwise would have had to be provided by the Company itself. Secondly, as the houses became major repositories of bank deposits, they were able to lend to the Company administration and provide other services, notably acting as Company agents and providing victualling and transport for the Company's army. But most important was the role they came to play in the China trade. In the last two decades of the eighteenth century, especially following the duty reductions under the Commutation Act of 1784, the Company's monopoly of Chinese tea exports to Britain became its most profitable commercial line²³. But it was a complex trade, which came to depend upon the export of Company opium from India to finance the purchases of tea. As the drug was illegal in China, the Company and the agency houses devised an elaborate system which enabled the Company to avoid punitive action from the Chinese authorities. The houses purchased Company opium in India, shipped it to Canton and smuggled it into the country. They paid the receipts into the Company's treasury there, providing the latter with the local currency reserves with which to purchase Chinese tea and

²⁰ A. Webster, *The Richest East India Merchant: The Life and Business of John Palmer of Calcutta 1767-1836* (Woodbridge, Boydell Press 2007) chs 3 and 4..

²¹ S.B. Singh, *European Agency Houses in Bengal, 1783-1833* (Calcutta, Firma Mukhopadhyay 1966) p10.

²² *Ibid.*, pp10-12.

²³ J.R. Ward, 'The Industrial Revolution and British Imperialism 1750-1850' *Economic History Review* 47:1 (1994) pp44-65.

other commodities. In return, the houses received bills of exchange payable in London or India, furnishing them with a safe and lucrative channel of remittance of their profits²⁴. In this way, by 1800 the non-Company commercial interest had become commercially powerful and politically influential, notwithstanding the continuing privileges and monopoly enjoyed by the Company.

Moreover, this rise to prominence in India was soon mirrored in the establishment in London of London-based sister agency houses which were connected with their Indian counterparts. These were mostly set up by former partners in the Indian agency houses who had retired to London. They used their repatriated wealth to establish or buy into the London firms, which dealt with the British side of Indian agency house business, such as handling the funds of Company servants, and arranging sales of the limited imports of Indian goods conducted by the Indian houses, though the 'privilege trade' (the restricted cargo space allotted to the officers of Company East Indiamen for their own trading purposes; which they frequently sold to the Indian agency houses). From the late 1780s many of these London agency house merchants began to buy stock in the East India Company, in the process building a powerful non-Company commercial interest group with influence right at the heart of the Company's administration. Without doubt the most prominent of these early London agency house men was David Scott, who in 1786 left his Bombay firm of Scott, Tate & Adamson to set up David Scott & Co. of London²⁵. An East India Company and Director by the early 1790s, he became the leader of an emergent London East India agency house interest in the Courts of Directors and Proprietors, and a powerful foe of the Company's privileges within the organisation's own ranks.

The period from the early 1790s to the mid 1830s saw the passage through parliament of three Charter Acts governing the privileges and operations of the East India Company, each progressively diminishing the rights and position of the Company. The 1793 Act appeared to largely bolster the position of the Company, allowing only meagre concessions to its opponents as part of what Dundas called a 'regulated monopoly'. The Company's monopoly was renewed for twenty years, with only the proviso that 3,000 tons of Company shipping be made available for non-Company merchants to ship goods to and from India on their own account. Such exports and imports were to be subject to 'reasonable' rates of freight, though defining what this meant this proved to be a bone of contention between the

²⁴ M. Greenberg, *British Trade and the Opening of China 1800-1842* (Cambridge, Cambridge University Press 1951) pp50-74.

²⁵ C.H. Philips, *The Correspondence of David Scott: Volume One* (London, Camden Third Series 1951) pxi.

respective parties²⁶. The 1813 Act, however, marked a decisive break with the past. The Company's monopoly of trade with India and southeast Asia was ended, and trade was opened to vessels of 350 tons and above, provided they called only at the main Company presidencies. There were also tough restrictions on the import into Britain of Indian textiles, including heavy duties and the confinement of such imports to the port of London. The Company was also required to introduce much stricter accounting procedures which delineated much more clearly between its commercial earnings and income arising from its political role in India, such as tax revenues²⁷. Then in the 1833 Act, the last remaining Company monopoly with China was abolished, and the organisation's commercial activities terminated, leaving it as essentially an agency of imperial governance²⁸. The period was certainly one of retreat for the Company, but the central questions are: Why this was the case? Who were most effective in leading the campaign against the Company? And who benefitted?

It is important not to see this process in excessively adversarial terms. There were factors other than political opposition to the Company's privileges which forced this steady retreat. One of the most significant and recurring problems was a perennial financial one. The difficulties of the 1780s have already been alluded to, and this certainly heightened the urgency for reform leading to the 1793 Charter Act. But significantly, spiralling Company debt reappeared with a vengeance in the first decade of the nineteenth century, when the full cost of Governor-General Wellesley's aggressive expansionism in India became apparent. Besides having to petition the British government for aid, the Company also had to borrow £6 million in bond issues between 1807 and 1812²⁹. So serious was the Company's predicament that the government even set up a parliamentary Select Committee to examine the causes of the problem. By the late 1820s, this chronic state of recurring financial crises had deteriorated even further. By then, profits from the China trade had peaked and were being engulfed by growing losses in the Company's Indian trade, in which it was unable to compete with the hoards of free merchants taking advantage of the liberalisation of this branch of commerce by the 1813 Charter Act³⁰. The Company even had to import bullion from India and China to meet its domestic commitments in Britain. Thus a key factor in the decline of the Company was the glaring evidence of its failure as a commercial organisation, which convinced those in power that in the conduct of first the Indian and later the China

²⁶ Dundas to Baring, 16 February 1793, Home Misc 401 p248, BL OIOC.

²⁷ Bowen, *The Business of Empire* p253

²⁸ C.H. Philips, *The East India Company* (Manchester, Manchester University Press 1961) pp291-295.

²⁹ *Ibid.*, p156

³⁰ Bowen, 258-259.

trade, the national interest would be better served by merchants other than the East India Company. Of course other factors assisted this process. The growing wealth and apparent competence of the Indian and London East India agency houses helped provide a convincing alternative to the Company. The impact of the Napoleonic Wars also bore down on the Company. High inflation, shortages of food and other hardships helped persuade the British state of the advantages of the open import of Indian commodities, especially foodstuffs such as rice³¹. War also elicited a pragmatic embrace of trade liberalisation as a measure for countering inflation and social disorder, an ideological position sometimes described as ‘Liberal Toryism’³². More generally, the Company gradually came to be synonymous with commercial incompetence, inefficiency, corruption and selfish sectional interest unprepared to make concessions in the national interest. In any case, by the 1820s the rise of new commercial and financial interests in the City of London meant that the Company was no longer the central and all dominating institution which it had still been in the 1790s. By then, when pressure for political reform was also gathering momentum, the Company was seen as part of the old establishment of corruption, and dangerously exposed to its opponents.

But notwithstanding these mounting issues around the Company’s competence, there can be no doubt that the political will and impetus which challenged Company privilege came from interest groups who stood to gain from it. Among these, two specific groups stand out. Firstly, as described, the London East India agency houses and their allies in India, who had been growing in strength since the 1780s, formed a consistent lobby for the liberalisation of commerce throughout the period. Secondly there were the various city and regional groups of merchants and industrialists in the provinces, eager to strip the Company of its privileges and acquire a share of the export and import trades with Asia. Cain and Hopkins contend that over time, the first group were the more effective in lobbying against the Company, and that ultimately it was the gentlemanly capitalists active in trade with Asia outside the Company who triumphed over gentlemanly capitalists within it. But in fact, Cain and Hopkins have underestimated the role of provincial industrialists and merchants in the erosion of Company privilege. From being the junior partners in the campaign against Company privilege in the years before the 1793 Act, the provinces came to play a much more central role in the successive campaigns leading to the Charter Acts of 1813 and 1833. It is important to consider this shift in the balance of power between the provincial interests

³¹ See A. Webster, ‘The Political Economy of Trade Liberalization: The East India Company Charter Act of 1813’ p417.

³² See J.E. Cookson, ‘Political Arithmetic and War in Britain, 1793-1815’ in *War and Society* 1:2 (1983) pp37-60; and, ‘British Society and the French Wars, 1793-1815’ *Australian Journal of Politics and History* 31 (1985) pp192-203.

and the London East India agency houses, and the strategies and tactics employed by these two anti-monopoly factions.

In respect of the campaign to liberalise the Company's trade in the years before the 1793 Act, both the London agency houses and the provincial industrialist interests actively lobbied government for change. But there is little doubt that it was the London faction, which also included new shipbuilding enterprises keen to challenge the dominance of the 'old shipping interest' and its near monopoly of building and part-owning the ships of the East India Company, which was instrumental in securing the concessions granted under 'regulated monopoly' in 1793. Two factors empowered them. Firstly, the President of the Board of Control Henry Dundas, the architect of the 1784 Act, was convinced that the old shipping interest and the wealthy *nabobs* who had made their fortunes under the Company's monopoly and who now occupied key positions in the Courts of Proprietors and Directors, needed to be cut down to size, an attitude born of the bitter battles over reform in the 1780s. Moreover he was convinced that, while preservation of most of the Company's privileges was in the national interest, there was now undeniably a case for assisting the merchants and rising industry of provincial Britain³³. Secondly, the London East India agency houses and the new shipping interest had built up their stockholdings in the Company to the extent where they were a significant faction in the Courts of Directors and Proprietors. This internal presence within the Company was one of the enduring advantages which the London houses were to enjoy over their peers in the provinces during the long campaign for change between 1790 and 1833. Of crucial importance in the 1793 Act was the close relationship between David Scott, the effective leader of the reform campaign, and Dundas, who had assisted Scott's elevation to the Directorate in 1788. Scott skilfully negotiated a path between supporting the preservation of the Company's essential privileges, and securing concessions for non-Company interests in the form of limited rights to export and import goods³⁴. He nimbly played on the fears of politicians and Company men alike that the absence of a channel for the remittance of private wealth from India through non-Company trade effectively drove it into the hands of the 'clandestine trade', the illicit channels of commerce controlled by the Danes, the Dutch and other foreign companies. This undermined national prosperity to the advantage of foreign rivals. Scott and his allies persistently argued this point throughout the campaign in personal interviews and memorials to politicians, claiming in March 1793 that as much as £10 million had been remitted to Europe through the

³³ Philips, *The East India Company* p71.

³⁴ A. Tripathi, *Trade and Finance in the Bengal Presidency 1793-1833* (Calcutta, Oxford University Press 1979) p22.

clandestine trade since the mid 1760s³⁵. The strength of support from politicians, and from the London houses and new shipping interest within the Company, for modest concessions to non-Company trade to alleviate this problem delivered the concessions embodied in the 1793 Act.

But provincial mercantile and industrial interests were also active during the campaign for reform. Merchants and industrialists from Manchester, Glasgow, Liverpool and Exeter sent memorials to parliament and delegations to meet ministers³⁶. But their impact was limited, principally because there was no communication or co-ordination between the various commercial communities. As a result, their demands were confused and frequently contradictory³⁷. Manufacturers of long ells in Exeter wanted an exclusive deal with the Company to purchase their produce for export to China³⁸. Manchester and Glasgow cotton manufacturers wanted a ban on the import of Indian cotton goods and the removal of duties on British cotton exports, while Liverpool wanted a share in shipping freight to and from India. Cornish tin mine owners wanted to be able to export tin to Asia on Company ships on their own account. So muddled and ill informed seemed the calls from the provinces that even prominent allies linked to the Company who supported free trade, such as John Cochrane, were scathing about the selfishness and ignorance of the provincial merchants and manufacturers, fearing the fate of India at the hands of industrialists who ‘have more of the savage about them than any other class of men’³⁹. Crucially, Manchester and Glasgow’s call for a ban on imported Indian cottons put them at odds with the Indian and London agency houses who wanted to make it easier to import Indian commodities on their own account. This self interested confusion made it easy for supporters of the Company to dismiss the

³⁵ Scott to William Pitt, 28 November 1789 in Philips, *The Correspondence of David Scott Volume 1* p3; Tripathi pp28-29; Memorial on the clandestine trade, and the East India Company’s observations thereon, India Office: Charters and Treaties A/2/10 BL OIOC.

³⁶ Memorial from Merchants of Exeter, 9 March 1793 India Office: Charters and Treaties A/2/11, British Library Oriental and India Office Collections (BL OIOC); Dundas to Francis Baring, Chair of the East India Company, 23 March 1793 and minute of conversation with a Manchester delegation which took place in Downing street on 20 March 1793. Home Misc 401 pp298-300 BL OIOC; Meeting of muslin and calico manufacturers in Manchester on 5 April 1793, India Office: Charters and Treaties p112 A/2/1; Dundas to Baring, 23 March 1793, Minute of Conversation with Gregg and Frodsham, Manchester delegates Home Misc 401 pp295-297; Thomas Earle (Liverpool) to the Privy Council Committee on Trade, 8 March 1793, India Office Charters and Treaties p110-111 A/2/11; John Dunlop (Glasgow) to Dundas, 19 March 1793, pp139-141, Home Misc 401 pp300-302; Dundas to Baring, 23 March 1793, enclosing letter from Lord Falmouth and six others representing the Cornish tin mining industry, Home Misc 401 pp287-289.

³⁷ Tripathi p22.

³⁸ Memorial from Merchants of Exeter, 9 March 1793 India Office: Charters and Treaties A/2/11.

³⁹ John Cochrane, ‘General Observations on Monopolists – the East India Company in Particular – Animadversion on their Reports’ London, 14 April 1793, Charters and Treaties A/2/11 pp351-367; p351.

provincial demands as ignorant and dangerous to the Indian imperial possessions. As a result the impact of the provincial men in shaping the 1793 Act was negligible.

However it was very different twenty years later. Two decades of further industrial development, major disruptions of trade caused by the Napoleonic Wars and deteriorating relations with the USA, infused a new provincial campaign for reform with greater determination. The loss of European markets because of Napoleon's continental blockade, combined with disruption of trade with America in the years before the outbreak of the War of 1812, created desperate circumstances for merchants and industrialists in cities such as Liverpool, Birmingham, Glasgow and Manchester⁴⁰. In addition, shortages, inflation and growing industrial unrest heightened a general sense of desperation in which all of these cities shared. This helped prompt a dialogue between leading figures in the major cities, partly brokered by several influential individuals. Thus, in 1810, the Whig radical, Henry Brougham advised William Roscoe, the Liverpool merchant to seek the assistance of merchants in Bristol, Cork and Glasgow in a renewed campaign against the Company's monopolies, shortly to be considered by parliament in the scheduled renewal of the Charter Act⁴¹. The upshot was a co-ordinated campaign of lobbying by the provincial cities from March 1812, with delegations meeting government ministers and petitions to parliament – but this time, unlike in the early 1790s, arguing for an agreed list of demands and stressing common needs. In each of the major cities, local leaders emerged to take responsibility for national co-ordination, including Thomas Attwood in Birmingham, George Schonswar in Bristol, and Kirkman Finlay in Glasgow. Of particular significance was the formation in Liverpool and Glasgow of organisations dedicated to the liberalisation of the Asian trade, the East India and China Associations. These bodies held meetings and formalised the pressure for change, and liaised with each other and like-minded interests across the country. Kumagai shows that this highly co-ordinated campaign was especially important in impressing upon the government that the threat of disorder in industrial Britain was real and imminent, and that trade liberalisation in the east could help alleviate the problem⁴². The present author certainly now concedes that these provincial interests were instrumental in

⁴⁰ B.H. Tolley, 'The Liverpool Campaign against the Order in Council and the War of 1812' in J.R. Harris (ed), *Liverpool and Merseyside: Essays in the Economic and Social History of the Port and its Hinterland* (London, Cass 1969) pp98-146; especially pp99-100; D.J. Moss, 'Birmingham and the Campaigns against the Orders in Council and the East India Company charter Act, 1812-13' in *Canadian Journal of History* 11 (1976) pp173-188.

⁴¹ Brougham to Roscoe 20 February 1810, Roscoe Papers, letter no. 463, Liverpool Record Office.

⁴² Yukihiisa Kumagai, 'The Lobbying Activities of Provincial Mercantile and Manufacturing Interests against the Renewal of the East India Company's Charter, 1812-13 and 1829-33' (PhD thesis, University of Glasgow 2008); especially pp78-92.

convincing politicians of the urgency of the situation. However, it remains clear that they were not the only interest group which influenced policy. The London East India agency houses helped formulate the 'Liberal-Tory' strategy of using free trade to overcome current problems of shortage and inflation. In particular, London agency house partners such as William Fairlie and Henry Trail helped persuade ministers of the value of India as a source of sugar, rice and other foodstuffs, through their testimonies to the various parliamentary select committees investigating the Asian trade in the years before the Charter Act of 1813⁴³. They also declined to support proposals from certain London interests that in the event of the import trade from India being opened, it should be restricted to the port of London. Instead, they contended that Indian supplies of cotton could sustain the British cotton industry in the provinces, in the event of conflict with the USA curtailing raw cotton supplies from that quarter⁴⁴. This stance presaged the closer co-operation between provincial interests and the London East India agency houses which was to emerge in the next two decades. The significance is that the 1813 Act was in part the product of commercial pressure group activity emanating from provincial industry, as well as non-Company London interests.

In the wake of the 1813 Act, the constellation of non-Company interests seeking to roll back East India Company privilege still further underwent a radical process of commercial realignment which was to significantly enhance the potency of both lobbies, but especially the provincial interests. Merchants and manufacturers in Liverpool, Glasgow and other provincial cities moved quickly to take advantage of the newly opened Indian trade, seeking markets for British manufactures. Some British mercantile firms even established their own partner houses in India. John Gladstone of Liverpool, for example, established the Calcutta firm of Ogilvy & Gillanders in the mid 1820s⁴⁵. But a lack of knowledge of Asia in general, and turbulent instability in the Indian trade after 1813, which saw initial growth give way to overstocking of British goods because of the uncontrolled activities of the new 'free traders' led, from the early 1820s, to provincial manufacturers seeking established expertise in the complexities of the Indian market⁴⁶. The London East India agency houses proved to

⁴³ Joint testimony of Henry Trail, Henry Fawcett, John Innes and R.C. Bazett, 10 April 1810, Fourth Report of the Select Committee on East Indian Affairs, *Parliamentary Papers* VI, 1812 p292; Committee of the Whole House on East Indian Affairs, *Parliamentary Papers* VII, 1812-13; testimony of William Fairlie, 9 April 1813, p117; see also A. Webster, 'The Political Economy of Trade Liberalization: The East India Company Charter Act of 1813'.

⁴⁴ Petition from London merchants engaged in the private East India trade to the Board of Trade, 6 March 1813 BT1/74 p291, National Archives; further petition, *Hansard* (Commons) XXV, 3 May 1813, pp1117-1120.

⁴⁵ J. S. Gladstone, *History of Gillanders, Arbuthnot and Co. and Ogilvy Gillanders and Co.* (London 1910) pp6-10.

⁴⁶ According to one source, the value of British manufactured exports to India trebled within five years,

be the best source, and they began to export on commission large quantities of British manufactures to India and southeast Asia. The London firm of Duncan & McLachlan led the way⁴⁷. They frequently advanced large sums to manufacturers, sometimes up to half the value of the goods to be shipped. Arrangements were made with contacts in India to arrange for sales of the commodity on arrival, and receipts were repatriated either via bills of exchange, or by the purchase of Indian exports to Britain⁴⁸. Another major player was Paxton, Cockerell & Trail, which by the end of the 1820s enjoyed very close relations indeed with manufacturers in Glasgow. By the early 1830s, Sir George Larpent, a partner in that firm boasted of his intimate knowledge of Glasgow manufacturers and their businesses⁴⁹. Interestingly, the London houses found that their longstanding Indian sister firms were reluctant to become involved in the growing trade in British manufactures, principally because the latter had suffered from early speculations in the turbulent environment which followed the liberalisation of the Indian trade⁵⁰. Consequently, the London firms increasingly chose to deal with the new merchant firms which had been established in the wake of the 1813 Act. In this way, the links between many of the London houses and provincial industrial firms came to outweigh older allegiances with the traditional Indian agency houses. As a result, many London houses demonstrated only lukewarm support for their Indian partner firms during the Calcutta financial crisis of 1830 to 1834, which saw the extinction of all the older Indian agency houses⁵¹. By the 1820s, other sections of the City of London were also seeking to encroach on the Asian trade, even to the point of undermining the Company's remaining monopoly of trade with China. For example, Barings of London managed to export £547,000 of British manufactures by operating through an American merchant based in Boston⁵². It was recognised that London merchants usually made about

rising from Rs5.3 million in 1813/14 to Rs15 million by 1818/19, K.N. Chaudhuri, 'Foreign Trade and Balance of Payments 1757-1947' in D. Kumar (ed) *The Cambridge History of Modern India Volume 2: 1757-2003* (Hyderabad, Orient Longman India 2005) pp804- 877; p828.

⁴⁷ Select Committee of the House of Commons on the means of improving and maintaining Foreign Trade – East Indies and China, *Parliamentary Papers*, 1821, Vol. VI, interview with Patrick Maclachlan, 9 April 1821 pp277-280.

⁴⁸ Minutes of evidence, interview with George Larpent 6 June 1833, House of Commons Select Committee on Manufacturers, Commerce and Shipping, *Parliamentary Papers*, 1833, pp137-143.

⁴⁹ *Ibid.*, pp139-140.

⁵⁰ John Palmer in particular expressed his extreme disillusionment with this line of business; Webster, *The Richest East India Merchant* pp114-116.

⁵¹ A. Webster, 'The Strategies and Limits of Gentlemanly Capitalism: The London East India agency houses, provincial commercial interests, and the evolution of British economic Policy in South and South East Asia 1800-1850' *Economic History Review* 59:4 (2006) pp743-764; pp748-749.

⁵² Minutes of Evidence, Select Committee of the House of Lords on the East India Company *Parliamentary Papers*, 1830 Vol. VI c646, testimony of Joshua Bates, 10 June 1830 pp364-366.

2.5% in commission on these transactions⁵³. Liverpool merchants also used American connections to flout the Company's China monopoly, notably William J. Brown, who in the 1820s exported over £800,000 of British manufactures to China via this route⁵⁴.

Thus by the late 1820s, provincial merchants and manufacturers in Liverpool, Glasgow and Manchester, and agency house merchants in London, were no longer strangers. They had established both business and personal connections. It became common for London agency houses and other mercantile organisations in the City to maintain a presence in the provinces. Paxton, Cockerell & Trail worked closely with the Speir brothers in Glasgow⁵⁵. In 1832, Barings established a branch in Liverpool to engage in the American trade there, and quickly became part of the local mercantile community⁵⁶. By 1843, the London firm of Reid Irving & Co. had a representative in Leeds working with manufacturers there⁵⁷. In this way, there emerged quite important commercial networks linking provincial industry and trade with the East India interests in the capital. Thus the division and distance between provincial industry and London finance as described by Cain and Hopkins, did not prevail in the Asian trade at this time. Furthermore, by the end of the 1820s the political ascendancy within the non-Company Asian commercial interests in Britain was swinging in favour of the provinces. By this time, the London agency houses, though a dominating presence in the Courts of Proprietors and Directors of the Company, found that the wider political and economic climate tended to negate the effectiveness of their 'insider' strategy of working from within the East India Company's structures of power. The financial problems of the Company mounted in the wake of the near disastrous Anglo-Burmese War of 1824-26, reinforcing general doubts about the long term viability of the organisation as a trading concern. Besides, the Company was no longer the economic focus of the City it had been in the eighteenth century. The political mood for reform during the decade also reinforced a general perception that Company privilege was unjustified, inefficient and immoral. The agency house representatives in the Court of Directors may have been senior officers aboard this commercial vessel, but the Company was a sinking ship. By the early 1820s, the London agency houses and their Indian allies were beginning to realise that influence within the Company was no longer enough, and that organising themselves outside it was advantageous, at least on certain issues. Thus, during the protracted Anglo-Dutch negotiations about

⁵³ Ibid., interview with Charles Everett, 11 June 1830 p390.

⁵⁴ Ibid., testimony of William Brown, 22 June 1830, pp432-435, p432.

⁵⁵ Webster, *The Richest East India Merchant* pp133-134

⁵⁶ R.W. Hidy, *The House of Baring in American Trade and Finance: English Merchant Banker at Work 1763-1861* (Cambridge, Mass, Harvard University Press 1949) p128.

⁵⁷ Barings Liverpool to Barings London 11 November 1843, HC3.35, Records of Barings Bank, Baring Archive, London.

national spheres of influence in southeast Asia following the British acquisition of Singapore, the London houses formed the East India Trade Committee, which lobbied British negotiators directly⁵⁸. The Indian houses followed suit, establishing their own pressure group on the issue, the Society for the Protection of the East India Trade in 1823⁵⁹. But these bodies were highly specific, and did not widen their remit beyond the issue of southeast Asia. There was an attempt in 1825 to broaden the Indian organisation into a permanent Chamber of Commerce, but significantly, at this stage, the initiative came to nought⁶⁰.

By contrast, the provincial commercial pressure groups increased in strength. While the Glasgow East India Association had been wound up in the euphoria which followed the passage of the 1813 Charter Act, the Liverpool Association continued as an active pressure group, reflecting dissatisfaction with the survival of the Company's China monopoly. It also deeply resented the advantages bestowed upon trade with other parts of the empire, notably the lower duties paid on sugar imported from the West Indies compared with Asian sources⁶¹. As a result, at the end of the 1820s when the question of renewal of the Company's Charter loomed large, the Liverpool Association was well placed to mobilise allies, particularly in Glasgow, Birmingham and Manchester. In Glasgow, the East India Association was reinstated in response to overtures from Liverpool⁶². Thus, in 1829 Liverpool spearheaded a fresh assault on Whitehall, leading a new delegation of provincial interests and associations to campaign for an end to Company privilege for once and for all. As shown, by this time the context of seemingly irreversible deterioration in the Company's finances and reputation gave the provincial interests an overpowering advantage, and in essence they won their argument by the end of 1830. Following meetings with the Duke of Wellington and senior ministers in May, the Prime Minister set up a parliamentary select committee to investigate the question. Following the fall of Wellington's administration, the new government of Earl Grey quickly made it clear to the Company that its China monopoly would be ended⁶³. But the role of the provincial lobbyists in this should not be underestimated. Once again they sustained a co-ordinated campaign of petitions, interviews and testimonies to the two Select Committees (one in the Lords and one in the Commons) which considered the Charter

⁵⁸ A. Webster, *Gentlemen Capitalists: British Imperialism in South East Asia 1770-1890* (London, Tauris 1998) pp101-102.

⁵⁹ Webster, *The Richest East India Merchant* p103.

⁶⁰ Ibid.

⁶¹ Report of a Committee of the Liverpool East India Association appointed to take into consideration the Restrictions on the East India trade – Presented to the Association at a General Meeting 9 May 1822, Liverpool Record Office H380.6EAS

⁶² Minutes of the Glasgow East India Association, MS 891001/2, Papers of the Glasgow East India Association, Mitchell Library, Glasgow p1.

⁶³ Philips, *The East India Company* p289

renewal. The provincial campaigners were systematic in their efforts to persuade the committees that their case was just and best for the national interest. Witnesses were carefully briefed and debriefed before sessions, and the provincial campaign was able to display a much more formidable grasp of the detailed working of trade with Asia than had previously been the case. A strikingly new development was the success of provincial leaders in working with London merchants and key experts on Asia. This was undoubtedly a legacy of the commercial collaborations with London East India agency houses and financiers which had emerged during the previous decade⁶⁴. Two examples particularly stand out. Kirkman Finlay, at the behest of the Glasgow Association, consulted with Joshua Bates, a leading partner in Barings and an influential figure in the City of London⁶⁵. Bates was called as an independent expert witness before both the Commons and Lords Select Committees on several occasions between March and June 1830, the initial sessions taking place before the anti-monopoly faction had an opportunity to discuss what he was going to say. In fact, Bates argued that an end of the Company's monopoly would help British trade to beat off growing competition from American merchants, as well as furnish British market with cheaper tea⁶⁶. But when his views were refuted by the Company's auditor, James Cosmo Melvill, Kirkman Finlay notified Bates and helped him formulate a response in a subsequent appearance before a Select Committee⁶⁷. Secondly, a key adviser to the provincial lobby was John Crawford, the Scottish Orientalist and former East India Company official who had once been Governor of Singapore. Crawford gave testimonies before the Select Committees, and also briefed key witnesses appearing on the behalf of the anti-monopoly campaign⁶⁸. In this way, the political campaign which led to the ending of the Company's monopoly and commercial life by the Charter Act of 1833, was an alliance of London and provincial interests; but one in which the latter very much enjoyed the upper hand.

The leadership of the provinces over London in Asian affairs and the collaboration between them, which was manifested during the Charter campaign of 1829 to 1833, was also

⁶⁴ Kumagai, 'The Lobbying Activities of Provincial Mercantile and Manufacturing Interests against the Renewal of the East India Company's Charter, 1812-13 and 1829-33' pp145-146.

⁶⁵ Minutes of the Glasgow EIA, 22 February 1830, MS 891001/2 p26.

⁶⁶ Select Committee on State of Affairs of East India Company, and Trade between Great Britain, East India and China, Minutes of Evidence, *Parliamentary Papers* 1830 Vol VI (644) pp218 – 233; pp329-332, pp497-500; Minutes of Evidence, Select Committee of the House of Lords on the East India Company *Parliamentary Papers*, 1830, (646), testimony of Joshua Bates, 10 June 1830 pp364-366.

⁶⁷ Joshua Bates to Alexander Baring, 17 May 1830, 'Sundry miscellaneous papers relating to the investigation of the Affairs of the East India Company', Baring Archive 209803.

⁶⁸ Crawford's advice to one Captain Coffin was noted in Finlay to the Glasgow EIA 25 February 1830, Glasgow EIA papers, Incoming Correspondence MS891001/4.

evident in a range of other questions. Perhaps the most symbolic indication of provincial dominance was the decision in spring 1836, by a large coterie of London East India agency houses to establish the London East India and China Association, modelled on the Associations of Glasgow and Liverpool⁶⁹. Almost its first act was to establish formal links with those organisations with a view to collaborating in areas of common interest⁷⁰. There thus emerged a network of organisations which enabled London merchants and financiers to unite with provincial manufacturers on a number of issues. For example, they campaigned successfully to equalise duties on East and West Indian sugar in 1836⁷¹. By 1841, a similar equalisation on East and West Indian tobacco and spirits was achieved⁷². As Anglo-Chinese relations deteriorated during the years leading to the First Opium War of 1839 to 1842, this alliance of East India interests strove to preserve access to the Chinese market⁷³. They also campaigned against Dutch efforts to curb British trade with their imperial possessions in southeast Asia, though without success⁷⁴. Moreover, this British network of Asian commercial organisations also established collaborative relations with a new generation of commercial pressure groups which sprang up in the Indian presidencies, the Straits Settlements and among the British merchants in Canton⁷⁵. Unsettled by the end of the Company's commercial activities, and by the effects of the great Calcutta financial crisis of 1830 to 1834, in the late 1830s merchants in Bombay, Calcutta, Madras, Penang, Singapore and Canton all formed their own chambers of commerce, and they participated in the lobbying campaigns mentioned above. Tensions between merchants in southeast Asia and the East India Company were behind the formation of the Penang and Singapore chambers, partly stemming from a perceived indifference on the part of the Company to the needs of British merchants in the region, following the end of the Company engagement in trade following the 1833 Charter Act. Specifically, an attempt to impose trade duties at Singapore motivated the formation of the Chamber there in 1837, and led to it working with the British East India Associations to defeat the proposal⁷⁶. More generally, British merchants in Asia came to see links with the British Associations as a way of countering unpopular Company

⁶⁹ First Report of the Committee of the London East India and China Association 3 January 1837 OIOC, BL

⁷⁰ Minutes of Glasgow EIA, AGM 31 March 1836, MS891001/2, p128.

⁷¹ First Annual Report of LEICA, January 1837, pp6-7.

⁷² LEICA annual report 1841 pp3-8

⁷³ I. Nish, 'British Mercantile Co-operation in the India-China Trade from the End of the East India Company's Trading Monopoly' *Journal of Southeast Asian History* 3:2 (1962) pp74-91; pp86-87.

⁷⁴ LEICA annual report 1841 pp11-12.

⁷⁵ See Nish, 'British Mercantile Co-operation in the India-China Trade'.

⁷⁶ C. Buckley, *An Anecdotal History of Old Times in Singapore Vol 1* (Fraser and Neave, Singapore 1902) pp313-314; London EICA to Glasgow EIA 25 August 1836, India Board to Glasgow EIA 26 August 1836, MS891001/7 pp73-74.

decisions. Thus there emerged a trans-imperial network of interests across Britain's Asian empire which linked London gentlemanly capitalists, provincial industrialists and merchants, and British merchants on the periphery of empire. In the 1830s and 1840s, gentlemanly capitalists involved in the Asian trade worked through this network to promote their interests. Far from working in isolation, they accepted as inevitable compromises with allied interests necessary to enable this network to function and exert its influence.

Of course, the balance of power within the network shifted, and had to be managed carefully. Over time, the proximity of the London merchants to the centre of political decision making in London, their extensive political connexions and their knowledge of, and links with, commercial interests in the east, meant that gradually they emerged as the dominant group, a fact readily acknowledged in 1839 by senior figures in the Glasgow Association⁷⁷. By the mid 1840s, there were rival schemes for Indian Railway Companies, each vying for Government approval. The East Indian Railway Company, campaigning for the development of a line from Calcutta to Delhi was supported by a consortium of London-based interests⁷⁸. The Great India Peninsular Railway, seeking to construct a line from Bombay to Delhi, opening up the cotton growing areas of Eastern India, was supported by provincial merchants and manufacturers in Liverpool, Manchester, industrial Lancashire and Glasgow⁷⁹. Several of the supporters of the Bombay line certainly felt that the London interests were able to command greater support in government⁸⁰. Thus it did seem the case that the gentlemanly capitalists were ultimately the principal voice in efforts to shape British imperial policy in Asia; but they succeeded by working in alliance with provincial industry and other interests based in Asia.

But during this period the provincial lobbyists remained a powerful check on the ability of the London interests to get everything they wanted. The best example of this was in the field of banking. Between 1833 and 1836, the London agency house merchant Sir George Larpent devised a plan for a British based Joint-Stock Central Bank for India, which would deal with the remittance of the East India Company funds to meet its commitments in Britain, as well as channel British investment to fund Indian economic development. A Bank Prospectus was published in Spring 1836, but it met severe opposition from an alliance of

⁷⁷ A. Wardrop of the Glasgow EIA to J. Stikeman of the London EICA 9 March 1839 MS891001/14 p71.

⁷⁸ 'A letter to the Rt Hon Lord John Russell MP on the subject of Indian Railways by an East India Merchant' (London, Smith, Elder & Co.) pp4-5.; H. Mukherjee, *The Early History of the East Indian Railway 1845-1879* (Calcutta, Firma KLM Private Ltd 1994) p21.

⁷⁹ Mr Ritchie to John Chapman, 13 September 1844 p75; Chapman to the Manchester Chamber of Commerce 24 February 1845 p118, Paper of John Chapman, Eur Mss E/234/9, OIOC, BL.

⁸⁰ Chapman to Smith in Bombay 23 August 1847; Chapman to Smith in Bombay 24 June 1847 Eur Mss E/234/69.

provincial interests and dissident London agency house merchants. The former saw the bank as a thinly veiled plot to reassert the dominance of London in Asian affairs, while the latter saw the bank as a direct threat to their own business activities. The opponents to the bank also secured the support of merchants in Calcutta, and the Company's Indian administration. As a result, the idea of the bank was swiftly abandoned in early 1837⁸¹. So comprehensive was their defeat that the supporters of the bank subsequently set themselves against new initiatives in this direction. Between 1840 and 1844 no fewer than three more attempts to establish a major British based exchange bank for India were thwarted by the united opposition of the London East India agency houses and the provincial East India Associations⁸². Clearly there was a price to be paid by the financial interests of the City for the enduring co-operation of industrial interests in the provinces.

However, this trans-imperial network linking the City, British industry and the imperial periphery did not endure, and what followed later in the century was an assertion of gentlemanly capitalist power much along the lines described by Cain and Hopkins. The catalyst for its disruption was the great financial crisis of 1847/8, which swept away large numbers of mercantile firms in London and across the country. Although the immediate causes of the crisis were related to overspeculation in the grain market and the 'railway mania', it spread quickly to all branches of commerce, but particularly those which already suffered from underlying problems. This was especially so in the case of the Asian trade. Tripathi shows how during the 1830s and 1840s agency houses and merchants in India, London and other major British cities engaged in 'overtrading', or the running up of excessive debts on bills of exchange which were covered by the issue of further dubious bills⁸³. Twenty London East India agency houses were swept away, with large numbers of failures also in Liverpool, Glasgow and elsewhere⁸⁴. There were equally devastating failures of agency houses in Calcutta⁸⁵. The effects of the crisis on the network of pressure groups seeking to shape British policy in Asia were devastating. Within a year, the Glasgow Association had been effectively wound up, and absorbed into the Glasgow Chamber of

⁸¹ Webster, 'The Strategies and Limits of Gentlemanly Capitalism' pp751-754.

⁸² Ibid., p754.

⁸³ See A. Tripathi, 'Indo-British Trade between 1833 and 1847 and the Commercial Crisis of 1847-8' in A. Siddiqi, *Trade and Finance in Colonial India 1750-1860* (Delhi, Oxford University Press 1995) pp265-289.

⁸⁴ D. Morier Evans, *The Commercial Crisis 1847-48; Being Facts & Figures Illustrative of the Events of that important Period, considered in relation to the three Epochs of the Railway Mania, the Food & Money Panic & the French Revolution* (London, Letts & Steer 1848) pp71-73.; Testimony of Charles Turner, 15 February 1848, the Select Committee of the House of Commons on Commercial Distress 1847/8 *Parliamentary Papers* Vol. 8 pp50-54.

⁸⁵ *Bankers Magazine* 8 (November 1848) pp662-663

Commerce⁸⁶. While the London and Liverpool Associations continued, there were major changes in the leading personnel who ran the organisations. More crucially, many of the commercial links which had connected the London houses with provincial manufacturers were broken, effectively disrupting key elements which made the network operate effectively.

Relations between the London financial and provincial industrial worlds never quite recovered the closeness which had existed before 1848. Moreover, many of those most closely involved in trade before the crisis were tainted by suspicions of malpractice and incompetence, which made it difficult for them to exert the influence they had previously enjoyed. This was most clear in the changing attitude of government towards the idea of creating large British based joint-stock exchange banks which would be allowed to service trade with India and Asia. As shown, four such attempts had been blocked in the late 1830s and early 1840s by a curious alliance of provincial merchants and manufacturers, London East India house merchants and the East India Company's administration. In spite of the latter's retreat from trade, it was still able to exert some influence over policy by dint of its role in governing India and its formidable body of expertise on Asia in general, which had been built up by generations of professional Company officials. But in the early 1840s, a new generation of Liberal ministers, with a zealous belief in free trade, were no longer willing to tolerate what had effectively been a veto on financial reform of the Asian trade. A key figure was James Wilson, founder of *The Economist*, who became Chief Secretary to the Treasury in the early 1850s. He had sat on the Parliamentary Select Committee which had investigated the causes of the crisis of 1847/8, and had been convinced that the establishment of large joint-stock exchange banks would prevent the dubious and excessive use of credit which had been common practice among the London East India agency houses. Wilson believed that the establishment of large exchange banks would provide the stability and sound credit that would ensure a new period of economic growth in the Asian trade. The great gold discoveries in Australia of the late 1840s promised a boom in trade within the Asian world, but for this to be secure, large and reliable financial institutions would be needed to avoid the errors of the past⁸⁷. As a consequence, a series of London based joint stock banks were created in the 1850s, in spite of protests from the surviving agency house merchants and provincial interests. The Oriental Bank Corporation, the Chartered Bank of India, Australia and China, and the Mercantile Bank of India, London and China all emerged

⁸⁶ Walkinshaw, Glasgow EIA to Stikeman, London EICA 23 September 1847 Papers of Glasgow EIA MS891001/15 p64.

⁸⁷ James Wilson, 'Banking in India', 12 June 1853, Papers of Sir Charles Wood Eur Mss F78/16 pp1-20 OIOC, BL

as major joint stock exchange banks, based in London, but with branches and connections all over Asia. The 1850s also saw the final throes of the East India Company, which was regarded as an inefficient relic by the Liberal politicians of the decade. The 1853 Charter Act further trimmed its powers, especially the powers of patronage still exercised by Company directors; but it was the Great Indian Rebellion of 1857 which led, just a year later to the winding up of Company rule and the establishment of a new system for governing India. In terms of the balance of forces within Britain able to shape British policy in Asia, matters had tipped decisively in favour of a new cohort of gentlemanly capitalists, operating through the new joint stock exchange banks which were rapidly replacing the old agency houses. Gentlemanly capitalist influence over imperial policy in Asia thereafter more closely resembled the model offered by Cain and Hopkins.

But several points should be stressed in conclusion. Firstly, it is clear that for about twenty years spanning the late 1820s to the crisis of 1848, the manufacturers and merchants of provincial Britain were certainly not outsiders in the determination of policy in Asia, but were major partners in a network of commercial and political interests which linked capital to province and metropole to imperial periphery. Moreover, even after the 1850s, provincial interests were not entirely marginalised. Their chambers of commerce continued to lobby Whitehall and parliament, and on occasion were still sought as allies by London interests. This raises questions, not so much about the hegemony of gentlemanly capitalists in the determination of imperial policy, but rather about their methods. It is the view here that even in the later nineteenth century, London merchants and financiers probably sought the help and alliance of industry and province much more frequently than has been suggested by Cain and Hopkins. Secondly, the role of the East India Company in shaping policy during the period from the 1830s to the 1850s has also been underestimated. There has been a tendency to see the history of the Company as effectively ending with the termination of its trading function in 1833; but in fact this freed the Company from a great deal of criticism of its mishandling of commerce. Thereafter it was able to recast itself as an arm of the British state, extremely knowledgeable of Indian affairs, but relatively impartial in its handling of them. In this capacity it did continue to exercise real influence over policy. It was a major component of the alliance of interests which prevented the establishment of Anglo-Indian joint stock exchange banks in the 1830s and 1840s. It created and managed the tea gardens in Assam which were eventually transferred to private hands and became a major sector of the colonial economy. Its support and approval were eagerly canvassed by the rival railway companies in the 1840s. Far from being an irrelevance, the Company continued to exercise real sway over events, and it was only in the 1850s that this finally waned in the face of hostile British politicians and even more hostile Indian subjects.

Dutch Commercial Networks in Asia in Transition, 1760-1830

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Introduction

In the autumn of the year 1808, a vessel sailing under a Dutch flag called at Nagasaki. At that moment nobody in Japan could have expected that the arrival of this vessel would bring about the serious result of the *seppuku* (*harakiru*) suicide of the Japanese governor of Nagasaki.

On 4th October 1808 (15th August 1808 on the Japanese calendar), a vessel entered the bay of Nagasaki. Two Dutch officials approached it for a regular inspection on a small boat together with Japanese officers from the island of Deshima, where the Dutch trading office was maintained. As the two Dutch officials came closed to a boat from the vessel, both were seized by armed sailors and taken on board. At the same time, the vessel suddenly raised a British ensign. Everything became clear when one of the captured officials returned to the Dutch office in Deshima bringing a letter from Captain Fleetwood Pellew. The vessel was not a Dutch merchant vessel but a British frigate, the HMS *Phaeton*. The *Phaeton* had been around East Asian waters in order to capture Dutch vessels sailing from Batavia to Nagasaki for trade. Failing to capture any, the *Phaeton* entered the bay of Nagasaki firstly to make sure that there were no Dutch vessels in the harbour and secondly to procure foodstuffs and water.

Since the second half of the seventeenth century, Japan had adhered to the principle that no political and commercial contacts with the British should be allowed. Should a British vessel enter the bay of Nagasaki, the local authorities were to drive it out as soon as possible. When the British requests were not accepted immediately they run amok around the port of Nagasaki, and the local authorities were unable to take any effective countermeasures, as they were faced with a shortage of troops and equipments. The city of Nagasaki was under the direct control of the Tokugawa shogunate and its governors had been appointed by the *shoguns* as direct vassals since the seventeenth century. In spite being directly under the shogunate, defence arrangements for the area around the bay of Nagasaki were charged to the domains of Saga and Fukuoka, under the general control of the governor of Nagasaki. At the time in question, the domain of Saga was in charge of such arrangements, yet because the Japanese had experienced peace in Nagasaki over a long period of time they did not suppose that full defences were necessary. Lacking sufficient military power, the Japanese authorities had to

accept the British demands in the end. After obtaining a supply of foodstuffs and water, the frigate left Nagasaki on 17th August 1808. Although peace was restored, the Japanese, especially the governor of Nagasaki, thought that this incident had harmed the dignity of the shogunate. Indeed, the Nagasaki authorities did not win any concessions from the British and had to accept all their requests. Hence, the so-called Phaeton incident ended with the suicide of Matsudaira Yasuhide, the governor of Nagasaki.¹

Beyond a direct analysis of this Phaeton incident, what kinds of background events led to the incident of 1808 in Nagasaki? That is the central question of this paper. It aims to provide the information about historical backgrounds in terms of the business activities in Asia of the Dutch East India Company (*Verenigde Oost-Indische Compagnie*: VOC) before the Phaeton incident. First, the paper investigates Dutch trading activity in Asia. By this investigation, the paper makes clear not only the development of the Asian trade of the VOC but also sheds light on structural changes in the sources of its profits, which were somewhat hard to see, when the Dutch Company was faced with the growth of the commercial activities of the English East India Company (EIC) in Asian waters. Second, the paper surveys the structural changes in Dutch business in Asia during the period of political and economic transition around 1800 both in Europe and in Asia.

The VOC's Asian trading business in the eighteenth century

Recent studies on the Dutch East India Company have revealed the fact that the VOC still had great power even in the mid-eighteenth century.² A unique point of the Dutch Company was its success in being engaged not only in trade between Europe and Asia, but also in intra-Asian trade. Among several trading lines of the VOC, the one between Japan and India was exceptionally significant. The VOC imported Javanese sugar into Japan and in return received huge amounts of Japanese copper, which were carried on Dutch vessels to Dutch trading posts on the Indian subcontinent, such as those in the regions of Coromandel, Bengal and Gujarat. In exchange for Japanese copper, the VOC obtained cotton textiles, which were shipped on Dutch vessels to the markets in Europe as well as in Java. This intra-Asian triangular trade between Java, Japan and India was formed in the first half of the eighteenth century, although by then the VOC was already relying on another triangular trade in Asian waters between Siam, Japan

¹ Hideo Matsutake, "Fēton Gō Jiken to 19 Seiki Shotō no Kaiun Zyōsei (A Study of the 'His Majesty's Ship Phaeton' Incident and the Maritime Situation in the Beginning of the 19th Century)", *Tonan Aija Kenkyu Nenpo*, Nagasaki University, 33-34, pp. 24-39.

² Femme S. Gaastra, *Geschiedenis van de VOC* (Zutphen: Walburg Pers, 2009) pp. 181-182.

and India which had been established in the mid-seventeenth century.³ In both of these trades, Japanese copper played an important role, contributing high Asian profits to the VOC.

Copper from Japan was sold by the VOC in several places. Their locations are shown in Table 1.⁴ In general, the Japanese copper was sold near the production areas of cotton textiles. Differently from other European companies, the Dutch Company had many trading posts in South Asia. In the case of the Coromandel Coast, this characteristic is obvious. Moreover, the Dutch trading posts under the control of the Dutch authorities in Colombo had two types in terms of location. One type is exemplified by the posts on Ceylon Island, where copper was not sold on a large scale. On the other hand, at the other type of posts such as those along the Fishery Coast on the south-eastern tip of the Indian subcontinent, large volumes of Japanese copper were sold annually. These are indicated by asterisks (*) in Table 1. In any case, the VOC had the best network of the trading posts in South Asia, compared to the other European trading company, and this regional network contributed to the well-functioning of the intra-Asian trade and the Euro-Asian trade in the points of the sales of Japanese copper and the purchase of Indian cotton textiles. According to research by Ryuto Shimada, profits on the sales of Japanese copper in South Asia accounted for 12.1 per cent of the total gross sales profits of the VOC in all its Asian trading posts in 1701/02, 13.6 per cent in 1741/42 and 10.1 per cent in 1771/72.⁵

While the VOC enjoyed profitable conditions in its trading business in Asia, it experienced two significant changes during the eighteenth century. One concerned the inflows of British copper into India and the other is the change in the composition of the sources of profits.

Around the 1730s, British copper began to be imported into India, with the background of the growth of the British copper mining industry. This trade in a European product was conducted by the English East India Company (EIC). Figure 1 indicates the outflows of British copper from London into Asia, and the table also shows the annual exports of Japanese copper to Asia by the Dutch East India Company (VOC). Until the 1750s, the export volumes of British copper never exceeded those of Japanese copper carried by the VOC, except for one year in the 1740s. The 1760s was the decade in which the competition between Japanese and British copper became palpable. Copper inflows from Britain then amounted to 600 tons per year. Around 1775, British copper inflows definitely exceeded those of Japanese copper.

³ Ryuto Shimada, *The Intra-Asian Trade in Japanese Copper by the Dutch East India Company during the Eighteenth Century* (Leiden: Brill Academic Publishers, 2006) pp. 17-18.

⁴ Table 1 is based on the data collected from the *Archief van de Boekhouder Generaal te Bataiva, 1700-1801* (BGB), the collection kept in the National Archives of the Netherlands (NA).

⁵ Shimada, *The Intra-Asian Trade in Japanese Copper*, p. 142.

During the fourth quarter of the eighteenth century, the annual outflow of British copper was around 1,500 tons, and in some years it exceeded 2,000 tons per annum. Thus, in terms of volume the Japanese copper trade conducted by the VOC was less significant than that in British copper by the EIC by the end of the eighteenth century.⁶

Table 1 South Asian establishments of the VOC ranked by the annual average amounts of Japanese copper sold, 1700/01-01/02, 1740/41-41/42 and 1775/76-76/77

(Dutch pounds)

(1) 1700/01-1701/02						
	1 - 2,000	-5,000	-10,000	-50,000	-100,000	over 100,000
Bengal		Patna				Hooghly
Ceylon	Colombo; Jaffna; Mannar; Bataloa			Tuticorin*; Alwar- tirunagarai*; Manapadu*	Kilakkarai*	
Coromandel		Pulicat	Palakollu	Draksharama; Conjemere; Porto Novo	Nagappattinam; Bimlipatam	Masulipatam; Sadras
Malabar				Quilon	Cochin; Cannanore	
Gujarat						Surat
(2) 1740/41-1741/42						
	1 - 2,000	-5,000	-10,000	-50,000	-100,000	over 100,000
Bengal						Hooghly
Ceylon	Galle; Matara; Mannar; Cape Comorin*; Trincomalee; Bataloa;		Colombo; Jaffna; Alwar- tirunagarai*; Manapadu*	Tuticorin*; Kilakkarai*		

⁶ Shimada, *The Intra-Asian Trade in Japanese Copper*, p. 78.

Kalpitiya

Coromandel			Kakinada; Porto Novo	Pulicat		Nagappattinam; Masulipatam; Sadras; Bimlipatam
Malabar	Quilon		Cannanore			Cochin
Gujarat						Surat

(3) 1775/76-1776/77

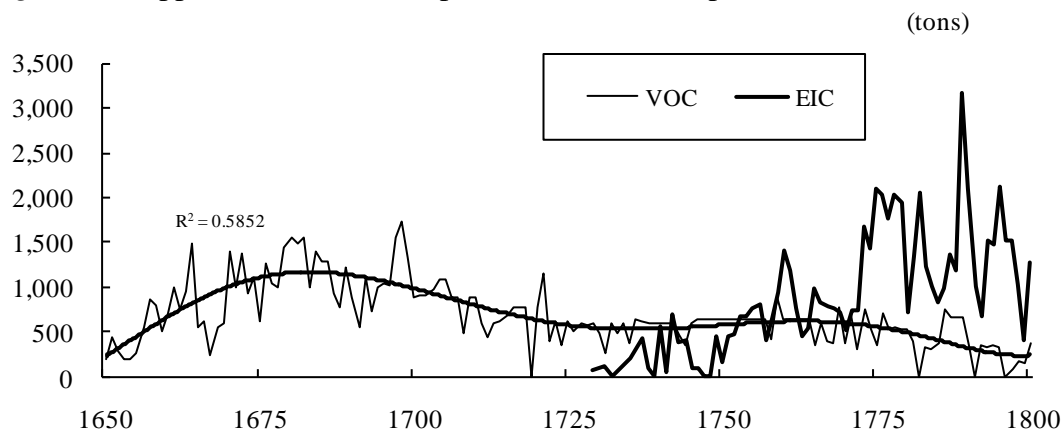
	1 - 2,000	-5,000	-10,000	-50,000	-100,000	over 100,000
Bengal						Hooghly
Ceylon	Galle; Matara; Mannar; Tuticorin*; Kilakkarai*; Trincomalee; Baticaloa; Kalpitiya	Jaffana		Colombo		

Coromandel			Pulicat	Bimlipatam	Sadras	Nagappattinam; Jagannathapuram
Malabar						Cochin
Gujarat						Surat

[Note] The establishments in Ceylon added the asterisks (*) were located on the Fishery Coast in the Indian Subcontinent opposite the island of Ceylon. The data on Coromandel in the period from 1775/76 to 1776/77 was based on records of the book year 1774/75. 1 Dutch pound = ca. 0.494 kg.

[Sources] Ryuto Shimada, *The Intra-Asian Trade in Japanese Copper by the Dutch East India Company during the Eighteenth Century* (Leiden: Brill Academic Publishers, 2006) pp. 88-89 [NA: BGB 10751, 10752, 10772, 10773, 10792, 10793].

Figure 1 Copper outflows from Japan (VOC) and Europe (EIC), 1650-1800



[Sources] VOC: Ryuto Shimada, *The Intra-Asian Trade in Japanese Copper by the Dutch East India Company during the Eighteenth Century* (Leiden: Brill Academic Publishers, 2006) pp. 198-199; EIC: British Library: OIOC IOR L/AG/1/1/16-28.

Table 2 Asian gross profits of the VOC, 1701/02 and 1751/52

	Sales of European products			Sales from Asian products			others	total
	Currency	Commodity	Company's use	Currency	Commodity	Company's use		
1701/02	160,710	135,708	20,407	24,833	2,689,610	18,522	232,325	3,282,114
(%)	4.9	4.1	0.6	0.8	81.9	0.6	7.1	100.0
1751/52	1,184,928	184,351	51,321	91,303	3,505,785	65,528	1,341,709	6,424,926
(%)	18.4	2.9	0.8	1.4	54.6	1.0	20.9	100.0

[Note] Asian heavy and light guilders are adjusted to the accounting procedure in the Dutch Republic.

[Sources] NA: BGB 10752, BGB 10776.

Despite the large inflows of British copper into India, Japanese copper was preferred in the Indian market for minting as regards quality. In fact, the English Company attempted to increase the export trade in British copper by producing imitations of Japanese bar copper in terms of quality and shape, yet due to the additional costs of producing such imitations the business was still unprofitable,⁷ although there is no doubt that the huge copper market in India attracted the interests of copper producers in Britain, and while the VOC's high commitment to Japanese copper could have caused it critical difficulties in the event of any British success in reducing production costs.

⁷ Shimada, *The Intra-Asian Trade in Japanese Copper*, pp. 125-127.

Table 3 Asian gross profits of the VOC in 1751/02

(fl.)

	Sales of European products			Sales of Asian products			others	total
	Currency	Commodity	Company's use	Currency	Commodity	Company's use		
Batavia	1,158,250	13,267	35,899	61,506	880,881	0	421,463	2,571,266
Ceylon	26,678	11,128	1,058	0	203,339	19,498	172,975	434,677
Malabar	0	15,009	978	0	178,073	2,669	47,725	244,453
Bengal	0	20,550	0	0	226,145	0	133,430	380,124
Coromandel	0	5,510	19	29,797	656,271	24	65,280	756,901
Gujarat	0	20,887	1,084	0	450,178	150	159,121	631,419
Mocha	0	23	0	0	40,847	291	9,161	50,321
Persia	0	0	0	0	5,370	0	783	6,153
Basra	0	13,747	0	0	92,653	0	99	106,499
Japan	0	16,161	0	0	71,558	0	114,534	202,253
Siam	0	0	0	0	3,255	0	25	3,280
Malacca	0	1,047	1,877	0	13,169	477	13,655	30,224
Padang	0	3,544	836	0	66,279	4,223	11,091	85,972
Palembang				N.A.				
Banten	0	151	0	0	5,235	0	12,786	18,173
Semarang	0	23,997	2,321	0	25,728	13,509	62,332	127,887
Cirebon	0	1,302	60	0	10,046	113	488	12,008
Jambi	0	814	0	0	2,912	0	36	3,762
Ambon	0	297	1,285	0	36,205	1,845	30,436	70,069
Banda	0	480	2,410	0	9,105	3,843	23,574	39,411
Ternate	0	669	1,326	0	28,516	4,113	17,532	52,156
Timor	0	0	189	0	3,983	0	2,009	6,182
Maccasar	0	732	1,981	0	24,139	14,774	40,336	81,962
Banjarmasin	0	110	0	0	17,161	0	244	17,516
China	0	34,926	0	0	454,737	0	2,593	492,257
total	1,184,928	184,351	51,321	91,303	3,505,785	65,528	1,341,709	6,424,926

[Notes] The data of Mocha is that in 1750/51. Asian heavy guilders are adjusted to the accounting procedure in the Dutch Republic

[Source] NA: BGB 10776.

The second important change in the business of the VOC during the eighteenth century was a compositional change in the source of profits. In the early eighteenth century, each trading post gained large gross profits through sales of trading commodities. Table 2 shows the gross profits of the VOC realised in Asia. In 1701/02, the VOC earned around 3.3 million guilders as gross profits. Of these, the sales profits of Asian products, i.e. profits from the intra-Asian trade, accounted for 81.9 per cent. However, in the mid-eighteenth century, about 20 per cent of the total gross profits were from other business, largely gains from land tenure. Indeed, as shown in Table 3, in the trading posts where the VOC established colonial rule such as Batavia and Ceylon, gross profits from the category of “others” occupied large shares of the gross profits. In this way, the VOC was making a step from trading company to colonial power

in the course of the eighteenth century.⁸

Trader or colonizer?

The Dutch Company was confronted by several serious incidents from the 1780s. First of all, Dutch commercial power was severely damaged by the Fourth Anglo-Dutch War between 1780 and 1784. In this war, the Dutch Company was seriously attacked by the British, and as a result, the VOC lost many merchant vessels and trading posts in South Asia. For example, the VOC lost the trading post in Negappattinam in 1781, and other trading posts in India such as that at Chinsura in Bengal were captured by the British. After the war, these posts were returned to the Dutch Company, but Negappattinam, the Dutch headquarters on the Coromandel Coast and the major commercial centre for the Dutch export trade in cotton textiles was ceded to the British according to the final Treaty of Versailles of 1784.⁹

The second stroke also came from Europe. As soon as the French revolutionary armies invaded the Netherlands in January 1795, William V of Orange, who was the Stadtholder of the Dutch Republic, fled to England and the Batavian Republic was established in the Netherlands. At Kew in London, William V signed a document to inform all the employees of the VOC in Asia that all overseas property of the Dutch Company should be placed under British control.¹⁰

Following this instruction of William V, several Dutch trading posts were surrendered. In Malabar, the trading posts of Cochin and Quilon were transferred to the British in 1795. Dutch trading posts under the Dutch authorities at Colombo on the island of Ceylon fell to British hands in 1796. In Bengal the trading post in Chisura was again surrendered to the British.¹¹ Hence, the Dutch Company lost all its trading posts in South Asia by 1796, which meant that it became absolutely impossible for the VOC to conduct the export trade in cotton textiles from India for European and Asian markets.

In the home country, the States-General of the Batavian Republic had ordered the restructure of the governance system of the VOC by abolishing the Gentlemen XVII, the supreme decision-making body of the Dutch Company, and by launching the Committee for

⁸ Regarding the detailed analysis of Tables 2 and 3, see Ryuto Shimada, “18seiki Zenhan niokeru Oranda Higashi Indo Gaisha no Ajiakan Bōeki (The Intra-Asian Trade of the Dutch East India Company in the First Half of the Eighteenth Century)”, *Seinan Gakuin Daigaku Keizaigaku Ronshū (The Economic Review of Seinan Gakuin University)*, 43(1/2), 2008, pp. 54-58.

⁹ Gaastra, *Geschiedenis van de VOC*, p. 175; Jos Gommans *et al.* (eds.) *Dutch Sources on South Asia, c. 1600-1825*, Vol. 1 (New Delhi: Manohar, 2001) pp. 301, 335.

¹⁰ Shimada, *The Intra-Asian Trade in Japanese Copper*, p. 128.

¹¹ Gommans *et al.*, *Dutch Sources on South Asia*, pp. 179, 221-223, 301.

the Affairs of the East India Trade and Possessions (*Committee tot de zaken van Oostindische handel en Besittingen*) in 1796.¹² In the Batavian Republic, liberalistic policies were introduced by mainstreamers of the Republic, called Patriots (*Patriotten*), under the strong influence of French revolutionary thinking. For example, Dirk van Hogendorp drew up a liberalistic plan to reform affairs in East Indies to permit free trade, liberty of cultivation and free sales of agricultural products in the Dutch colonial territory.¹³ On the last day of the year 1799, privileges to the VOC were stopped according to the schedule drawn up in 1798 and the Council of Asian Possessions and Establishments (*Raad van Aziatische Bezittingen en Etablissements*) succeeded to the management of Asian affairs in 1800.¹⁴

After Louis Bonaparte, a younger brother of Napoleon Bonaparte, took the throne of the Kingdom of Holland in 1806, he appointed Herman Willem Daendels to post of governor-general of the Dutch East Indies. As shown in his military and Patriots career, this appointment aimed to defend revolutionary French influenced Java, and especially Batavia, against the British in the same way as the homeland, and as British threats against the Dutch increased, the Phaeton incident occurred in Nagasaki in 1808. It is well known that Daendels made efforts to construct roads on the island of Java and to reconstruct the defense system of Batavia.¹⁵ Yet, while France annexed the Kingdom of Holland in 1810, the high government of Batavia surrendered to the British in 1811 and Thomas Stamford Raffles was appointed lieutenant-governor. After a short occupation of Java by the British, thanks to the Anglo-Dutch Treaty of 1814 (the Convention of London), which was realized after Napoleon's defeat and the establishment of the Kingdom of the Netherlands in 1813, Java was returned to Dutch control in 1816.

During the years of political confusion in Batavia as well as in the homeland, the Dutch intra-Asian trade based in Batavia was seriously damaged. The most critical point was that the Dutch Company lost its Indian links. From the seventeenth century the VOC enjoyed the fruitful intra-Asian triangular trade between Japan, India and South-East Asia, as shown before. The South Asian trade of the Dutch Company in particular was so significant in procuring cotton textiles for the European as well as the Southeast Asian market throughout the eighteenth century that the loss of the trading posts in South Asia could only result in cutting off the lifeblood of the VOC as a trading company. In fact, due to the Fourth Anglo-Dutch War

¹² Gerardus Cornelius Klerk de Reus, "Geschichtlicher Ueberblick der administrativen, rechtlichen und finanziellen Entwicklung der Niederländisch-Ostindischen Compagnie", *Verhandelingen van het Bataviaasch Genootschap van Kunsten en Wetenschappen*, 47(3), 1894, p. XLVI.

¹³ F.W. Stapel, *Geschiedenis van Nederlandsch-Indië*, pp. 196-197.

¹⁴ F.S. Gaastra, "The Organization of the VOC", in: R. Raben and H. Spijkerman (eds.) *De archieven van de Verenigde Oostindische Compagnie (1602-1795)* ('s-Gravenhage: Sdu Uitgeverij, 1992) p. 28.

¹⁵ E.S. de Klerck, *History of the Netherlands East Indies*, Vol. 2 (Amsterdam: B.M. Israël, 1975) pp. 13-27.

in the 1780s, the political changes in Europe and the rise in British military power in Asian waters after 1795, the Dutch had to give up many of their trading posts in Asia and transfer them to the British authorities. Without question, such disappearance of trading posts meant that the Dutch could no longer engage in the intra-Asian trade.

Table 4 Ships sent by the High Government of Batavia to Nagasaki, 1795-1817

year	ship's nationality	year	ship's nationality
1795	1 Dutch	1807	1 chartered American, 1 chartered Danish
1796	0	1808	0
1797	1 chartered American	1809	1 Dutch, 1 chartered American
1798	1 chartered American	1810	0
1799	1 chartered American	1811	0
1800	1 chartered American	1812	0
1801	1 chartered American	1813	2 British
1802	1 Dutch, 1 chartered American	1814	1 British
1803	1 chartered American	1815	0
1804	2 chartered Dutch	1816	0
1805	1 chartered Dutch	1817	2 Dutch
1806	1 chartered American, 1 chartered Bremer		

[Source] Madoka Kanai, *Nichiran Kōshōshi no Kenkyū* (*Studies in Dutch-Japanese Historical Relations*) (Kyoto: Shibunkaku Shuppan, 1986) p. 237.

In response to the loss of Dutch merchant vessels and trading posts in South Asia as well as the threat of the British navy, the Dutch high government of Batavia attempted to continue the intra-Asian trade by chartering private ships from neutral countries. Many American private ships in particular were hired for the Dutch trade in Asian waters. Table 4 indicates ships from Batavia calling at Nagasaki for trading business on the financial account of the VOC or of the high government of Batavia. As may be seen, in 1795 one Dutch vessel called at Nagasaki but in the next year no ship visited from Batavia. Between 1797 and 1809, 17 ships called at Nagasaki only two of which belonged to the Dutch high government of Batavia, while the others ships were chartered private ships, many American. During the period of the British occupation in Batavia, three British ships called at Nagasaki, sent out from Batavia following the new plan of Thomas Stamford Raffles concerning British trade with Japan.

In the second year of the British occupation of Batavia, Raffles decided to undertake a Japan trade, although he had to postpone it because the British authorities failed to collect merchandise suitable for the Japanese market. However in 1813 the British authorities in Batavia sent out two vessels to Japan. But in Nagasaki Hendrik Doeff, the chief of the Dutch trading post there since 1803, refused the surrender of the post to the British, threatening the commissioner of the British authorities of Batavia with possible attack on the British vessels by the Japanese, because trade with the British was prohibited in Japan at that time. Yet in 1814 the British authorities in Batavia again sent a vessel to Japan, but the project was in vain

as in the previous year.¹⁶ Afterwards, the British decided to abandon the Japan trade from Batavia.

The reasons why the British gave up the Japan trade after the two trial projects are concerned not only with the tough refusal by the Dutch representative in Nagasaki, but also with the fact that Japan did not have any other export than copper. It is true that Japanese camphor had also been imported into India, yet without question copper had been the single most important product for the VOC to continue the Japan trade with ease throughout the eighteenth century. Once the VOC could purchase copper from Japan, the Dutch Company was able to gain huge amounts of sales profits in India. On the other hand, Japanese copper was a competitive or harmful product to the British, especially from the point of view of British industrial interests. Britain had had a highly developed copper production industry since the eighteenth century, and the British authorities had to take care of the interests of copper producers and exporters in Britain. In fact, from the first half of the eighteenth century, the EIC had been engaged in selling huge amounts of British copper on the Indian market. Large inflows of Japanese copper had been a great menace. When the British defeated the Dutch authorities in Asia, they had to take measures to obstruct the inflows of Japanese copper into India.¹⁷

Even after Batavia was returned to Dutch control in 1816, the Japan trade was not as successful as in the eighteenth century. The Dutch high government of Batavia annually resumed sending one or two vessels to Japan. By this annual trading project, the high government still continued to purchase copper from Japan, but it was already difficult to reship it to India from Batavia. Although Japanese copper was sent to India by chartering American vessels for a while, it became absolutely difficult for the Dutch to gain large profits from the sales of Japanese copper in the Indian market due to the final loss of the Dutch trading posts in 1725. In place of the Indian market for copper, Japanese copper was demanded in Java. Japanese copper was used for the production of copper coins under the Dutch colonial authorities in Java to meet the demand for small change.

Apart from trading business in Asian waters, the Dutch turned in another direction, namely colonialism. Certainly, some trading posts in South Asia were returned to the Dutch due to the agreement of the Anglo-Dutch Treaty of 1814. For example, the British authorities returned the trading post in Bengal to the Dutch in 1817 and the one on the Fishery Coast in 1818. Nevertheless, there was no great opportunity for the Dutch to conduct trading business by themselves because of the shortage of Dutch merchant vessels. Indeed, in the year 1819, the

¹⁶ Hendrik Doeff, *Herinneringen uit Japan* (Haarlem: F. Bohn, 1833) pp. 189-246.

¹⁷ Thomas Stamford Raffles, *Report on Japan to the Secret Committee of the English East India Company* (Kobe: J.L. Thompson, 1929) pp. 160-164.

number of ships calling at Batavia amounted to 171. Among them were 62 British and 50 American ships, yet Dutch ships amounted to no more than 19.¹⁸ Thus, it is not so surprising that the Dutch gave up their remaining trading posts in South Asia on the occasion of the Anglo-Dutch Treaty of 1824.

Instead, the Dutch set up a series of new managerial measures. While the VOC had generally increased its dependency on colonial rule as a source of profit from the mid-eighteenth century as shown before, it was not until the second half of the 1810s that the Dutch really undertook to establish colonial rule and new trading patterns between the colony and the homeland. In 1816 Godert van der Capellen was appointed governor-general of the Dutch East Indies and he gradually turned down liberalistic policy in terms of international trade and cultivation for export, such as sugar and coffee in Java. The Netherlands Trading Society (*Nederlandsche Handel-maatschappij*) was founded in 1824 to promote trade between the Netherlands and Java, and was later to be engaged in the export trade in cotton textiles from the homeland, and the Bank of Java (*Javasche Bank*) was established in 1828 as a central colonial bank with the privilege of issuing colonial bank notes.¹⁹ Moreover, in 1830 J. Graaf van den Bosch was appointed governor-general to push ahead with the so-called cultivation system (*cultuurstelsel*), while Singapore grew as a centre for intra-Asian and global trade.

¹⁸ Takashi Shiraishi, *Umi no Teikoku: Ajia o dō kangaeruka (Maritime Empire: How to consider Asia)* (Tokyo: Chūō Kōronsha, 2000) p. 70.

¹⁹ Jan Luiten van Zanden and Arthur van Riel, *The Strictures of Inheritance: The Dutch Economy in the Nineteenth Century* (Princeton: Princeton University Press, 2004) pp. 117-118; De Klerck, *History of the Netherlands East Indies*, Vol. 2, p. 135.

Scottishness and the British Empire: The Glasgow East India Association and the East India Trade, 1829-1833

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The ‘gentlemanly capitalist thesis’ put forward by P. J. Cain and A. G. Hopkins has significantly impacted debates over the British Empire.¹ The novelty of their account of British Imperialism was that they devalued the significance of the Industrial Revolution and the role of provincial manufacturing interests in the expansion of the British Empire, and stressed the significance of non-industrial capitalists based in London and South-east England. However, their Anglocentric view failed to direct attention to Scotland’s role in British Imperialism, although, in this aspect, historians such as T. M. Devine and M. Fry emphasised the significance of the Scots’ immigration, colonial governing, commercial activities, and military service in their recent comprehensive works on the Scots’ experience in the Empire.² In this paper, the Scots’ contribution to the formation of Britain’s imperial policy for Asia will be explored by assessing the lobbying activities of the Glasgow East India Association (EIA) against the renewal of the East India Company’s (EIC) charter during 1829-33, and the roles of two Scottish men, Kirkman Finlay and John Crawford, who led this campaign, will be emphasised.

Moreover, regarding the opening of the China trade and the end of the EIC’s commercial branch in 1834, the influence of the commercial and manufacturing interests in provincial towns and outports, especially those in Lancashire, was often emphasised by historians such as M. Greenberg and D. Eyles.³ In contrast, Cain and Hopkins argued that this event resulted from the efforts of London’s merchants and private traders in Asia who were eager to expand

¹ P. J. Cain and A. G. Hopkins, ‘Gentlemanly capitalism and British expansion overseas I. The Old Colonial System, 1688’, *The Economic History Review (EHR)*, New Series, Vol. XXXIX, No. 4 (1986), pp. 501-25; P. J. Cain and A. G. Hopkins, ‘Gentlemanly capitalism and British expansion overseas II, new imperialism, 1850-1845’, *The EHR*, New Series, Vol. XL, No. 1 (1987), pp. 1-26.

² T. M. Devine, *Scotland’s Empire* (London, Allan Lane, 2003); M. Fry, *The Scottish Empire*, (East Lothian, Tuckwell Press and Edinburgh, Birlinn, 2001).

³ M. Greenberg, *British Trade and The Opening of China 1800-42*, (Cambridge, Cambridge University Press, 1961), pp. 179-84; D. Eyles, ‘The Abolition of The East India Company’s Monopoly 1833’, (unpublished Ph. D. thesis, University of Edinburgh, 1955), p. 304.

markets in South-east Asia and the Far East.⁴

As a more recent counter-argument to these two scholars' perspectives, H. V. Bowen insisted in his work on the Company that 'for the period before 1850 Cain and Hopkins have given too much weight to metropolitan factors within the dynamic imperialism, and they downplay the importance of the British provinces in overseas expansion.'⁵ Nevertheless, this paper stresses that the opening of the China trade was neither a sole product of provincial mercantile and manufacturing interests nor of gentlemanly capitalists and their nexus. In fact, the Mitchell Library's records of the Glasgow EIA show that Crawford not only acted as a general agent for the interest of the private merchants in the East Indies in the free trade movement but was also closely linked with provincial mercantile and manufacturing interests, particularly those in Glasgow. Moreover, the provincial lobbyists collaborated with some of the gentlemanly capitalists in London during the campaign. Therefore, this paper supports A. Webster's model of a more complicated relationship between the provinces and the metropolis after the opening of the India trade than is indicated by the 'gentlemanly capitalist thesis.'⁶

I

After the 1790s, the EIC was gradually forced to abandon its privileges of monopoly trade with the East Indies since the Company failed to adjust itself to the rapidly growing trade in Asia during the second half of the eighteenth century and anti-monopolistic campaigns developed both inside and outside the UK. As a result of the renewal of the EIC's charter of 1813, all British merchants were permitted to trade with both the Company's and native territories in India after 10 April 1814. Nevertheless, the EIC succeeded in retaining its privileges in the China trade, including the tea trade. As industrial sectors played a prime role in the growth of the national income during this period, the Industrial Revolution and the growth of the urban population in the provincial manufacturing towns became the key factor in the increase of tea consumption in Britain.⁷ However, merchants in Glasgow and other outports were excluded from the lucrative tea trade. In addition, many British manufacturing

⁴ P. J. Cain and A. G. Hopkins, *British Imperialism: Innovation and Expansion 1688-1914*, (London and New York, Longman, 1993), p. 325.

⁵ H. V. Bowen, *The Business of Empire: The East India Company and Imperial Britain, 1756-1833*, (Cambridge: Cambridge University Press, 2006), pp. 27-8.

⁶ A. Webster, 'The strategies and limits gentlemanly capitalism: the London East India agency houses. Provincial commercial interests, and the evolution of British economic policy in South and South East Asia 1800-1850', *The EHR*, New Series, Vol. LIX, No. 4 (2006), pp. 743-64.

⁷ J. R. Ward, 'The Industrial Revolution and British Imperialism, 1750-1850', *The EHR*, New Series, Vol. XLVII, No. 1 (1994), pp. 44-65.

interests regarded China as a potential market for their own manufactured goods after observing their successful export to India.

Kirkman Finlay was a Glasgow merchant who became seriously involved in the East India trade after 1814. His business, James Finlay & Co., was not only a major mercantile firm engaged in extensive overseas trade but also one of largest cotton manufacturers in Scotland.⁸ In the previous campaign against the renewal of the EIC's charter during the period 1812-3, the merchants and manufactures of Glasgow organised the Glasgow EIA in order to lobby the Government and Parliament. Finlay was one of its main figures and represented the city's interests as a MP for the Clyde burghs.⁹ Then, in 1816, after the opening of the India trade, he sent the first ship, the *Earl of Buckinghamshire*, from the Clyde to Bombay and the *George Canning* to Calcutta in the following year.¹⁰

Although some Glasgow merchants including Finlay entered the East India trade after 1814, they failed to maintain the Glasgow EIA and did not actively lobby the state for their own interests until the end of the 1820s. It is very difficult to see why they failed to do so. However, a couple of probable reasons can be identified. The first was Finlay's gradual withdrawal from Glasgow affairs during the same period.¹¹ As has been mentioned, he was a key figure in the earlier free trade campaign. Nevertheless, he lost his parliamentary seat for the Clyde burghs in 1818, and was elected for Malmesbury, Wiltshire. He also bought a property in Cowal, Argyll, and developed the lands there. Although he again became President of the Chamber of Commerce during the period 1823-24, he was less active in the city's commercial and political affairs than he had been during the 1810s.

The second reason was simply that the East India trade was not as significant for Glasgow as it was for Liverpool. Due to the destruction of statistical records concerning Liverpool's overseas trade at this period during WWII, it is impossible to directly compare the two cities at this period. However, the London EIA reports provide some clues with figures from the 1830s and 1840s.¹² In terms of the number of British ships that entered from the East Indies, Liverpool counted 126 in 1836, just a few years after the opening of the China trade, whilst the total number of ships to the Clyde, Leith, and other British locations (excluding London,

⁸ C. Brogan, *James Finlay & Company Limited, Manufacturers and East India Merchants, 1750-1950*, (Glasgow, Jackson & Company, 1951), p. 7.

⁹ *Ibid.* p. 9.

¹⁰ J. MacLehose, *Memoirs and Portraits of One Hundred Glasgow Men*, (Glasgow, James McLehose, 1886), Chap. 21.

¹¹ Brogan, *James Finlay & Company Limited*, pp. 28-9.

¹² The London EIA, *Reports of the Committee of the East India Association*, (London, printed by Pelham Richardson, 1838), pp. 27-8; The London EIA, *The Fifth Report of the Committee of the East India Association*, (London, printed by Pelham Richardson, 1841), pp. 25-6.

Bristol and Hull) in 1839 was still only 25. Similarly, with respect to the number of British ships which cleared for the East Indies in the same years, Liverpool counted 172 and the others as categorised above, 96. This trend continued in the later period. Nevertheless, in 1829, as the expiration of the charter was approaching in five years' time, it was essential for the merchants and manufacturers of Glasgow to re-organise a lobbying group in order to achieve the abolition of the EIC's remaining commercial monopoly and other restrictions imposed on the East India and China trade.

In the Scottish context of national and local reform movements during the 1820s and 1830s, G. Pentland explained that the purpose of parliamentary reform for Scotland was to access the benefits of the British constitution in order to improve the backwardness of Scottish political, social and religious structures.¹³ If so, it can be stated that the Glasgow EIA's free trade campaign of 1829-33 was the Scottish attempt to fully access the economic benefit derived from the Union. Because of its small population and its slow and modest growth during the second half of the eighteenth and the first half of the nineteenth century, Scotland had a relatively small home market.¹⁴ Therefore, the Scots always tried to find commercial opportunities outside the country. After the Union, not only could the Scots enter the trade with England's colonies legally but also their overseas commercial activities were protected under the flag of the United Kingdom. Nevertheless, after the fourth quarter of the eighteenth century, they began to expand their trade beyond Britain's traditional mercantile protectionism.¹⁵ While they still benefitted from the Union, the London-based 'English company' was an obstacle for them to equalise their commercial opportunities in the East India trade.

Throughout the new campaign, Finlay remained a leading figure in Glasgow. On 22 April 1829, a public meeting of those who had interest in the free trade with India and China took place and the new Glasgow EIA was founded by thirty-two merchants and manufacturers of the city.¹⁶ While speaking at this meeting, Finlay reiterated his strong preference for free trade and explained the history of Scottish contributions to Britain's free trade policy. In his speech, he described Adam Smith as 'the eminent man who had added celebrity to our University and to this City, and immortalized his own name by enlightening mankind with his admirable work...', and then referred to the previous Glasgow EIA's lobbying activities in the 1812-3

¹³ G. Pentland, *Radicalism, Reform and National Identity in Scotland, 1820-1833*, (Suffolk, The Boydell Press), pp. 7-48.

¹⁴ T. M. Devine, C. H. Lee and G. C. Peden, *The Transformation of Scotland: The Economy Since 1700*, (Edinburgh: Edinburgh University Press), p. 43-4.

¹⁵ Ibid.

¹⁶ Mitchell Library (ML), The Records of the Glasgow EIA (RGEIA), MS89001/2, The Glasgow EIA Committee Minutes, 1829-1847, 16 Apr. 1829, pp. 1-3

campaign.¹⁷ This was similar to the language of ‘unionist-nationalism’ which was often used for the ‘Reform question’ in Scotland during this period.¹⁸ Finlay appealed to the history and contribution of the Scots to Britain in order to mobilise local support for the unity of British economy.

In this meeting, Finlay also referred to his receipt of a letter from the Liverpool EIA.¹⁹ In this letter, the Liverpool merchants expressed their intention to send a deputation to London in May in order to discuss with other deputations the proper means to oppose the renewal of the EIC’s charter.²⁰ Finlay shared their opinion that the provincial lobbyists should persuade the government to give its early attention to the subject of the renewal of the Company’s charter and to make the case for the total abolition of its monopoly to the Ministers.²¹ Because of the precedent of their free trade campaign of 1812-3 and the course of the national development of political, economic, and religious reform movements during this period, it was reasonable for the Scottish merchants and manufacturers to decide to collaborate with free trade advocates South of the Border.

II

In Britain there were several authors producing pamphlets which criticised the economic and political systems which operated under the EIC’s charter. However, the contribution of John Crawford to the free trade movement of this period was the most remarkable.

Crawford was a famous Scottish Orientalist. He was born on the Isle of Islay in 1783 and studied medicine at the University of Edinburgh during the period 1799-1803.²² In fact, many notable Orientalists were educated at the university in the late eighteenth and early nineteenth centuries.²³ After he was employed in an Indian Army medical post by the EIC, he served the Company in several locations throughout India and Southeast Asia, including India’s Northern Provinces, Penang, Java, Siam, Cochin-China, Singapore, and Burma for more than two

¹⁷ *The Glasgow Herald*, 24 Apr. 1829, ‘EAST INDIA TRADE’.

¹⁸ Pentland, *Radicalism, Reform and National Identity*, p. 155.

¹⁹ Committee Minutes, 1829-1847, p. 2.

²⁰ *Ibid.*

²¹ *The Glasgow Herald*, 24 April 1829, ‘EAST INDIA TRADE’.

²² E. C. T. Chew, ‘Dr. John Crawford (1783-1868): The Scotsman who made Singapore British’; www.scholars.nus.edu.sg/landow/post/singapore/history/chew/chew11.html, accessed 10 May 2005, which first appeared in *Raffles Town Club*, vol. 8, (July-Sep. 2002); K. N. Chaudhuri, *The Economic Development of India under the East India Company 1814-58*, (Cambridge, Cambridge University Press, 1971), p. 15.

²³ For example, Alexander Hamilton, James Mackintosh, William Erskine, John Leyden, Alexander Murray, Mountstuart Elphinstone, Vans Kennedy were among them. See J. Remdall, ‘Scottish Orientalism: From Robertson to James Mill’, *The Historical Journal*, Vol. 25, No. 1, (1982), pp. 43-69.

decades, before returning to the UK in 1827. Although he had studied medicine, Crawford accumulated invaluable experience and knowledge of the Orient during his service for the Company in Asia, which helped him to introduce social, cultural, and economic aspects of Southeast Asia to Europe through his publications and to establish his respectable position in the UK.²⁴ As his career demonstrates, Crawford did not have significant commercial interests in the East India trade. Instead, his support of the free trade movement was certainly connected to his Orientalist view. For instance, with respect to India, Crawford argued in a later tract that the strength and skills of the people of Hindostan were inferior to those of Europeans because of the inferiority of their civilisation.²⁵ Such a racial view of European superiority was the basis of his justification for his politico-economic arguments on the East India question. Crawford believed that the introduction of free trade and colonisation by the British could aid the progress of civilisation in the East Indies.

When the provincial lobbyists from several outports and manufacturing towns gathered and formed the General Deputation in London during the movement, Crawford acted as a representative of the free trade interests in Calcutta, who paid his annual salary of £1,500.²⁶ His original instructions from Calcutta were primarily concerned with political aspects of the Company's affairs.²⁷ However, he also explained to the Select Committee for the China trade investigation 'I have no recollection what ever of any mention being made in my instructions, public or confidential, of the China question; but I have no doubt that the China question is also embraced in them.'²⁸ The fact that the inhabitants of Calcutta were interested in the commercial aspects of the renewal of the Company's charter can be confirmed by 114 British and native requests to the Sheriff of Calcutta to hold a public meeting for the purpose of petitioning Parliament in order to open the China trade and apply British skills, capital and industry to India.²⁹ At this meeting, held in December 1829, it was decided that petitions to

²⁴ J. Crawford, *History of Indian Archipelago*, (Edinburgh: Printed for Archibald Constable, 1820); J. Crawford, *Journal of Embassy From the Governor-General of India to the Courts of Siam and Cochin China Exhibiting a View of the Actual State of Those Kingdoms*, (New Delhi, Madras, Asian Educational Service, 2000, originally published, London, Henry Colburn, 1828).

²⁵ J. Crawford, 'A Sketch of the Commercial Resources and Monetary and Mercantile System of British India, with suggestions for their improvement, by means of Banking Establishments', in Chaudhuri, *The Economic Development of India*, p. 226.

²⁶ ML, RGEIA, MS891001/4, Incoming Correspondence 1829-1830, 15 May 1829, letter no. 9, A meeting of the Deputies held at Fenton's Hotel on 15 May 1829; PP, *Report of Select Committee on the Affairs of the East India Company and the trade between Great Britain and the East Indies and China*, 1830 (644), pp. 295-312.

²⁷ Ibid.

²⁸ Ibid.

²⁹ Anon., *Report of the Proceedings at a General Meeting of the Inhabitants of Calcutta, on the 15 December, 1829*, (London, c.1829).

both Houses of Parliament would be prepared and transmitted to Crawford in order to deliver them to the important Parliamentary members.³⁰

The publication and distribution of Crawford's pamphlets were fully supported by the Glasgow EIA and other provincial lobbying groups. In June 1829, the Central Committee on the East India and China Trade, which had been set up in Liverpool to assume the roles of the General Deputation of provincial lobbyists until its reassembly, decided to publish Crawford's pamphlet, *A View of The Present State and Future Prospects of The Free Trade and Colonisation of India*. Five thousand copies of the pamphlet were distributed to Liverpool, Manchester, Glasgow, Bristol, Birmingham, and Leeds, as well as Crawford himself.³¹ In this pamphlet, he gave several examples of the 'evil effects of the existing system' on the India trade. For example, Crawford referred to the production of cotton wool in British India. Out of the average annual consumption of cotton wool of 197,544,880lbs. in the UK in 1827-8, 141,834,180lbs. were imported from the US, while only 11,987,040lbs. were Indian produce.³² He blamed this condition on the British staple goods manufacturers' dependence upon a rival country and stressed the necessity of substituting India for the US as a stable supplier of raw cotton.³³ Furthermore, he pointed out that the inferiority of many of India's commercial crops, including cotton wool, made it difficult for them to compete with those of other countries on the international market. He thought that this problem derived from the existing regulations which prevented the British from holding lands and freely investing their capital in India. His chief remedy for this problem was the introduction of European skills, enterprise, and capital to India.³⁴ In fact, this was a common view among other contemporary economists, such as James Mill and George Alexander Princep, who argued that the progress of the Indian economy was necessary to complement British needs for the division of labour in the international economy.³⁵

Crawford was also critical of the state of the Company's monopoly in the China trade. In another of his works, *Chinese Monopoly Examined*, he compared the EIC's sales price of teas to comparable American sales prices. He claimed that British subjects had been paying nearly twice as much as those who had purchased in the American market during the period

³⁰ Ibid.

³¹ Incoming Correspondence 1829-30, 13 June 1829, letter no. 13, Alexander Radcliffe to Lord Provost of Glasgow.

³² J. Crawford, *A view of the Present State and Future Prospects of The Free Trade & Colonization of India*, (London, James Ridgway, 1829), p. 26.

³³ Ibid.

³⁴ Ibid., p. 40.

³⁵ Chaudhuri, *The Economic Development of India*, pp. 43-5.

1819-1829.³⁶

When opposing the EIC, Crawford's extensive knowledge of the East Indies and experience there were invaluable. The Glasgow EIA's outgoing and incoming correspondence reveals that, apart from its own members and the Liverpool EIA, he was the individual with whom the association communicated most frequently during the period of the debates over the renewal of the EIC's charter. His deep involvement in the free trade campaign and strong influence on the formation of the provincial interests' lobbying strategies can be found in a number of the communications with the Glasgow EIA. Nevertheless, compared with his activities in Southeast Asia, his significant contribution to the free trade movement of the provincial merchants and manufacturers for the abolition of the EIC's monopoly has received little attention from historians.

III

A general strategy which the provincial lobbyists adopted was to focus their arguments on economics-related issues, and to avoid arguing political aspects, including the administrative system of India and the Indian patronage, unless it was necessary. Such was particularly obvious in the case of the Glasgow EIA. In fact, the Glasgow EIA's attitude towards the debates was strongly criticised by James Silk Buckingham, another Orientalist who opposed the renewal of the charter.³⁷ Nevertheless, in order to achieve their prime objectives by minimising disagreements among the parties involved in the East India question, they maintained this strategy throughout the period.

Following the resolution of the public meeting of 22 April 1829, the Glasgow EIA sent its deputation to London to organise a joint campaign with deputations from other provincial manufacturing towns and outports. On 9 May, by appointment, the General Deputation from provincial manufacturing towns and outports held a conference with the Duke of Wellington, which was also attended by the Chancellor of the Exchequer (Henry Goulburn) and the President of the Board of Control (the Earl of Ellensborough).³⁸ The deputies were supported by their Parliamentary friends, William Wolryche Whitmore and William Huskisson, who greatly helped in securing access to these key figures of national politics.

³⁶ J. Crawford, *China Monopoly Examined*, (London, James Ridgway, 1830), p. 86.

³⁷ W. W. Buckingham, *History of the Public Proceeding on the Question of the East India Monopoly*, (London, Hurst, Chance, and Co., 1830), p. 31. He criticised the association that 'they were for taking away the trading character of the India Company only, and leaving them all the revenues, patronage, and political power they possess... the latter could not be supported by them at all, without profits derived from their Monopoly on Tea; and that on this issue must all stand or fall together.'

³⁸ Incoming correspondence, 1829-30, 9 May 1829, letter no. 5, James Ewing to Kirkman Finlay.

In the conference between the joint deputation and the Ministry, the Provost of Glasgow and other deputies from Birmingham, Liverpool, Manchester, and Bristol described in detail the distressing condition of each provincial manufacturing town and outport and urged the necessity of entering new markets in Asia. Then, Liverpool's John Gladstone explained the events of 1813 and the positive impact of the partial opening of the East India trade after 1814.³⁹ The deputies' statements were concluded by James Cropper's argument about the negative effect of the tea monopoly on prices and supplies.⁴⁰ At the meeting, although the Duke of Wellington initially avoided an immediate answer, the Ministry later decided to create a Select Committee to consider the renewal of the EIC's charter.⁴¹

This decision was regarded as a triumph for the lobbying activities of provincial towns and ports. On 15 May, Crawford and the deputies from the above places gathered at Fenton's Hotel in London before returning to their hometowns.⁴² At this meeting, they issued their statement that 'The strong opinion manifested in the manufacturing and commercial districts on the great question of the trade with India and China has, in the opinion of this meeting essentially contributed to the obtaining of his Majesty's Government's pledge...' ⁴³ Considering that the Ministry's decision came only a few days after that meeting, the provincial lobbyists' view seems to be right.

On 9 February 1830, following Robert Peel's proposal, the Select Committee was appointed to investigate 'the affairs of the Company and the trade between Great Britain and China' in the House of Commons.⁴⁴ In Glasgow, on 11 February, at a public meeting of the inhabitants of the city, Finlay, Alexander Garden and James Oswald were appointed to the second deputation to London in order to provide the Select Committee with the necessary evidence and arrange their witnesses for its investigation.⁴⁵ During the investigation, a significant amount of time was devoted to the question of the opening of the tea trade with China. Finlay provided his hometown with daily reports about its progress, and a large part of their early communication was focused on the need to procure adequate witnesses for the provision of evidence related to the China trade.

The communications between the Glasgow EIA, their deputation in London and other EIAs show that the Glasgow EIA had difficulty in obtaining witnesses in Scotland.

³⁹ Ibid.

⁴⁰ Ibid.

⁴¹ Ibid.

⁴² Ibid., 15 May 1829, letter no. 9, 'A meeting of the Deputies held at Fenton's Hotel on 15 May 1829'.

⁴³ Ibid.

⁴⁴ *Hansard's Parliamentary Debates*, New Series, vol. XII, pp. 271-305.

⁴⁵ ML, RGEIA, MS891001/13, Outgoing Correspondence 1829-1836, 16 Feb. 1830, letter no. 13, William P. Paton to Bulkley Price and George W. Wood.

Nevertheless, a gentleman from Glasgow and another from elsewhere in Scotland, John Deans of Ayrshire, who had previously resided in the Eastern Archipelago as a merchant and agent for about twenty years, and Alexander Maxwell, who was also engaged in the East India trade as a merchant and commission agent and had visited Singapore, Java and China, were asked to proceed to London.⁴⁶

In order to compensate for these sole witnesses from Glasgow and a neighbouring area, the directors of the Glasgow EIA recommended some merchants who resided in London as potential witnesses to Finlay.⁴⁷ Joshua Bates of the house of Baring Brothers & Co and Charles Everett were on the list of possible witnesses which the association gave to Finlay.⁴⁸ They were American commission merchants engaged in the China trade. In addition, Abel Coffin, who had commanded a ship in the China trade three times and was recommended to Crawford by the secretary of the Glasgow EIA, also gave evidence.⁴⁹ Bates was probably a familiar face among cotton manufacturing interests in the provincial towns, since Baring Brothers & Co. supplied them with American raw cotton through the firm's engagement in the North Atlantic trade.⁵⁰ Since he was such a well-known merchant, the Glasgow EIA found Bates' testimony before the Select Committee to be of some value.⁵¹ After his two examinations by the House of Commons on 15 and 30 March 1830, Finlay sent a letter to Bates in order to try to persuade him to refute remarks of James Cosmo Melvill before the Select Committee.⁵² Initially, Bates could not decide whether or not to do so. He stated in his letter to Alexander Baring 'I fear to be mixed up in the affair with the friends of free trade most of whom differ from me,' but eventually he ended up by reappearing before the Select Committee on 3 June.⁵³ Furthermore, the Glasgow EIA's correspondence indicates that the provincial mercantile and manufacturing interests communicated with the partner of the famous house throughout the campaign, although the details of their meetings were not recorded.⁵⁴

⁴⁶ Incoming Correspondence 1829-30, 24 Feb. 1830, letter no. 18, Bulkley Price and George W. Wood to Kirkman Finlay; PP, *First Report from the Select Committee*, pp. 233-44 and pp. 245-53.

⁴⁷ Committee Minutes 1829-47, 22 Feb. 1830, p. 26.

⁴⁸ PP, *First Report from the Select Committee*, pp. 183-93, pp. 218-33, pp. 329-32, and pp. 497-500.

⁴⁹ *Ibid.*, pp. 115-131; Outgoing Correspondence 1829-1836, 19 Feb. 1830, William P. Paton to John Crawford; PP, *First Report from the Select Committee*, pp. 115-31.

⁵⁰ J. Orbell, *Baring Brothers & Co., Limited. A History to 1939*, (London, Baring Brothers & Co., 1985), Chap. 5.

⁵¹ Outgoing Correspondence 1829-36, 19 Mar. 1830, letter no. 29, William P. Paton to Kirkman Finlay.

⁵² PP, *First Report from the Select Committee*, pp. 218-33 and pp. 329-32; Baring Archives 209803, 17 May 1830, Letter from Joshua Bates to Alexander Baring, giving details of evidence requested by the Committee.

⁵³ PP, *First Report from the Select Committee*, pp. 497-500.

⁵⁴ ML, RGEIA, MS891001/6, Incoming Correspondence 1833-1834, 22 Apr. 1833, letter no. 37, John

As Webster argues, after the opening of the India trade in 1814, the relationship between the provincial manufacturing interests and the gentlemanly capitalists became more complicated, since some London East India houses developed a closer relationship with the provincial interests by consigning their manufactures to the East Indies and providing them with financial advances.⁵⁵ It seems that the system of advances was particularly significant to those in Glasgow.⁵⁶ Furthermore, some evidence of the involvement of the Glasgow EIA's manufacturing interests apart from James Finlay & Co. in the trade to Asia can be found. One of these manufacturing firms was Ellis, Bleaymire & Co. Septimus Ellis and William Bleaymire, both members of the Glasgow EIA, were among its partners.⁵⁷ The firm manufactured cotton goods at a Bankton mill and exported them to Calcutta, Bombay, and Singapore, as well as to Lima and Trinidad.⁵⁸ Another example was the firm of merchants and calico printing Archibald McIndoe & Co., in which Archibald McIndoe and Francis Brand were partners. The firm's bankruptcy records from 1836 include information about the consignment of their shawls and handkerchiefs to Canton and the location of the firm's supposed creditors in Singapore, Calcutta, and Batavia.⁵⁹ A. & J. Connell, which manufactured cotton and linen goods at a factory in Anderston, also consigned their goods to agents in London and Liverpool for export to the East.⁶⁰ Such evidence supports Webster's emphasis on provincial manufacturers' connection with gentlemanly capitalists in London.⁶¹ Thus, the communication between the provincial lobbyists and Joshua Bates and the involvement of the Glasgow EIA's manufacturing interests in the East India trade provides further evidence of the connection between the provinces and the metropolis as against the 'gentlemanly capitalist thesis.'

Although the investigation of the China question by the Select Committee was ended, the Glasgow EIA continued its efforts for the complete opening of the East India trade. During

Crawford to William P. Paton, and 27 Apr. 1833, letter no. 38, John Finlay to William P. Paton.

⁵⁵ Webster, 'The Strategies and limits of Gentlemanly Capitalism', pp. 747-8.

⁵⁶ George G. de H. Larpent explained before the Select Committee that 'I can only speak of my knowledge, that a very large proportion, probably to the extent of three-fourths, is conducted in that manner [advance by agency houses to manufacturers] ... I believe from what I have seen of our own operation, that taking advances is not the system there [Manchester] to any considerable extent; at the same time, I believe that their shipments have not been upon so large a scale as the Glasgow ones.' PP, *Minutes of Evidence Before the Select Committee of the House of Commons on Manufactures, Commerce and Shipping*, 1833, vol. VI, p. 142.

⁵⁷ Regarding the names of subscribers for the Glasgow EIA, see ML, RGEIA, MS 891001/16, List of Members; ML, RGEIA, MS 891001/17, Subscription Book, ML, RGIA, MS 891001/18, Postage Book.

⁵⁸ Scottish Record Office, *Court of Session productions c.1760-1840*, (Surrey: List and Index Society, c1987), p. 461.

⁵⁹ *Ibid.*, p. 502.

⁶⁰ *Ibid.*, p. 503.

⁶¹ Webster also refers to Thomas Speir's connection with Cockerell, Trail & Co., one of the London agency houses. Webster, 'Strategies and Limits of Gentlemanly Capitalism', pp. 14-5.

Crawfurd's visit to Glasgow in September, he insisted that Glasgow's merchants and manufacturers should continue to petition Parliament from session to session until they achieved their ultimate object.⁶² In November, when Grey's government replaced Wellington's, the association began to prepare new petitions to Parliament and further lobbying activities in London although Charles Grant, the new President of the Board of Control, told the EIC chairs that the China monopoly was to cease.⁶³ As the result of both its communication with the Liverpool EIA and the examples in that city, the directors of the Glasgow EIA set up a sub-committee to prepare a draft of resolutions to serve as a foundation for the petitions during a monthly meeting which was held on 20 January 1831. They also agreed to send Oswald, Garden, and Henry Dunlop as their deputies as soon as possible in order to 'bring prominently to the notice of the Ministry the importance of a Free Trade to India & China' in conjunction with the representatives from Merseyside.⁶⁴ The deputation left Glasgow to reach London in time for the joint deputation's interview with Earl Grey on 5 February but, because of a snowstorm, their arrival was delayed and they missed Grey's personal invitation.⁶⁵ However, the House of Commons had appointed a Select Committee to examine the Indian branch of the question on the previous day. Crawfurd and some of those who engaged in the East India trade, such as Mr Bracken of the house of Alexander & Co., one of the major seven agency houses in Calcutta before the financial crisis of the early 1830s, were called to this examination.⁶⁶ The association expected most of these witnesses' evidence to support free trade with India.⁶⁷

However, the question of the renewal of the EIC's charter failed to attract wider attention in the country as the debates about the Reform Bills dominated national politics. During the time of the heated debates about the Reform Bills in early 1832, the Glasgow EIA communicated with Liverpool and Crawfurd about the propriety of their agitations against the renewal of the charter.⁶⁸ The members of the Glasgow EIA insisted that they should continue to make public demonstrations until the Reform question was settled. Nevertheless, after their communications, it decided to temporarily suspend its appeals to the Ministry and to avoid

⁶² Committee Minutes 1829-47, 10 Sep. 1830, p. 48.

⁶³ Philips, *The East India Company*, p. 289.

⁶⁴ Committee Minutes 1829-47, 20 and 25 Jan. 1831, pp. 51-2.

⁶⁵ *Ibid.*, 12 Feb. 1831, pp. 53-4.

⁶⁶ *Ibid.*, 31 Mar. 1831, 'the Second Annual Report of the Committee of the Glasgow East India Association submitted to the Minutes', p. 60; Philips, *The East India Company*, p. 278.

⁶⁷ Committee Minutes 1829-47, 'the Second Annual Report', p. 61.

⁶⁸ Outgoing Correspondence 1829-36, 5 Feb. 1832, letter no. 62, William P. Paton to John Crawfurd, and 9 Feb. 1832, letter no. 63, William P. Paton to Thomas Langton; Committee Minutes 1829-47, 16 Feb. 1832, p. 68.

sending any deputation to London that year.⁶⁹

Besides the charter renewal, other subjects related to free trade were also debated during this period. These included the heavy duties incurred on British manufactures in Java, Netherlands India, and the objection against the exclusion of American traders from Singapore. This also confirms Webster's explanation that the British manufacturing interests related to Southeast Asia found their political voice through the provincial EIAs.⁷⁰ The Glasgow EIA's lobbying activities on these issues emphasise the strong influence of Crawford's opinion on these subjects. During the special meeting of its directors with Crawford, they agreed to send the Secretary of State for Foreign Affairs their memorials on the heavy duties on British manufactures in Java and on their desire to open the port of Singapore to the Americans.⁷¹

In the summer of 1832, when the general election of members to the reformed Parliament was approaching, the EIAs of manufacturing towns and outports discussed appropriate measures to increase the number of parliamentary supporters against the EIC's monopoly. In fact, it was not the first time for the provincial lobbyists to attempt to obtain parliamentary supporters through elections. For instance, in July 1830, it was approved at the meeting of the Glasgow EIA to subscribe £300 from its fund in order to defray a part of the expenses for the return of W. W. Whitmore, one of the Whig MPs, who most actively supported the free-trade advocates, to the House of Commons.⁷² As a result of the parliamentary reform, two seats were allocated to Glasgow. Crawford, Oswald, and James Ewing, who were related to the association, stood with William Dixon, D. K. Sandford and John Douglas for election.⁷³ In terms of political stance, Ewing was a 'liberal' Tory, while all the others were either Whigs or those of liberal principle.⁷⁴ Apart from the first three candidates, Daniel K. Sandford, a professor of Greek and one of the leading figures in Glasgow's parliamentary reform movement, made a long speech at the meeting of electors to support the abolition of the EIC's monopoly.⁷⁵ Although the contents of both Douglas and Dixon's speeches on the East India question are unknown, it is likely that they also supported the abolition of the EIC's monopoly because of their liberal political stance. Therefore, it seems that there was a 'cross-party consensus' on this issue in the city's parliamentary election. In December 1832, Oswald and

⁶⁹ Outgoing Correspondence 1829-36, 5 Feb. 1832, letter no. 62, William P. Paton to John Crawford; Committee Minutes, 16 Feb. and 29 Mar. 1832.

⁷⁰ Webster, *Gentlemen Capitalists*, p. 117.

⁷¹ Committee Minutes 1829-47, 10 June 1831, p. 65.

⁷² *The Glasgow Courier*, 29 July 1830, 'East India Meeting'.

⁷³ *The Belfast News-Letter*, 25 Dec. 1832.

⁷⁴ *The Morning Chronicle*, 3 Dec 1832.

⁷⁵ *Cobbett's Weekly Political Register*, 28 Apr. 1832, pp. 213-219; Anon., *Speech of Sir Daniel K. Sandford at a Meeting of Electors and inhabitants of Glasgow, in the Traders' Hall, Wednesday, September The 19th, 1832*, (1832).

Ewing were elected as MPs for Glasgow. The defeat of Crawford, who was most known as a leading figure of the free trade campaign during the election, indicates that the abolition of the restrictions imposed on the East India and China trade was not a decisive factor in the result of the election in Glasgow. Certainly Ewing and Oswald had stronger local connections than Crawford. Nevertheless, as in the case of 1812-3, the Glasgow EIA again had its own representatives in Parliament.

In January 1833, on the eve of Parliament's assembly, merchants and manufacturers of Glasgow started to prepare for their final battle for the establishment of free commercial relations with the East Indies. In January and February, the Glasgow EIA discussed with Liverpool the propriety of sending their deputations to London, but concluded at the beginning of March that it was too soon to proceed.⁷⁶ Prior to the arrival of the deputation, the situation in London relative to the question of the renewal of the EIC's charter was regularly relayed to Glasgow by Crawford and the two MPs.

In the middle of March, while Ewing was lobbying in London, Robert Gordon of the Board of Control asked him about Glasgow's ability to act as a bonding port to secure the duties on tea.⁷⁷ In order to answer this question, the Glasgow EIA sent an inquiry to Greenock and Port Glasgow about the conditions of the bonded warehouses there.⁷⁸ The Board of Control's inquiries to the provincial mercantile and manufacturing interests imply that, for the Ministry, not only the London mercantile interests and their alliances but also the provincial interests' views were significant criteria in the formation of Britain's imperial policies in Asia.

After observing the proceedings of the debates over the new India bill in Parliament and the opinions of the Ministry, on 22 March, the Glasgow EIA appointed Finlay, Paton, J. G. Hamilton, Henry Dunlop, and Walter Buchanan as its deputation to London.⁷⁹ Finlay, one of the deputies, held daily discussions with the Board of Control. In addition, he privately informed the government of his opinions about the necessary arrangements for the opening of the China trade and the duties which should be levied on teas.⁸⁰ The government estimated that the consumption of tea would have a value of £30 million, while in Finlay's personal view,

⁷⁶ Committee Minutes 1829-47, 22 Jan. 1833, pp. 86-7, 21 Feb. 1833, pp. 88-9, and 2 Mar. 1833, pp. 90-1.

⁷⁷ Outgoing Correspondence 1829-36, 26 Mar. 1833, p. 95.

⁷⁸ Outgoing Correspondence 1829-36, 25 Mar. 1833, letter no. 84, William P. Paton to R. D. Kerr, and 25 Mar. 1833, letter no. 85, William P. Paton to Messrs. M. King Junior & Co.

⁷⁹ ML, RGEIA, MS891001/6, Incoming Correspondence 1833-1834, 25 Mar. 1833, letter no. 23, James Ewing to William P. Paton; Committee Minutes 1829-47, 22 Mar. 1833, pp. 93-5.

⁸⁰ Incoming correspondence 1833-34., 22 Apr. 1833, letter no. 37, Kirkman Finlay to William P. Paton, and 30 Apr. 1833, letter no. 39, Kirkman Finlay to William P. Paton; Committee Minutes 1829-47, 10 Mar. 1833, p. 99.

it would amount to £40 million.⁸¹ In order to persuade them to open the China trade immediately and to levy moderate duties on the Chinese produce, he insisted that the Government's calculations on the consumption of tea after the opening of the China trade were underestimates. The directors of the association supported his argument and left this matter to Finlay's discretion.⁸² Nevertheless, it seems that his efforts on this issue never materialised.

Although the Glasgow EIA's lobbying activities for the equalisation of duties on East India and West India sugar continued, its activities against the renewal of the EIC's charter had almost ended by the time the India bill was introduced into Parliament by Grant on 13 June 1833. In terms of the clauses of the new Charter Acts with which the Glasgow EIA was concerned, they were favourable to the free-trade supporters. The Company's monopoly in the China trade was to be abolished, including the tea trade.

After the opening of the China trade, Glasgow could never become a serious competitor with London and Liverpool, which had superior port facilities and had significantly developed their trading networks with Asia even before the opening of the China trade.⁸³ Nevertheless, it is known that Finlay sent the first ship under his own name to Canton as soon as the EIC's monopoly ended in 1834.⁸⁴ In fact, the opening of the China trade, including the tea trade, had far more significant consequences for his firm than that of the India trade in 1814. The balance book of James Finlay & Co. indicates that the firm's mercantile branch trading pattern dramatically changed after 1834.⁸⁵ It shows that the destinations of his firm's consignments clearly shifted from Europe and Latin America to Asia. Moreover, the impact of the opening of the China trade on his firm's specialisation in the East India trade can also be confirmed by the locations of firms with which it dealt. That is to say, after 1835, the firm continued its trade with the firms located in the East Indies, whilst most of those in Europe and North and South America disappeared from the firm's balance book.

IV

This paper has explored the lobbying activities of the Glasgow EIA during the period 1829-33, particularly the roles of Kirkman Finlay and John Crawford. In Greenberg's and Eyles' previous studies concerning the renewal of the EIC's charter during this period, the

⁸¹ Outgoing Correspondence 1829-36, 10 May 1833, letter no. 95, William P. Paton to Kirkman Finlay.

⁸² Ibid.; Committee Minutes 1829-47, 10 May 1833, p. 99.

⁸³ A. Webster, 'Liverpool and the Asian trade, 1800-50: some insights into a provincial British commercial network', in S. Haggerty, A. Webster, and N. J. White (eds.), *The Empire in One City: Liverpool's Inconvenient Imperial Past*, (Manchester, Manchester University Press, 2008), Chap. 2.

⁸⁴ Brogan, *James Finlay & Company Limited*, p. 11.

⁸⁵ GUAS, James Finlay & Co Ltd archive, UGD 91/1/4/1/3/2, Dec. 1832-Dec. 1847 Balance Book.

roles of the Lancashire merchants and manufacturers have often been emphasised. Nevertheless, it is clear that, under Finlay's initiative, the Scottish organisation played a major role in the national campaign although its policies often followed the opinions of Liverpool. Because of its smaller population, it was essential for the Scots to seek markets outside Scotland. Although this became easier after 1707, the Scots sought their full access to the economic benefits derived from the Union with the total abolition of the EIC's monopoly.

The records of the Glasgow EIA also indicate Crawford's significant roles in the campaign. With his Orientalist view of European superiority, he believed that the introduction of free trade by the British would lead to the progress of civilisation in the East Indies. Although he originally represented the interests of the British private merchants of Calcutta, he had a significant influence on the theoretical arguments and general lobbying tactics which were adopted by free-trade supporters of the provincial manufacturing towns and outports. Nevertheless, this Scottish Orientalist's importance in this campaign has attracted little attention from historians. In fact, Crawford was a man who linked the provincial mercantile and manufacturing interests with the private traders in the East who had close connections with London's gentlemanly capitalists in the 1829-33 campaign.

In terms of their lobbying and agitation, the provincial interests followed the precedents of their 1812-3 campaign and also showed similarities to other reform movements of the 1820s and 30s. However, the language which the Scottish free trade supporters used for agitating the public had a peculiarity. As Finlay's speech in the public meeting showed, in order to mobilise local supporters, the lobbyists of Glasgow appealed to the history and contribution of the Scots to Britain for the unity of the British economy.

The lobbying strategies of the provincial mercantile and manufacturing interests were decided through close communication among the provincial lobbying groups and their supporters. Their deputies could access ministers through parliamentary supporters such as Huskisson and Whitmore. The state's decision about the appointment of the Select Committee just after the meeting between the General Deputation and the Ministers implies the effective lobbying of the provincial interest groups. The records also indicate that the provincial lobbyists made significant efforts to find witnesses who could provide favourable evidence for free trade, and their searches extended to the London mercantile community. As Webster argued, their consignment of manufactured goods to the East Indies by London agency houses, which developed after the opening of the India trade, created their connection with the London interests. The development of the connection between them was a background of the collaboration between provincial mercantile and manufacturing interests and some of the gentlemanly capitalists in the metropolis and their nexus in Asia, including Joshua Bates of Baring Brothers & Co., an influential figure during this free trade campaign.

Stateless Sea People and Empires: Struggles for Network-making in the Melaka Strait Region, 1820-1840¹

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Introduction

The 1820s and the 1830s in the Melaka Straits Region² is usually characterized by the rapid trade expansion under the newly established colonial trade order. The British establishment of Singapore (1819) and the return of the Dutch to Batavia (1816) marked the beginning of the new era of the colonial empires in the region. Behind the positive trade records, however, rampant “piracy” was one of the most serious headaches for the Dutch and British authorities, damaging maritime trade and security.

Nineteenth-century Malay piracy, which attracted the concern of the colonial authorities, was one of the popular topics in history. Studies in the colonial period, often authored by high-ranking administrators, focused on detailing the damage to European-related trade, and on chronicling European efforts to combat pirates.³ This Euro-centric view continued into the postcolonial period,⁴ although after the late 1960s it was strongly countered by scholars of anti-colonial views, who re-interpreted piracy as a form of anti-colonial resistance.⁵ Since the

¹ This article is a revised version of my article “The Business of Violence: Piracy around Riau, Lingga, and Singapore, 1820-1840,” in Robert Antony (ed.), *Elusive Pirates, Pervasive Smugglers: Historical Perspectives on Violence and Clandestine Trade in the Greater China Seas* (Hong Kong University Press, forthcoming).

² This is taken in this paper as the region including the Melaka Straits and its southern neighboring waters up to Batavia.

³ Chronicles of European anti-piracy campaigns are J. R. Logan, “The Piracy and Slave Trade of the Indian Archipelago,” *Journal of the Indian Archipelago and Eastern Asia* 3 (1849), 4 (1850), 5 (1851); J. P. Cornets de Cornets de Groot, “Notices historiques sur les pirateries commises dans l’Archipel indien-Oriental,” *Le Moniteur des indes-orientales et occidentales* 1 (La Haye: Belinfante Frères, 1847-48); J. H. P. E. Kniphorst, “Vervolg der Historisch Schets van den Zeeroof in den Oost-Indischen Archipel,” *Tijdschrift voor het Zeewezen Nieuwe Series* 6 (1876), 7 (1877), 9 (1879), 10 (1880), 11 (1881).

⁴ Nicholas Tarling, *Piracy and Politics in the Malay World: A Study of British Imperialism in Nineteenth-century South-East Asia* (Melbourne etc.: F. W. Cheshire, 1963); C. M. Turnbull, *The Straits Settlements 1826-67: Indian Presidency to Crown Colony* (Singapore etc.: Oxford University Press, 1972).

⁵ Resink, G. J. “The Eastern Archipelago under Joseph Conrad’s Western eyes,” in his *Indonesia’s history*

late 1970s, keeping their distance from such a colonial-anticolonial dichotomy, some scholars have attempted to explain maritime raiding in the context of early colonial state formation and the intensifying globalization of the economy.⁶ Recent studies have problematized the concept of piracy. Following their discussions, and in order to avoid the negative and Eurocentric connotations of the term piracy/pirates, I use (maritime) raid/raiders instead. Maritime raid refers to the indiscriminate seizure of seaborne or coastal property, under threat or use of force.

This paper discusses maritime raids as an economic activity, stimulated by the establishment of the colonial order and economic globalization. Focusing on neglected marginalized people, I discuss how raiding activities were embedded in their lives, and how they developed their networks of attacks and sales of booty. I also discuss how the European authorities dealt with local maritime raiding, and by so doing I want to argue how their anti-piracy measures in the borderlands worked for shaping the framework of the colonial empires.

I focus on stateless people based on Pulau Galang (Galang Island) in the Riau Islands and Kurou, a small area on the border between the sultanates of Perak and Kedah on the west coast of the Malay Peninsula. They were basically involved in various maritime activities such as trade, fishery, and to a considerable degree raiding, without strongly belonging to a particular state. Galang and Kurou were their principle bases for raiding and network making in the Melaka Straits in the period in question. Maritime raiding in this period, which the European powers were not able to control effectively, profoundly affected the course of the establishment of the colonial trade order in the region.

between the myths: Essays in legal history and historical theory (The Hague: W. van Hoeve, 1968); Adrian Lopian, "The sealords of Berau and Mindanao: Two responses to the colonial challenge," *Masharakat Indonesia*, 1-2 (1974); Hamid Algadri, *Dutch Policy against Islam and Indonesians of Arab Decent in Indonesia* (Jakarta: LP3ES, 1994).

⁶ Carl A. Trocki, *Prince of Pirates: The Temenggongs and the Development of Johor and Singapore, 1784-1885* (Singapore: Singapore University Press, 1979); James Francis Warren, *The Sulu Zone, 1768-1898: The Dynamics of External Trade, Slavery, and Ethnicity in the Transformation of a Southeast Asian Maritime State* (Singapore: Singapore University Press, 1981); James Francis Warren, *Iranun and Balangingi: Globalization, Maritime Raiding and the Birth of Ethnicity* (Singapore: Singapore University Press, 2002); Richard Z. Leirissa, "Changing maritime trade in the Seram Sea," in G. J. Schutte (ed.), *State and Trade in the Indonesian Archipelago* (Leiden: KITLV Press, 1994); Eric Tagliacozzo, *Secret Trades, Porous Borders: Smuggling and States along a Southeast Asian Frontier, 1865-1915* (New Haven: Yale University Press, 2005). For the historiography of Southeast Asian piracy, see Joseph N. F. M à Campo, "Discourse without Discussion: Representation of Piracy in Colonial Indonesia, 1816-25," *Journal of Southeast Asian Studies* 34-2 (2003); and J. N. F. M. à Campo, "Zeeroof: Bestuurlijke beeldvorming en beleid," in Teitler, G., A. M. C. van Dissel, and J. N. F. M. à Campo, *Zeeroof en Zeerofbestrijding in de Indische Archipel (19de eeuw)* (Amsterdam: De Bataafsche Leeuw, 2005).

Struggles prior to 1820

The Dutch conquest of the capital of Johor Kingdom on Pulau Bintan in the Riau Islands in 1784 brought fragmentation and conflicts in the kingdom, and considerably disturbed trade in the Melaka Strait. Sultan Mahmud of Johor fled to Lingga with his followers, and successfully brought Malay rajahs under his influence. He also subjugated the raiders active in the surrounding waters, and organized privateer fleets, consisting of Malay, Bugis, Iranun, and Orang Laut raiders,⁷ who attacked shipping and coastal villages.⁸ In Riau, Temenggong Abdul Rachman from an influential Malay family in the kingdom of Johor established his influence in Pulau Bulang in the northeast of the Riau Islands, taking the traditional title Temenggong or prime minister. However, it was the Bugis Raja Muda (viceroy) Raja Ja'afar, settled in Penyingat close to Pulau Bintan, who expanded his power over large parts of the Riau Islands.⁹

Then the Europeans entered the arena. In order to regain the influence in the region, the Dutch approached the Raja Muda in 1816. He decided to cooperate with the Dutch and allowed them to reoccupy a part of Riau in 1818. The disappointed Temenggong Abdul Rachman retired to Singapore. On this island, however, he received Thomas Stamford Raffles, who now chose Singapore to be the new British settlement in the region. In 1819 Raffles, the Temenggong, and the newly installed Sultan Husain (a son of late Sultan Mahmud, and a brother of Sultan Abdul Rachman at Lingga, who had succeeded his father in 1812) concluded a treaty, which admitted the authority of the English East India Company in Singapore in return for British pensions.¹⁰ This is how, in 1818-19, a new political structure emerged in the

⁷ Bugis is the designation of a few ethnic groups originating in South Sulawesi. After the conquest by the Dutch East India Company of their places of origin in the 1660s, large numbers of them took refuge in many places of insular Southeast Asia. Leonard Y. Andaya, "The Bugis-Makassar Diasporas," *Journal of the Malaysian Branch of the Royal Asiatic Society* 68-1 (1995). The Iranun (also Ilanun, Illanun, Lanun) is an ethnic group that originated in central Mindanao. After relocating to the Sulu Islands in the late 1760s, they conducted regular piratical raids covering almost the entire Malay Archipelago. I follow the spelling of Warren, *The Sulu Zone*, 149. The Orang Laut, or "Sea Peoples," is the general designation of a heterogeneous group dwelling on boats in the southern Melaka Strait. Timothy P. Barnard, "Celates, Rayat-Laut, Pirates: The Orang Laut and Their Decline in History," *Journal of the Malaysian Branch of the Royal Asiatic Society* 80-2 (2007).

⁸ Dian Lewis, *Jan Compagnie in the Straits of Malacca 1641-1795* (Athens: Ohio University Center for International Studies, 1995), 85-96; Reinout Vos, *Gentle Janus, Merchant Prince: the VOC and the Tightrope of Diplomacy in the Malay World, 1740-1800* (Leiden: KITLV Press, 1993), 121-125; Raja Ali Haji Ibn Ahmad, *The Precious Gift (Tuhfat al-Nafis)* (Kuala Lumpur etc.: Oxford University Press, 1982), 211-14, 221-22.

⁹ E. Netscher, *De Nederlanders in Djohor en Siak, 1602 tot 1865: historisch beschrijving*. (Batavia: Bruining & Wijt, 1870), 241-244; Trocki, *Prince of Pirates*, 22-30, 33-36.

¹⁰ Trocki, *Prince of Pirates*, 37-38.

region involving European powers. On the one hand, the Dutch had partial authority over Riau and the British authority dominated Singapore; on the other hand, Sultan Abdul Rachman at Lingga claimed nominal authority while the Raja Muda Raja Ja'afar at Riau was the real power of the sultanate. The Temenggong was the real local ruler in Singapore, and gradually expanded his influence over petty Malay chiefs in the neighboring regions.

Both the Dutch and British administrators soon found their new footholds infested by Malaly, Bugis, Iranun, and Orang Laut marauders. As the Europeans believed the attacks were related to Malay rulers, they concluded treaties with local rulers stipulating their obligation to suppress pirates.¹¹ The Dutch and British governments also agreed in the London Treaty of 1824 that both countries should endeavor to stop Malay states from granting asylum and business opportunities to pirates.¹² However, with the limited capacity of the local and European authorities, these agreements did not have much effect.

Networks and Lives of Raiders

The British made more detailed records than their Dutch counterparts of the activities of raiders in Galang. British sources repeatedly mention that the raiders based on Galang were strongly involved in abducting human captives and selling them as slaves. Panglima Tarah, residing in Galang, was the most prominent leader in this type of practice.¹³ His followers were reported to be Malay, but nothing is known about his own background.¹⁴ During 1826 he was reportedly involved in three cases of attacks against two Malay trading ships and one Malay fishing boat off the coasts of Kedah, Penang, and Pangkor. He used one to three armed canoes or a fleet consisting of eight large prahus (a type of ship) and seven *sampangs* (a smaller type of boat) to attack them. An important characteristic of these attacks was that his fleets always tried to capture as many people as possible. On each occasion the raiders took the captives to Kurou. Once, forty to fifty people were detained on his prahu anchored in Kurou, all seized from various adjacent places. At another time, twenty-five captives in Kurou were Chulia, Chinese, and Malay men and women, all taken from Penang. Most captives were taken on to other places to be sold as slaves, while a few were forced to work on raiders' prahus in

¹¹ Anonymous, "Malay Piracy," *The Asiatic Journal and Monthly Miscellany* 19 (March 1825); Logan, "The Piracy and Slave Trade," 3: 586.

¹² The London Treaty, conducted between the Dutch and British governments in March 1824, stipulated the division of the two countries' spheres of influence along a border in the middle of the Melaka Strait.

¹³ Panglima is a traditional Malay title for low- and middle-ranking officials/chiefs. Petty chiefs involved in piracy in the Melaka Strait often pretended to this title.

¹⁴ SSR A 28: 247, testimony by Malay Trader Etam, Penang, 14 Sep. (6 Sep.) 1826. Panglima Tarah was also reported to be an elderly man, dark, short, thin, and lame from a former injury to his left leg.

Galang. In one case, for instance, the raiders took some twenty detainees to the northern parts of Melaka, where they sold three to the rajah there. They then proceeded to Galang, where they sold about half of the remainder.¹⁵

The abduction and sale of captives by Galang raiders were closely related to the British abolition of the traditional slave trade. Before the 1820s the center of the slave trade had been Singapore, and Bugis traders had played the most prominent role in this type of business. They imported slaves under the name of ‘slave-debtors,’ and sold them to the Chinese, who in many cases took them to Melaka to resell.¹⁶ However, as the British increasingly tightened the regulations on the slave trade, which finally prohibited it in 1830, Singapore ceased to be a good business center for the Bugis. As a result 260 to 270 Bugis traders in Singapore migrated to Riau from 1824 to 1825. The Dutch Resident Lodewijk Carel van Ranzow welcomed them. The Dutch Resident must have been aware that the Bugis traders had been engaged in the slave trade, in which violence and abduction often formed a part. Nevertheless he accepted them, no doubt because he wanted to bring the network and business skills of the Bugis under Dutch influence. In fact, the Bugis migrants were organized under three traders called *nachoda*, and they were engaged to purchase opium, linen, Chinese commodities, and weapons in Singapore, and to export these goods and Riau gambir to Sulawesi and Java. This trade, however, was not as profitable as the slave trade.¹⁷

It is not clear whether these migrant Bugis traders were involved in the slave trade conducted by Galang raiders. However, the sales of slaves by Galang raiders near Melaka show considerable similarity to the Bugis slave trade once conducted in Singapore. In Melaka under British control, the European, Malay, Chinese, and Indian populations owned considerable numbers of domestic slaves in the 1820s, in spite of British regulations. Possessing slaves showed the owners’ status and prestige. Foreign owners sometimes integrated female slaves into their family through marriage, making up for the small female population. The slaves in Melaka came from various places such as Kedah, Borneo, Bali, Makassar, other islands of the Indonesian Archipelago, and from as far away as Mozambique and the coasts of India,¹⁸ although those whom Galang raiders provided were mostly Malay, Chinese, and Indian residents

¹⁵ SSR A 25: 287-291, testimony by Malay trader Long Pinlis, 2 Feb. (30 Jan.) 1826; SSR A26: 252-255, testimony by Malay trader Jaffer, Penang, 28 April (20 March) 1826; and SSR A 28: 247-248, testimony by Malay Trader Etam, Penang, 14 Sep. (6 Sep.) 1826.

¹⁶ Logan, “The Piracy and Slave Trade,” 4: 144.

¹⁷ ADR 71/3 (1825): 56-60. Gambir is an astringent extract used in dyeing and tanning. In Southeast Asia, it is also popularly used as a material for betel chewing. In Riau Chinese settlers opened gambir plantations on Pulau Bintan in the 1730s for the purpose of export.

¹⁸ Nordin Hussin, *Trade and Society in the Straits of Melaka: Dutch Melaka and English Penang, 1780-1830* (Copenhagen: NIAS and Singapore: NUS Press, 2007), 177-184.

or traders who passed by in the Melaka Strait and neighboring waters. It seems possible that the slave trade conducted by Galang raiders replaced part of the previous Bugis slave trade in Singapore. They continued the century-long practice even after the British regulation of the slave trade in the 1820s.

Besides Panglima Tarah, many other leaders also used Galang as a base. Panglima Humong and Panglima Limbang, two leaders who jointly attacked a Malay trading ship off Pulau Bunting in November 1827, also sailed from Galang. They took their captives to Pangkor, another important hub for the slave trade.¹⁹ In November 1832, another raiding fleet, which attacked a trading ship off Pulau Tinggi, was jointly organized by leaders based at Pulau Temian in Lingga and those from Galang. Interestingly, Malay traders on the victimized ship recognized two of the raiding leaders as Chinese who used to reside in Riau, but at the time of the attack they professed the Islamic faith and wore Malay clothing. Ethnicity was not a crucial factor for the formation of their community, but they seem to have chosen their identity for practical reasons.²⁰

In 1823 it was estimated that Galang was inhabited by 600 men, 400 women, and 300 children; that the men were entirely raiders while the women were employed in fishing and preparing tripang and agar-agar.²¹ A British expedition conducted in Galang in June 1836 took note of three large villages with an estimated three to four thousand residents, while another six hundred men fled from their ships to the shore or into the jungle upon the British attack. The British captain of the expedition also reported that the villages showed no signs of cultivation or industry, which suggests that those based in Galang were full-time raiders as reported in 1823.²² If both estimates of the population were correct, Galang had experienced a considerable demographic increase over a ten-year period.

Galang was also a marketing center for the trade in booty. A Malay trader who had been detained there gave evidence that raiding fleets carried back considerable prizes after their plundering trips. On one occasion, he noted loot consisting of cloth, salt, arms, and other items apart from captives, and on another occasion, consisting of piece goods, rice, ebony, and other goods, as well as thirty-eight captives. The captives were sold to Chinese merchants residing in Galang.²³ The Galang raiders also visited other places such as Kurou, Pangkor, and Melaka, to sell their booty, especially human captives. The bases for raiding and sales of booty were thus

¹⁹ SSFR 142: 62-64, Superintendent of Police R. Caunter in Penang to Secretary John Anderson in Penang, 27 Sep. (21 Sep.) 1827.

²⁰ Logan, "The Piracy and Slave Trade," 4: 148.

²¹ Peter James Begbie, *The Malayan Peninsula* (Kuala Lumpur etc.: Oxford University Press, 1967 [1834]), 271.

²² Logan, "The Piracy and Slave Trade," 4: 404-406.

²³ SSR A28: 247-248, testimony by Malay trader Etam, Penang, 14 Sep. (6 Sep.) 1826.

closely connected with each other across the borders of the European powers and the indigenous kingdoms.

Kurou was the most frequently visited place for reselling captives, although raiders used many other places too. Panglima Padi, a well-known leader based on Kurou and active around Perak, brought his captives to Kurou and sold them to a man named Che Abbas for thirteen dollars each in April 1826.²⁴ Raiders, who assaulted Chinese and Acehnese traders near Pulau Barela in September 1826, also carried the captives to Kurou as well as to the Sambelan Islands and Pangkor.²⁵ One of the slave buyers in Kurou was a follower of Raja Ja'afar of Riau.²⁶ This also indicates Riau's involvement in maritime raiding and the slave trade.

There were several raider settlements along the river in Kurou. Several minor leaders governed the area around the river mouth, while the most influential leader, Pangulu Uddin, lived upstream. One report tells that some leaders were Orang Selat, literally "people of the straits," referring to those from around the Strait of Singapore and the Strait of Durian, while their followers were Malay. Another report states that the Kurou raiders came from Lingga or the eastern part of the Melaka Strait. The distinctions between these people were not that clear, involving a mixture of places of origin and ethnicities, but they were all from the southern part of the Melaka Strait, and moving up to the very north of the Straits, they formed communities for residence and raiding with others of different backgrounds.²⁷ Here again ethnicity was not a crucial factor in distinguishing their communities.

The most important reason that raiders formed their base in Kurou was without doubt its proximity to Penang. The most influential leader Pangulu Uddin had a wife there. By frequently visiting Penang, he was also reported to collect information and purchase commodities such as opium and ammunition. The content of the information is not clear, but considering a similar case in Singapore, I suspect that he collected information on departing ships such as cargo and sailing dates. Minor leaders from downstream visited Pangulu Uddin with gifts, and obtained commodities.²⁸ I suspect they also received the information, which they made use of in their attacks. Pangulu Uddin also had his agents among the Chinese dealers and traders in Penang, who reportedly provided him with whatever he requested. This is how Pangulu Uddin

²⁴ SSR A26: 259, 261-262, Governor R. Fullerton in Penang to the sultan of Perak, 28 April (21 April) 1826; and SSR A28: 361-362, Superintendent of Police R Bannter in Penang to Secretary John Anderson in Penang, 18 Dec. (14 Dec.) 1826.

²⁵ SSR A28: 248-249, testimony of Chinese trader Moheen, 14 Sep. (6 Sep.) 1826.

²⁶ SSR A42: 111-112, testimony by Kedah fisherman Panjang living in Penang, 18 Feb. (9 Feb.) 1828.

²⁷ SSR A26: 261-262, Governor R. Fullerton in Penang to the sultan of Perak, 28 April (21 April) 1826; and SSR A31: 15, testimony by Malay shipmaster Uddin, Penang, 28 April (21 April) 1826.

²⁸ SSR A39: 84-87, testimony by Bengali trader Seloo, 20 Sep. (7 Sep) 1827; SSR A 39: 88; 20 Sep. (7 Sep) 1827; and SSFR 142: 641-642, R. Caunter in Penang to Secretary John Anderson in Penang, 27 Sep. (21 Sep.) 1827.

established his influence over the Kurou raiders through his strong connection with Penang. His Chinese collaborators in Penang under British control must have benefited from their secret business with the raiders in Kurou.

The main targets of the raiders from Galang, Kurou, and other places were trading ships heading for or departing from Singapore and Penang. Besides human captives, raiders preferred to seize certain types of commodities: local products such as pepper, rattan, salt, and rice from the ships heading for the two British ports; and high-value imported items such as Chinese raw silk, Indian textiles, and especially Bengali opium from the ships departing from those ports. Of the local products pepper and rattan were in demand in China, so that pirates could sell their prizes to traders heading for that country. Salt and rice could be sold within Southeast Asia, where some places suffered from chronic shortages of those products. Imported commodities such as Indian textiles and opium were also popular items within Southeast Asia. Opium from Bengal was increasingly easily available as the British controlled the production areas in the late eighteenth century, as a result of which the demand for opium in Southeast Asia was also increasing. These chosen targets thus indicate that the trade in the booty was strongly related to developments in the world economy, and concomitant developments in inter-regional trade within Southeast Asia.

European Measures against Maritime Raiding

Neither the Dutch nor the British colonial authorities were consistently keen on suppressing raiders. In the case of the Dutch this was initially mainly because they well recognized the limitation of their military and political power. Even when they found that the sultan at Lingga was strongly involved in maritime raiding, the governor in Melaka (1788 - 95) still suggested that it be better to maintain a good relationship with him because he enjoyed strong local support and veneration.²⁹ They believed that the maintenance of a good relationship with an influential local ruler was more important than the suppression of maritime raiding for the establishment of their foothold in the region. Until the early 1830s, the Dutch were still not willing to fight directly against raiders, and preferred that local authorities should be responsible for combating local maritime raiding.³⁰ They did not want to be involved in costly military suppressions.

Thus the Dutch authorities attempted a “soft policy” toward local maritime raiding.

²⁹ Falck 94: 20, memoir by Governor A. Couperus in Malacca, no date.

³⁰ It was in all likelihood under pressure from the Dutch that the Sultan at Lingga ordered Raja Ja'afar to send his son on an expedition against raiders based in Pulau Buaya in Lingga in 1830. Logan, “The Piracy and Slave Trade,” 4: 144.

Muntinghe suggested in 1818 that the promotion of an alternative means of livelihood, such as fishery and sugar cultivation in Lingga and Riau might be effective in stopping local maritime raiding in the surrounding waters.³¹ Van Angelbeek also suggested in 1825 that the Dutch should provide the Orang Laut in Lingga with an alternative means of livelihood, such as engaging them in the tripang and agar-agar fishery under the supervision of the local chiefs. In fact, he made an agreement with Raja Ja'afar and Pengulu Hamba Raja to put this idea into practice.³² Thus the Dutch recognized that raiding was a means of livelihood for survival when there was no other means. They had a strong sympathy for those who had to conduct raiding for survival, and they believed they could rescue them from their difficulties by aid measures. There is no record, however, to show that these measures brought sufficient results.

It was in 1833 that the Dutch turned to a "high-handed" policy because they realized that the local authorities were unable to deal with the problem. In that year the Dutch conducted a full-scale expedition against raiders based in Lingga, as part of their military operations conducted in Jambi and other places in Sumatra in the same year. Up to fifty raiders in Pulau Sikana reportedly fled inland at the approach of the expedition, and reportedly later died for want of food. The raiding base in Pulau Temian was burned to the ground. The sultan cooperated with the expedition by sending eleven prahus in search of raiding chiefs.³³

The Dutch authorities, however, were soon disappointed to find the effect of the 1833 expedition to be ephemeral. Seeing the increasing number of maritime raids, in 1835 they made serious complaints against the sultan of Lingga. He explained that he was powerless to suppress raiders,³⁴ but in fact, he was in cahoots with them. In the next year Captain Chad, who led a British anti-piracy expedition, reported that one of the captured raiders was from Lingga, and that he and his comrades had been sent by the sultan to engage in raiding near the Aroa Islands.³⁵ The sultan was playing a dangerous two-faced game.

The British started their anti-piracy measures rather late and rather reluctantly in 1836. The British authorities in Singapore were afraid that the increase in customs duties, needed to finance the military campaigns, would meet opposition from Singapore citizens.³⁶ Lack of

³¹ Falck 94: 5v-6r, Muntinghe to Governor General, Muntok, 25 May 1818.

³² ADR 71/3 (1825): 36-39, report by Resident Christiaan van Angelbeek, Riau, August 1825.

³³ Anonymous, "Singapore," *The Asiatic Journal and Monthly Miscellany* new series 11 (August 1833): Register, 230; and Logan, "The Piracy and Slave Trade," 4: 149.

³⁴ Logan, "The Piracy and Slave Trade," 4: 157.

³⁵ Logan, "The Piracy and Slave Trade," 4: 405.

³⁶ SSR R1: 77, Governor R. Ibbetson in Singapore to Acting Secretary G. A. Bushby in Calcutta, May 1833 (the date is not clear in the source Logan, "The Piracy and Slave Trade," 4: 159-160, 400. According to Turnbull, Singapore merchants were willing to put up with anything, even with piracy, rather than pay taxes, a situation that continued until 1867 (Turnbull, *The Straits Settlements*, 191). For civil opposition against the increase in custom duties in the early 1830s, see Tarling, *Piracy and Politics*, 70-73.

admiralty jurisdiction in Singapore, which meant that pirate suspects had to be sent to Calcutta for trial, was another reason that the Singapore authorities were rather hesitant to take strong action.³⁷

Nevertheless the British authorities in Singapore finally decided to start a large-scale anti-piracy campaign in 1836, for fear of the penetration of Dutch influence in the region under the name of anti-piracy campaigns.³⁸ After careful negotiations with the Dutch colonial government so as not to worsen relationships through their military campaigns in Dutch territories,³⁹ the British fleets attacked Galang with steamships and destroyed settlements there. They also made patrolling cruises to Riau, Lingga, and other places.⁴⁰ In Riau, the sultan at Lingga and other principal officials of the sultanate, who happened to be there, professed a desire to cultivate friendship with the British, and agreed to do all they could to suppress piracy.⁴¹

After the British campaign of 1836, the Dutch reinforced equipment and stepped up operations against piracy, in all likelihood to reestablish their influence in places where the British were building relationships with the local rulers. The Dutch authorities continued energetic measures against raiders in the following years, including an expedition around Lingga in 1839.⁴² They even planned to build a military station in Lingga,⁴³ although this plan was finally abandoned due to a strong pledge from the sultan.⁴⁴

The British authorities in Singapore were now afraid that the Dutch would extend their influence to other Malay states, and hamper the trade between them and Singapore. Governor Samuel George Bonham at Singapore suggested that the Calcutta authorities should seek assurances from the Dutch authorities at Batavia that they would not interfere with the trade in Lingga and other adjacent areas.⁴⁵

³⁷ SSR R3: 157-159, Acting Governor S. G. Bonham in Singapore to Calcutta, 26 April 1833; and SSR R3: 167-168, Acting Governor S. G. Bonham in Singapore to Calcutta, 25 May 1833. On admiralty jurisdiction among the British authorities, see Tarling, *Piracy and Politics*, 32, 99-101.

³⁸ It is not clear how the British authorities managed to find the money to cover the expenses. Tarling stated that the Calcutta government was now inclined to spend money on anti-piracy operations, and that the new Governor-General, Lord Auckland, was keen on the suppression of piracy. Tarling, *Piracy and Politics*, 73..

³⁹ Tarling, *Piracy and Politics*, 73, 76-77.

⁴⁰ On the British expeditions, see Logan, "The Piracy and Slave Trade," 4: 405-410; Tarling, *Piracy and Politics*, 84-90; and Turnbull, *The Straits Settlements*, 246-247.

⁴¹ Logan, "The Piracy and Slave Trade," 4: 408-409.

⁴² Logan, "The Piracy and Slave Trade," 4: 625-626.

⁴³ SSR R4: 194, Governor S. G. Bonham in Singapore to Secretary W. H. Macnaghten in Calcutta, 4 June 1837.

⁴⁴ SSR R4: 220-221, Governor S. G. Bonham in Singapore to Secretary W. H. Macnaghten in Calcutta, July 1837 (the date is not clear in the source).

⁴⁵ SSR R4: 199, Governor S. G. Bonham in Singapore to Secretary W. H. Macnaghten in Calcutta, 4 June

This is how the anti-piracy measures of the Dutch and the British were conducted under their rivalries and subtle power balance. The fights against local raiders and the strengthening of their relationships with local rulers during expeditions made each sensitive towards the expansion of the other's influence. This is how their anti-piracy measures led to a clearer delineation and strengthening of the borders of their colonial empires.

In Singapore, Temenggong Daing Ibrahim, who succeeded his father Temenggong Abdul Rachman, subsequently extended his influence in the region as a patron of raiders. Local authorities reported that the Temenggong father and son provided raiders with information on ship movements, such as their cargoes, dates of arrival and departure, and armaments.⁴⁶

In the 1830s a number of raiding-related Malay chiefs, among them those based on Galang, moved to Singapore seeking the Temenggong's protection. The appearance of steam gunboats had forced them to take this action.⁴⁷ As Carl A. Trocki discusses in detail, in 1836 British Governor Bonham in Singapore, seeing the increasing influence of the Temenggong, decided to cooperate with him in suppressing raiders. With this cooperation Ibrahim was now able to play an important role in contacts between the Singapore government and regional Malay chiefs.⁴⁸ Although Trocki does not pursue the point, the British authorities in fact assisted raiding-related chiefs in neighboring islands to settle in Singapore.⁴⁹

The Dutch authorities were seriously concerned about this development, and indicated to Bonham that they wanted the Galang immigrants in Singapore back in their hands. They stated that they wanted to send them to Java in the hope that it would break the association between them and those from Borneo, Bilitung, Bangka, and other places.⁵⁰ There is no record to show

1837.

⁴⁶ For the collaboration between Temenggong and raiders, see Lieutenant Colonel Nahuijs to Lieutenant Governor De Koock, 10 June 1824, Nahuijs, "Extracts from the Letters of Colonel Nahuijs," trans. H. E. Miller, *Journal of the Malayan Branch of the Royal Asiatic Society* 19-2 (1941): 195. Some newspaper and journal articles voice the strong suspicion that Temenggong Abdul Rachman facilitated raider attacks near Singapore Port. *Singapore Chronicle*, 18 Jan. 1827. *The Asiatic Journal and Monthly Miscellany*, New Series 18: 21, Sep. 1835.

⁴⁷ The first East India Company's steamer *Diana* was sent to the Strait at the beginning of 1837 (Charles Burton Buckley, *Anecdotal History of Old times in Singapore* (Singapore: Oxford University Press 1984 [1902]), 281-282). C. A. Gibson-Hill also discussed the increase in the number of followers of the Temenggong on the arrival of refugees from neighboring islands in the 1820s. C. A. Gibson-Hill, *Singapore, Old Strait & New Harbour, 1300-1870* (Singapore: G. P. O., 1956), 80-81.

⁴⁸ Trocki, *Prince of Pirates*, 61-71.

⁴⁹ SSR R4: 164-165, Governor S. G. Bonham in Singapore to Secretary H. S. Prinsep in Calcutta, 5 Apr. 1837; SSR R4: 195-196, Governor S. G. Bonham in Singapore to Secretary H. S. Prinsep in Calcutta, 4 June. 1837.

⁵⁰ SSR R4: 195, Governor S. G. Bonham in Singapore to Secretary H. S. Prinsep in Calcutta, 4 June. 1837.

that the British authorities accepted this request.

In such ways the British helped the Temenggong consolidate his power over the neighboring chiefs. Bonham attempted this because he believed that an effective measure to reduce piratical damage was, apart from military expeditions, to place raiders under the control of local chiefs who could be held responsible. He considered the control of raiders by the Temenggong's influence to be easier and more realistic.

Conclusion

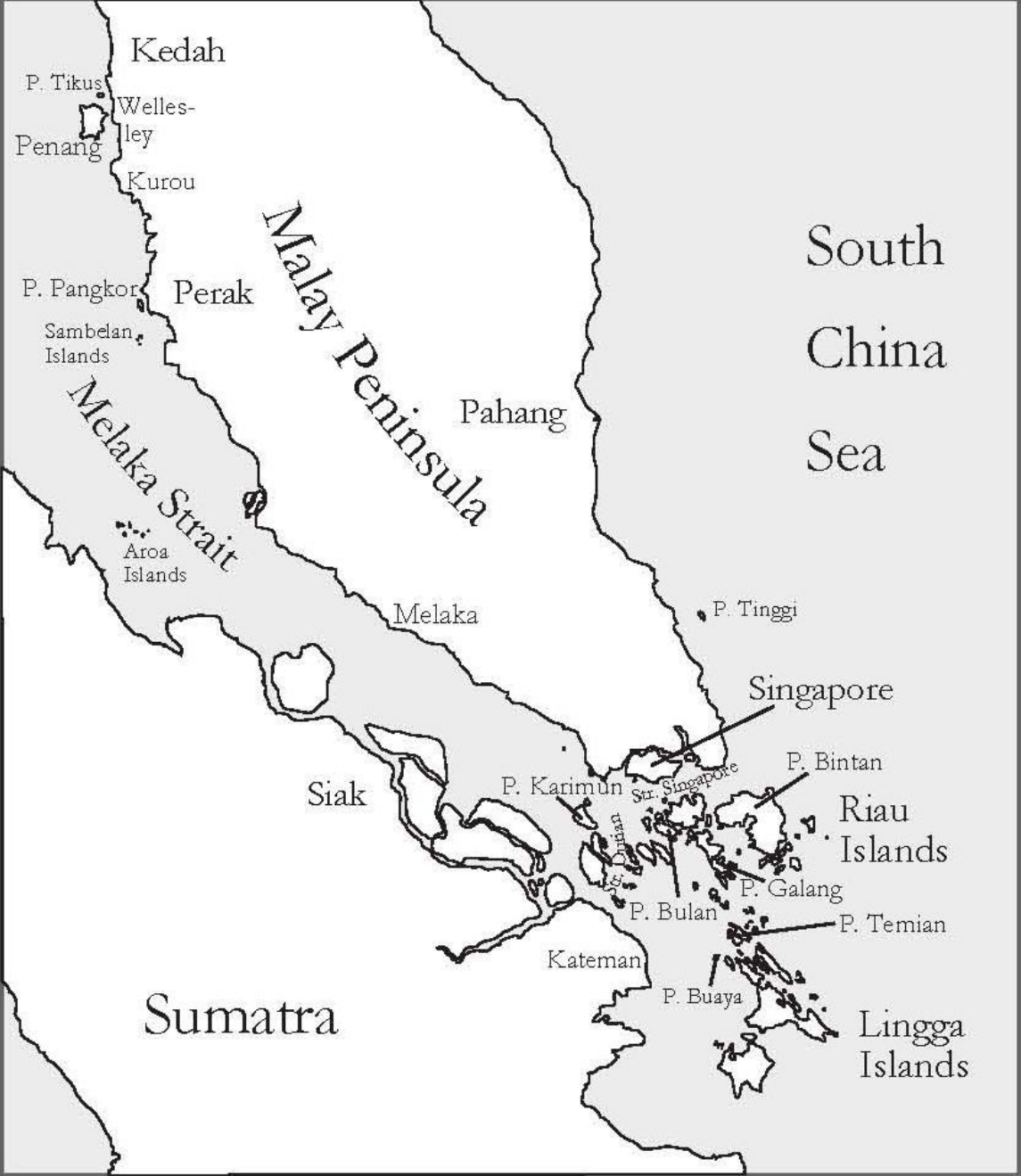
Plundering by raiders based in Galang and Kurou was part of their economic activity. Their abduction and sale of human captives made up for the lack of slaves, whose provision had become increasingly difficult due to British prohibition of the slave trade. They also targeted local products bound for the China market, and imported products such as Indian textiles and opium for the local market in Southeast Asia. In fact they intervened in the growing China-Southeast Asia trade, which had been accelerated by the European powers.

In order to facilitate their attacks and the distribution of booty, the raiders developed networks between their bases. These bases were usually established in marginal societies in the borderlands between indigenous kingdoms and colonial empires. Ethnicity was not a strong factor in forming their communities for raiding and residence, and in fact they were considerably mixed in terms of ethnicity and place of origin. This is how raiders developed trans-border networks connecting their trans-ethnic communities in the borderlands. They were creating their communities and networks in a very different way from those imagined by the colonial order, in which ethnicity and territorial borders were distinct elements for organizing and controlling the local society.

The network of these stateless sea people extended even to the colonial authorities. The Dutch authorities at Riau accepted the migration of Singapore-based Bugis traders to Bintan Island. The British authorities at Singapore attempted to cooperate with the local Temenggong in order to utilize his influence over the petty chiefs involved in violence. The European authorities in the early colonial period had to compromise with the raiders in order to bring their trading network under political influence.

The Dutch and British colonial authorities became increasingly sensitive towards each other's anti-piracy campaigns because they often resulted in the penetration of influence into the other's territory. Through their rivalries and competitions, they attempted to delineate and strengthen their borders through their military campaigns and cooperation with local rulers. The trans-border networks of stateless sea people thus helped to shape the colonial empires, although the strengthening of the borders was, and probably still is, a never-ending task for the

governments.



Melaka Strait Region

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Comment

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I have researched the economic history of Siam, Thailand, especially focusing on the rice economy from the 19th century to the present time, including the Thai rice business, especially the Thai Jasmine Rice economy and the 2008 world rice crisis. So, thinking over my research background, I am not sure that I can be an appropriate commentator for this symposium. Nevertheless I would like to try to do my best in making three short and simple comments here.

My first is about John Crawfurd. Dr. Kumagai's paper makes very interesting and exciting explanations about John Crawfurd as a famous Scottish Orientalist who made a significant contribution to the free trade movement of Glasgow and the other provincial merchants and manufacturers in the abolition of the East India Company's monopoly.

In the context of the history of Siam, John Crawfurd is very famous too. But he is famous as a writer of a precious contemporary socio-economic monograph of Siam, "Journal of an Embassy from the Governor-General of India to the Courts of Siam and Cochin China; Exhibiting a View of the Actual State of Those Kingdoms".

Furthermore, as the late famous historian of Thailand David Wyatt described, John Crawfurd was the well-known British official who was dispatched by the governor-general of British India to Bangkok in 1821, when, with Penang's trade disrupted, and Kedah, the Malay Peninsula sultanate in chaos, Singapore officials urged the initiation of commercial and diplomatic relations with Siam. But because the Siamese court was implacable and not inclined to make commerce easier for British traders, John Crawfurd had to leave Bangkok having managed only to gain Siamese recognition of the British possession of Penang - forty years after the fact.

But this kind of explanation by Dr. David Wyatt was too simple and insufficient to understand what kind of ideology John Crawfurd's embassy was based on and what he was willing to claim in his negotiations with Siam. Dr. Kumagai's research gives us a new perspective to re-examine the background and thoughts of the British negotiators with Siam in the 19th century, such as Sir John Bowring and others as well as Crawfurd.

My second comment concerns the importance of Scottish activities in Southeast Asia, especially in Siam. John Crawfurd reminds me of the crucial roles of other Scots as merchants,

engineers and governmental officials in Siam. But these important roles have not been greatly emphasized. In fact many Scots, called simply British, played many valuable roles in business circles in Siam. For example, even though the most important and profitable Siam rice business was mostly controlled by the Theochew Chinese, one Scottish engineer, Mr. W. Sidney Smart, played a crucial role in supervising technological matters in Tan Kim Ching's rice mill, which exported the highest quality Siam rice to Singapore using the most advanced steam rice mills¹. Mr. Smart was a well-known rice mill engineer in Bangkok. The Bangkok Times Weekly Mail reported Mr. Smart's activities in an article mourning his death in Australia on February 13, 1929.

“A shrewd and capable engineer, he held the confidence and esteem of his employers of many years, the firm of Kim Cheng and Co., who until their mill was burnt down, milled rice for the Singapore market and had a reputation second to none for its products. . . . In addition to looking after this mill Mr. Smart represented various rice engineering manufactures in Europe and his advice was frequently sought by Chinese about to build mills. (“Death of Mr. W. S. Smart,” *the Bangkok Times Weekly Mail*, (February 13, 1929), p.29)

This case as well as that of John Crawford suggests that it is necessary to re-examine the important roles of Scots in Siam in the 19th century.

My third comment concerns the Free Trade Movements of the long 18th century. Especially, how was the modernized customs control system discussed in the “Free trade” movement or the “Free Trade” arguments in London as well as provincial Britain in the 19th century?

For example, in Siam, King Mongkut, Rama IV, signed the Treaty of Friendship and Commerce between Her Majesty and the Kings of Siam in 1855 with the Governor of Hong Kong, Sir John Bowring as British Envoy, the so called Bowring Treaty. Under this treaty, Siam had to admit import duties restricted to 3% and accept the British right of extraterritoriality under the protection of a resident representative British authority. In 1856 a small Customs House was built beside the Chaophraya River. But the organization, structure and management of this Customs House seemed very weak and uncoordinated, because it was practically controlled by the noble Chinese Tax Farmers as custom officials, who also had their own trade business, even though some British, maybe Scots, had been appointed Inspectors of

¹ See.Toshiyuki Miyata, ”Tan Kim Ching and Siam “Garden Rice”: the rice trade between Siam and Singapore in the late nineteenth century,” in Anthony J.H. Latham and Heita Kawakatsu(eds.), *Intra-Asian Trade and the World Market*, Routledge: London and New York, 2006, pp.114-132.

Customs, such as Captain F.C.A. Leyser of the Export division and F.G. Hicks of the Import division. So in the 1860s, 70s and 80s the British consuls in their annual Commercial reports from Bangkok criticized the inappropriate management of Customs Control and the inexact data on Foreign Trade statistics compiled by Customs House, as follows².

The above Returns (Returns of Exports in Square-rigged Vessels from the Port of Bangkok during 1866 and Returns of Imports into the Port of Bangkok during the year ending December 31, 1866), like those of preceding years, have been principally compiled from information furnished by the Siamese Customs authorities. They, however, represent but imperfectly the actual trade of the port. The duties on the products of Siam are let out to revenue farmers, whose agents are the collectors. The lessee retains his rights to collect the duties during the period agreed upon, generally two years, and the farm is then sold again to the highest bidder. As a rule, these farmers are held by distinct companies or individuals. These companies or individuals, with very few exceptions, are also traders and shipowners; commonly, also, the largest exporters of the product on which they have a right to levy duty; this right they have obtained, as before-mentioned, by the payment to the Government of a lump sum yearly. What may be called the Central Customs authority is merely the reporter of the different farmers, and in granting port clearances. In the former case the import farmer puts his own men on board to look after the value of the cargo imported; imports into Siam pay an ad valorem duty of 3 per cent., and collects the duty himself.

The new centralized Customs department of the Ministry of Finance was established in the 1890s and detailed and sophisticated Foreign Trade Navigation Statistics in the exact modern manner were first published in 1899. Before 1899, only a few pages of Customs import and export returns had been published for many decades. This structural change into the modernized Customs system was completed more than 40 years after the Bowring Treaty was supposed to have meant Siamese incorporation into the “Free Trade” world.

More attention should be paid to the time gap between the “Free Trade” treaty and the completion of the modern Customs system which was able to realize the low customs duties system under the “Free Trade” framework.

² British Parl. Papers. 1867, Vol.68, 3941: “Siam,” ‘Commercial Reports from Her Majesty’s Consuls in China, Japan, and Siam for the year 1865-66, 1865-66,’ p.258-266.

Comment

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Dr. Tony Webster published a new book, *The Twilight of the East India Company*, in September 2009. In it he analyzes the long-term process of the decline of the British East India Company and emphasizes the evolution of Anglo-Asian private merchants based on the formation of a trans-imperial network of commercial interests among the City of London, the provincial towns of Britain, and the imperial periphery of Asia in the first half of the nineteenth century. This context is clearly closely related to Dr. Kumagai's paper. Webster and Kumagai both criticize the Cain and Hopkins thesis, which stresses the superior position of London-based gentlemanly capitalists in imperial policy-making. In considering the formation of Britain's policies for Asia, however, we should take into account the neglected peripheral context of the Empire. The perspective cannot be limited to the metropolitan context.

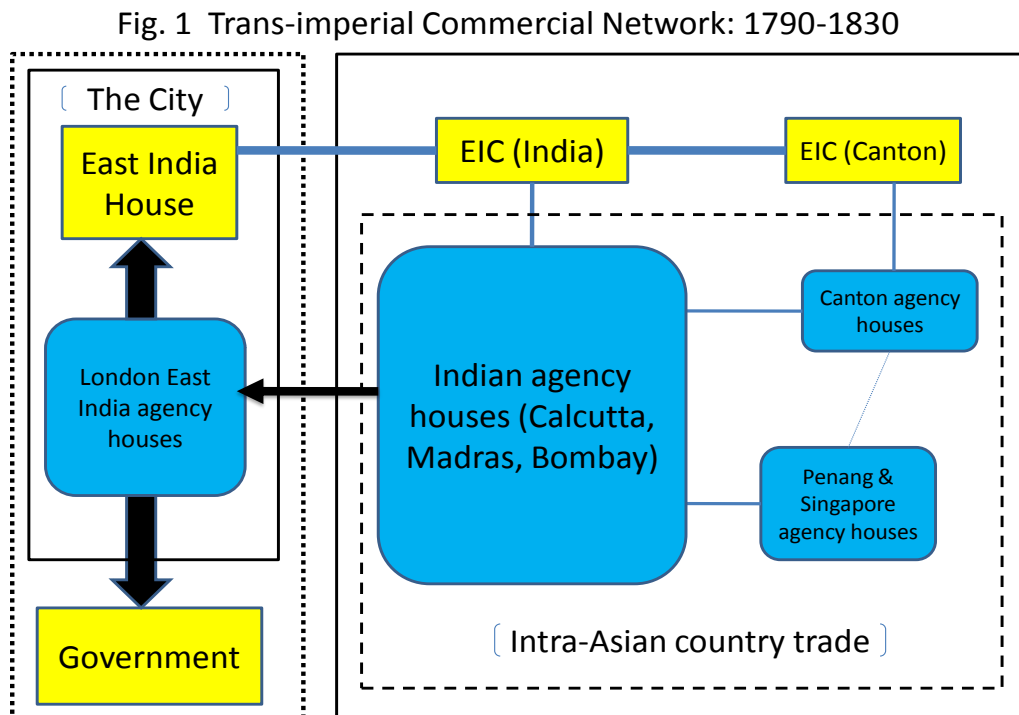
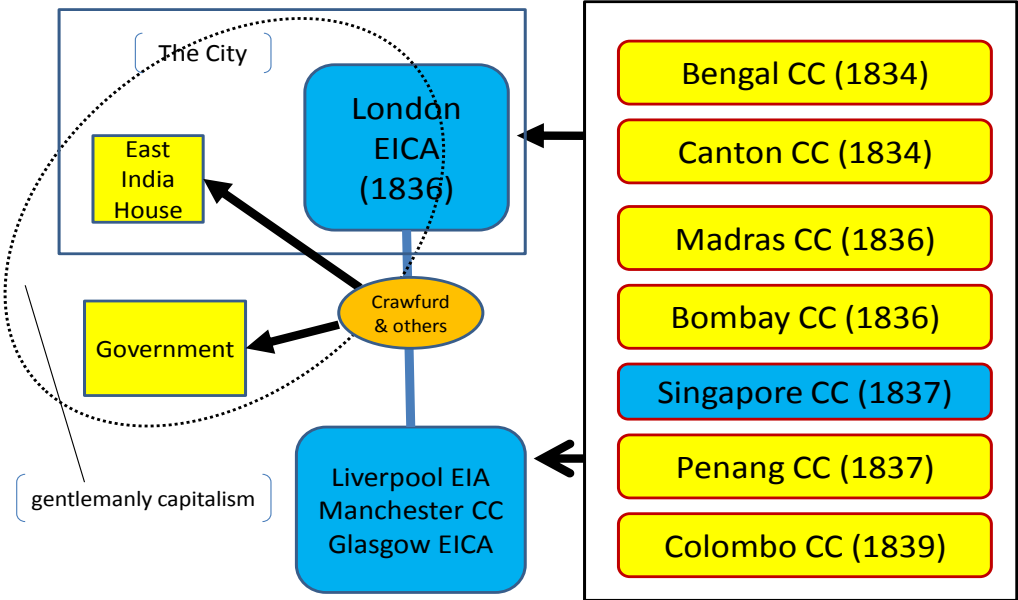


Figure 1 shows the trans-imperial commercial network between India and Britain in the early nineteenth century. The debate on the Charter Act of 1813 was dominated by two main

pressure groups. First, the provincial merchants and manufacturers in Manchester, Liverpool, Glasgow, and Birmingham seeking new export markets in India. The second group was the London East India Agency Houses. They purchased East India Company stock, and became a large pressure group by the 1820s. Their origins can be traced back to non-East India Company private firms, the so-called “agency houses” in the Indian presidencies. Partners retiring from the India houses established the London houses, so that each London firm enjoyed a close commercial relationship with a sister house in Calcutta, Madras, or Bombay. The India houses were extending business networks into Southeast Asia and Canton. After 1813 the number of London and India agency houses increased rapidly.

Fig. 2 The trans-imperial commercial/political network: 1830s-1840s



The trans-imperial commercial network experienced a great transformation in the Calcutta crisis during the early 1830s. This commercial distress led to the bankruptcies of the oldest Calcutta agency houses such as John Palmer Co., and simultaneously damaged the British private merchants in the Straits, Ceylon and Canton. Therefore, the Anglo-Asian commercial communities went on to seek their own political identities and new opportunities in the 1830s. They established chambers of commerce in Asia against the initiatives of the London houses, the East India Company and the imperial Government (See Figure 2). As Dr. Ota shows, for example, Singapore merchants requested protection of the waters of the Straits of Malacca. The East India Company attempted to finance the suppression of pirates by the imposition of duties on commerce, against the policy of free trade. The Company’s proposal was criticized by Singapore merchants, and in 1836 they established the Singapore Chamber

of Commerce on their own behalf. At the same time, the Singapore chamber also hated Dutch protectionism and monopoly in the Indian Archipelago. The Anglo-Asian commercial organizations found not only co-operation among them, but also made intimate collaborations with the pressure groups in London, Liverpool, Manchester and Glasgow. Dr. Kumagai argues that John Crawford mediated as a prominent lobbyist between the London-based gentlemanly capitalists and the provincial commercial bodies in the 1820s-30s.

I have three questions:

The first is for Dr. Webster and Dr. Kumagai. They point to the co-operation between London and the provinces in the first half of the nineteenth century, and criticize the Cain and Hopkins thesis of gentlemanly capitalism. But we cannot point only to the vitality of the commercial pressure groups behind the Government in the formation of policy making. The Government obtained information and opinions from the commercial world in Britain and Asia, but the official mind remained autonomous in formulating Britain's policy for Asia. What do you think about the role Government itself played in the longer history of gentlemanly capitalism?

The second question is related to Dr. Ota's paper. His perspective supports the debate on the Gallaher and Robinson thesis which stressed the importance of the periphery as the source of imperial expansion. Dr. Ota also suggests the importance of the men on the spot, non-European collaborators and a turbulent frontier in the shape of the territorial boundary of the British and Dutch colonial empires in maritime Asia. I wonder how these two empires were shaped by imperial channels of intelligence and communication. How could the picture of the Dutch imperial information network between the colony and the homeland be drawn?

In his paper, Professor Shimada argues the Dutch transition from trading business to colonialism in Asian waters in the early nineteenth century. During the 1820s-30s, as he concludes, the Dutch government decided on the establishment of the Netherlands Trading Society, the Bank of Java and the cultivation system in the Dutch East Indies. These colonial institutions were very similar to the British case of the so-called "Home Charges" transfer system in the formation of imperial policies in British India (See Figure 3). My special interest is that the long-term transfer problem between India and Britain continued to be the imperial principle of "gentlemanly capitalism" for Asia from the late eighteenth century to the 1930s. I wonder to what extent the set of new measures for Dutch rule in Java was inherited from the legacies of the Dutch East India Company in the Indian Archipelago. It suggests that the Dutch version of "gentlemanly capitalism" could be reconsidered in the case of the long-term continuity of Dutch rule in the East Indies.

Fig. 3 The Transfer System of the British East India Company

