It is establishing trade relations between the United States of America and the Asiatic states, and the European colonies that belong in Europe to little known themes of history regarding this area. Mapping long-distance trade in Asia, European historians tend to ignore traders from another side of the Atlantic, due to the Americans arrived in Asiatic trade centres relatively late, but in fact, immediately after the United States had been founded. The Americans’ share of British-Asian trade exchange in the Colonial Age is not practically known. What is, relatively, historically well elaborated is the trade run by the Americans in China, which might be regarded as extraordinarily important in many ways; as regards other Asiatic centres, the picture is less clear. Therefore the American phenomenon should not be underestimated not only because the development of trade exchange was highly dynamic, but also because after the Revolutionary Wars and the Napoleonic Wars had been launched, the Americans were those who played the role as the second most important trade power after the British, and their trade under a neut-

ral flag, *de facto*, enabled a range of Europe's colonies to survive. The contribution endeavours, at least, to partially compensate the imperfections.

**Trade in the Colonial Age**

According to the Navigation Act of 1651 and successive legislation, the inhabitants of the American colonies were not allowed to trade directly with the Orient. They had to buy oriental products in the market in London, where the goods were supplied by the monopoly English East India Company. Thus a part of the profit remained in a middleman's hands. Despite that fact, American traders grew rich on oriental goods distribution in the American colonies, which were the important market of calico, rice, spice, coffee, tea, and Chinese porcelain and stoneware.

An array of the Americans was also in the employ of the English East India Company. The brothers Yales, Elihu and Thomas, who pursued a distinguished career in the Company, are perhaps the best known example. Elihu Yale was appointed Governor of Madras; his brother participated in establishing the first trade contacts with China. Later being deposed for putative misconduct (1692), Elihu Yale never returned to America, but went to England. He donated a part of his fortune to a school founded in 1701 in Branford, Connecticut, USA. Thanks to his gifts, the school could be moved to New Haven in 1716, and in 1718 it was renamed “Yale’s College” in Yale’s honour. Today the third oldest tertiary institution in the USA is known as Yale’s University.

The flow of Asian goods from London was supplemented with oriental products bought from Madagascar pirates. The British, American and French sailors who joined pirates found sanctuary on the island, Saint Marie (St. Mary), close to Madagascar. They were making raids from there, mostly against the English East India Company’s ships. Pirates such as John Avery, Abraham Samuel, David Williams, Thomas Tew, Misson and Caraccioli, William Kidd, Thomas White, John Halsey, Samuel Burgess, Nathaniel North, Robert England and many more were selling the booty in South or North Carolina, Virginia, Pennsylvania and in New York. We know that it was about four ships from Madagascar that just arrived in New York in a year that time.

Many new colonies’ dwellers participated in piracy either temporarily or all their life. Most of them regularly sent their families money. The East India Company’s report says: “Pirates, sea rovers and blades of fortune were supplied with arms, liquor and other necessities by ships from the American colonies that also marketed their booty and arranged for their repatriation by contracting to carry them as passengers and put them ashore between the Capes of Virginia and the east end of Long Island.”

However, the support of pirates was not boundless. Before the year 1700, the legal trade of the American colonies expanded, and it was the opinion that pirates were rather a threat to the trade than asset that prevailed. Firstly, it caused a split between the pirates and the American traders, and eventually it led to the suppression of piracy on Madagascar.

It was smuggling what was the third important flow of oriental goods in America. Its centre was on the island of St. Eustatius, on today’s Netherlands Antilles, but also somewhere else. The American traders were buying goods from the Dutch East India Company (Vereenigde Oost-Indische Compagnie - VOC), and shipped them into Philadelphia by sea or land via New Jersey. Thomas Willing, Robert Morris, Thomas Riché and Thomas Wharton were among the most important smugglers. The smuggling had wide reach and was sophisticated, and was supported by massive corruption of customs officers. It was an extensive action against smugglers carried out by Governor Robert Hunter Morris from 1756 that brought the smuggling nearly to halt. Due to that, the British troops took also the island of St. Eustatius in 1780. Thus under those circumstances, most American traders surrendered smuggling.

The interest in oriental products was the object of a range of disputes between the American colonies’ dwellers and the British direction. Provoked by Benjamin Franklin, a prominent intellectual in Philadelphia, and William Allen, the richest local trader, one of them was dispute over a ship *Argo* expedition. To search for a northwest passage to China, the ship was dispatched in 1751, 1753 and 1754. But regarded as the Navigation Act

The Beginnings of the American Trade Expansion in Asia 1783–1812 | Michal Wanner

The United States was independent and the English East India Company's existing monopoly did not apply to them. 8

It was the American enlighteners who were intensely interested in China that considerably influenced the early voyages to Asia. To give an example, it might be a group of enlightened intellectuals from Philadelphia united in the American Philosophical Society for Promoting Useful Knowledge. At least twenty members of the Society were closely concerned with China. Including Benjamin Franklin, those “orientalists” were occupied with navigation, cartography and trade. It was, for example, Charles Thomson, Secretary of the Continental Congress and later of the United States Congress who shared, with Franklin, interest in the development of American trade with China. They endeavoured, inter alia, to import Chinese technologies and products such as porcelain, silk and tea; and Humphry Marshall, a botanist, engaged in the American agriculture development, was interested in import of rice and vetch. Among those interested were also the Society's Secretary, a linguist, Peter Duponceau, or Andreas van Braam and Nathan Dunn. To list somebody from the intellectual circle outside the Society, one name is essential: Robert Waln, a Quaker, autodidact, historian of China who carried out some research in the East. But it was traders and shipowners, who wanted to raise their capital, and who reflected popularity of Asian goods in American households, that were basically interested in establishing trade in China. And it was drinking tea that contributed to that, for it was considered to be a sort of luxury, thus it was promptly emulated by lower social classes. 9

What had the key importance for establishing the direct trade relations between the USA and China was a Captain Cook's voyage in 1776, he undertook in the days when the American Revolution culminated. Cook proved that the Northwest route to China across the Pacific edge did not exist and that was necessary to sail traditionally round the Cape of Good Hope and Cape Horn. The pieces of information about demand for pelts in China were also included in his report. Benjamin Franklin and other Americans learnt about that fact from the voyage reports that arrived in Philadelphia in 1780. What had the central importance was John Rickman’s re-

estimated as the most significant dispute over the oriental goods, the increase in tea levies according to The Townshend Acts of 1767 aroused the American colonies’ inhabitants’ indignation. The campaign against the article drew in 1770 the support of traders in New York, Philadelphia and Charleston. The ships with tea were not admitted to ports. Clumsy attempts of Lord North’s government at finding a resolution to tea surplus in the English East India Company’s warehouses by way of decreasing levies on that commodity were too late, and did not change the American traders’ popular hostility. Smugglers perceived that as dumping measures imposed against them, Boston’s citizens believed that only representatives elected by them were allowed to collect even the reduced levy. It resulted in that familiar Boston Tea Party on 16 December 1773, when colonists threw containers of tea into the sea from a ship lying at anchor at the Griffin’s Wharf in Boston. It was rise of coercive acts that the action produced, and all that developed into the American Revolution. 7

The Trade with China Inception

It was after the War when the interest in establishing trade with China rapidly grew, despite the fact that also the English East India Company restored the trade contacts in America. The loss of trade with the British Caribbean acted as a great stimulus. Before the American Revolution, the American colonies were included in the British colonial system. They sent grocery and timber to the Caribbean, and for money and bills of exchange they were given they bought industrial products and other sorts of grocery in Europe. After the USA came into existence, the American traders found themselves outside the colonial system and were seeking opportunities to another use of their capital. The Caribbean was closed, but the way to Asia was open as the

9) GOLDSTEIN J., Philadelphia, p. 6–8.
Captain Green was given letters of recommendation from Charles Thompson, Secretary of the United States Congress. 12

The ship stopped on the Cape Verde Islands where she replenished water and food supplies, and then she rounded the Cape of Good Hope and headed for the Sunda Strait. There she met a French ship that helped her to reach Whampoa (Huangpu) on 28 August that year. Major Shaw depicted the first meeting with Chinese traders and wrote in his log the following:

“You are not Englishman?”

“No.”

“But you speak English word, and when you first come, I no can tell difference; but now I understand very well. When I speak Englishman his price, he say,

“So much, take it, let alone.”

I tell him, “No my friend, I give you so much.”

He look at me, “Go to hell, you damned rascal; what! You come here, set a price my goods?” “Truly, Massa Typan, I see very well you no hap Englishman. All Chinaman very much love your country.”

Thus far [continues Shaw], the fellow’s remarks pleased me. Justice obliges me to add his conclusion: “All men come first time China very good gentleman, all same you. I think two three time more you come Canton, you make all same Englishman too.” 13

After initial difficulties, the Chinese learnt to distinguish Americans from the British and called them “new people”. Other nations reacted quite friendly, and with the help of the English, the Americans soon penetrated business practice in Canton. 14 In exchange for ginseng, the traders were given five sorts of tea, silk women’s gloves, silk fabrics, cotton fabrics including the so-called nankeen, Chinese cinnamon and porcelain. A special gift

12) The trade was conducted through a merchants’ guild, nicknamed kohong by Europeans. The trade was levied by superintendent of marine levies for the area of Kuang-tung. Europeans called the officer hoppo. The guild was replaced by a commercial consortium in 1771 where the Chinese traders deposited their shares. The system became a bit more flexible, which allowed all foreign businessmen to cooperate with the prominent Chinese traders.

P. A. DYKE van, The Canton Trade: Life and Enterprise on the China Coast, 1700–1845, Hong Kong 2005, s. 100.

13) Quoted by F. R. DULLES, The Old China Trade, Boston 1930, p. 11.

for Mr. Morris included hand-painted wallpaper and paper screens, four lacquered fans and a fancy box, glass and porcelain.

Accompanied by Dutch ships, the Americans came back to the Cape of Good Hope and then returned to New York in May 1785. The sale of goods earned thirty thousand dollars, thus the profit comprised twenty-five percent of initial deposit. The ship immediately began being prepared for a new voyage to China.

Morris’s voyage produced positive but also naive responses. Samuel Shaw wrote: “when, by the map, we conveyed to them an idea of the extent of our country, with its present and increasing population, they were not a little pleased at the prospect of so considerable a market for the productions of their own empire.” The opinion spread fast around America. Shaw referred in detail to the Secretary of Foreign Affairs John Jay, and soon he was awarded the Congress’s verbal honour for his merits. A detailed report was published in New York’s newspapers and subsequently in other commercial centres. In May 1785, a congressman, Richard Henry Lee, expressed himself that the Chinese “glad to see a new source of commerce opened to them from a new people.”

No less frenetic was embrace by the American press. The Massachusetts Centinel of 18 May 1785 termed the expedition of the ship The Empress of China “one of the greatest nautical prodigies we ever recollect hearing”. But it was a poem meant to celebrate by a bard of the American Revolution, Phillipp Freneau, “On the First American Ship that Explored the Route to China and the East Indies, After the Revolution” that was the most lyrical reaction. Nevertheless the time proved that the vision for American-Chinese friendship and moneymaking business would have to be revised; however, the wave of propaganda radically affected the development of the American-Chinese trade.

The successful expedition encouraged many more businesses. Soon in Boston, new enterprise to dispatch a ship to the East Indies rose, in which “any citizen who wished to become interested” could be involved provided they would buy a three-hundred-dollar share. Even Robert Morris was going to invest in that business. In 1787 he assisted to dispatch the ship Alliance captained by Thomas Reid. She departed from Philadelphia in June 1787 and returned on 19 September 1788 with half a million dollars’ worth of load. For the Alliance’s expedition, they chose the route across the Pacific, and the ship navigated past the Solomon Islands and two unknown islands which they named Alliance, and Morris. The ship returned to Philadelphia in September 1788, which helped Morris to escape from bankruptcy.

Initially dispatched to China by a group of Morris’s friends, a ship called United States made for India and Aceh on Sumatra instead. In 1785, a group of six investors from Philadelphia dispatched a ship Canton that undertook two voyages to Canton where ginseng and precious metal were successfully exchanged for Asian goods. The first ship built in Philadelphia, Asia, with a displacement of two hundred and ninety-two tons was dispatched to China in 1787. In addition to ginseng and silver she conveyed also thirty barrels of brandy. It was for the first time that Stephen Girard, one-eyed French-born sailor, who got to Philadelphia during the American War and who acquired fortune in the Atlantic and the Caribbean business, participated in the ship dispatch. He commissioned to build four ships for Asia in a shipyard; they were named Voltaire, Rousseau, Montesquieu and Helvetius. The ships undertook nineteen journeys to Canton between 1798 and 1826.

Sailing ships from other ports ensued. In 1786 a ship Hope under the command of Captain Shaw departed from New York. James Magee who brought the Congress’s delegation as the first American consul in Canton was on the board. Thus the first consulate beyond the Cape of Good Hope rose and existed until 1844. But it was a bare title. Magee yet was not paid. He only hung out a flag and the Chinese considered him to be a chief businessman. The same year, Elias H. Derby from Salem, Massachusetts, dispatched a ship, Grand Turk, so did John Brown from Providence, Rhode Island, with a ship General Washington. Both ships were heading for Canton; however General Washington stopped in French Pondicherry and British Madras in India.

From 1790, the American trade with Asia might be thought as stable. It was seven ships from Philadelphia and almost thirty ones from all United States that departed for China between the years 1784 and 1804. And after 1804, the number of ships was stabilized at thirty per a year until 1846; during which time one third of ships were from Philadelphia. The ships from Philadelphia had a big tonnage however it was New York that soon took the leading role. Boston was the first to begin to export pelts into China and

15) GOLDSTEIN, Philadelphia, p. 30-33.
17) GOLDSTEIN, Philadelphia, p. 34-35.
to develop the trade with the American Northwest. A share of traders from Providence was goodly. The expeditions were financed by both wealthy businessmen and consortia of small-scale traders.

Heading also to the ports in the Indian Ocean such as Mauritius, Batavia, Calcutta or Bombay, the American expeditions arrived, for example, in Mauritius, there they unloaded the goods and loaded new ones for Canton. In smaller trade centers in Southeast Asia, they searched for typical products for the Chinese market like trepang (bêche-de-mer) or sandalwood; otherwise it was cotton from Bombay or Calcutta, pepper from Sumatra, sugar and coffee from Batavia that was the centre of interest. The expeditions from Salem stand as an example. Joseph Peabody sent eighty-seven ships to the Orient in 1790, but only seventeen reached China. The rest headed for the destinations on Mauritius, in India or on Sumatra. 19

The Trade Exchange Development

In the 1790s, the tea became a large-scale and the most valued commodity in the American foreign trade and after Britain and Cuba, China became the USA’s third most important business partner. The Americans drank largely green tea, in the first instance hyson tea. Unlike the British, they were content with a poorer quality. Ranking the second most lucrative commodity was silk, the third was cotton cloth, the so-called nankeen. The import included also porcelain and furniture. 20

The rapid success of the Americans provided hope for another expansion. However a substantial limit appeared soon. It was tea that was the basic exported commodity, though its consumption was limited. The restrictions imposed on the tea export into Europe and the Caribbean region was impenetrable, and all attempts to circumvent them failed. Furthermore another problem was commodities the exported tea was paid for. Tea, silk and porcelain had been bought for silver for centuries, as autarchic China was not interested in any other sort of goods. The situation substantially changed after 1825 when a mass import of opium began. 21

It was not easy to gather enough precious metal for exchange in China. The situation was partly solved through insurance companies that provided loans for finances. Principal and interest were paid back after the Chinese goods had been sold. The United States was not abundant in significant silver or gold mines; the gold was smuggled into the country from Spanish America and was needed for repaying European bonds. Luxury Chinese goods were soon the subject of critique.

A shortage of precious metal forced Americans to seek various commodities that would have market in China. Potential equivalent included a lot of exotic goods. Among them were: anise, benzoin, bezoar, dragon’s blood, cudbear (French purple), gamboge (gummi-gutta), orpiment, frankincense, asafoetida, terra japonica, damar, cobalt blue enamel (smalt) and more. Despite romantic stories, the majority of Chinese goods were bought for precious metal. 22

Firstly, the Americans hoped they would have found an alternative in ginseng. The plant grows from Quebec to Georgia, mostly in the Apalachee Mountains. The Jesuits were the first to discover that ginseng grew also in America; and it was not coincidence that right Frenchmen initiated trade with that commodity. Ginseng was discovered in Pennsylvania in 1738 and from 1752 it was exported into London, where it was sold at a huge profit. Some traders’ hopes, e.g. the Pembertons family, for large-scale trade did not come true. However the Americans found out that the Chinese were interested in pelts, sandalwood and various goods from the South Seas. 23

Chinese houses were not heated and were cold in winter. Naturally demand for fur existed there, which was discovered by Captain Cook’s sailors first. Pelts were also imported into China by Russians, the English, Frenchmen and Austrians. The Americans soon began to import them too. They were buying them from Indians on the northwest coast of America (sea otter

23) GOLDSTEIN, Philadelphia, p. 21-22.
pels), on the Falkland Islands (seal pelts), and in the American inland from where they were conveyed to New York by fur companies.  

Concurrently, they also endeavoured to ensure other commodities, for example sandalwood and trepang (boiled, dried or smoked meat of sea cucumber that was added in soup in China). It is not completely clear when the trade with sandalwood began. It seems that the first sandalwood was brought to Canton in 1792 by ships trading with pelts from the Hawaiian Islands being their regular stopover. Afterwards the trade with sandalwood from Hawaii developed rapidly. It was William H. Davis and Jonathan Winship from Boston who imported it regularly from 1793. Later the sandalwood was found on Fiji and other islands of the Pacific Ocean seas. The ships from New York and Salem stopped on Fiji. The traders contracted with natives to collect wood on the coast for them. The trade culminated after 1812 when it was supplemented with the sea cucumber import.  

The Revolutionary and the Napoleonic Wars

The impulse that prompted the American trade in Asia at the turn of the 18th century was events happening in far Europe. Due to the wars with revolutionary France, a number of trade embargoes and barriers for European trade appeared. Taking advantage of that, Americans under a neutral flag assumed the role of middlemen providing single countries at war with goods. The classic work on the theme says: “The expansion of the United States is the measure of the contraction of Europe - England excepted.”

In the sphere of Chinese trade that meant that, after the British, Americans became the second most important Chinese tea exporters. The tea imported into the USA was re-exported into the countries that were willing to pay with precious metal. The export of tea grew every year by a quarter up to half and was not ceased until Jefferson’s embargo of 1808.  

The next Napoleonic Wars, as well, entailed the loss for the countries not being in the English alignment. At the same time, they encouraged the trade of the neutral American republic until its own embargo in 1807-1809 and re-entered war with England between 1812 and 1815. The randomly viewed Batavia’s port registers evidence all: ninety ships arrived at the Batavia’s roadstead in 1804; six Danish, two Spanish, two Portuguese, two French, two Swedish, two “Moorish” ones, and no fewer than seventy-four ships from America.

men. Then they departed for Canton. But many ships headed to Bombay, Calcutta, Batavia, Manila or even along the coast of the Nova Hollandia, to Botany Bay in today’s Sydney. Other ships sailed at first to Amsterdam, Hamburg, Petersburg or Livorno where also the oriental goods were conveyed; as arose out of the American role of the chief importer during the blockade at the Revolutionary and the Napoleonic Wars.

The British marine long guarded the Americans carrying on business against competition, and the British courts approved the legality of neutral trade long enough to allow a new nation to vastly expand their business. When the French armies occupied almost all West Europe, it was the American tea that soon displaced all, with the exception of the British, since there was no other neutral that was safe enough in the war zone. In the late 1790s, the American ships exported yearly from three to five million pounds of tea. Slumped dramatically during the Peace of Amiens (1802-1804), it boomed when the war flared up. Twelve million pounds were transferred abroad between 1805 and 1806. All those circumstances resulted in the phenomenal growth of the American trade with China. While in 1789 only four American ships arrived in Canton, in 1804-1805 it was thirty-four, in 1805-1806 it was forty-four and between 1809-1810 (after Jefferson’s embargo) the amount of ships was thirty-seven. The trade volume during fifteen years quadruplicated.  

However, problems existed. The ships were jeopardized by regular typhoons in the South China Sea but also a huge amount of pirates and corsairs threatened them. Numerous cases of attack on American ships sailing in small convoys from Macao to Whampoa (Huangpu) have been documented. Nevertheless it was the so-called Ladrone Pirates, that means French and British corsairs that presented much serious danger. To list one, it was the American ship guarded by Macartney’s mission sailing from Canton that was threatened by French corsairs in the Sunda Strait. However the trade was more disturbed by the British who enforced the right to inspect American ships because of deserters, even in the Chinese waters. Consul Carrington vainly protested to both the American government and the Chinese authorities against arresting sailors by the British since 1804. The strain was increasing with every year and peaked in August 1807 when the British ship Diana attacked the schooner Topaz in Canton. Captain Nicol and eight sailors died in the assault. That time, eleven ships formed a squadron and got ready to launch a war against the British. The strain lasted till November when Captain Fanning averted the slaughter and induced both parties to negotiations, and achieved reconciliation. Nevertheless, the British attempted to inspect ships even after.

The trade between the United States and China was disrupted by the war with Britain in 1812-1814. The Americans feared British captivity and preferred staying at home. The trade decreased to minimum, despite the factors of both nations in Canton, which were friendly to each other, but the conflicts in the mouth of the Pearl River went on. First also American privateer ships appeared there, however their number did not reach the number of the British ones. Those conflicts caused that the Chinese authorities stated that if both of the nations had “petty quarrels” they should “go to their own country to settle them.”  
