

THROUGH THE YANG-TSE GORGES.

INTRODUCTORY.

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The Government of the Chinese—Revolutions—Trade—Taxes—Our interests in Szechuen—Imports and Exports—Comparative trade of all the Provinces.

THE history of our intercourse with China, from the days of the East India Company until now, is nothing but the record of a continuous struggle to open up and develop trade, with a people, who from the days of Pliny "ipsis feris persimiles, cœtus reliquorum mortalium fugiunt." There is something pathetic in the honest persistency, with which the people and their officials have vainly struggled to keep themselves uncontaminated from the outer world, and it is impossible for any disinterested onlooker not to sympathize heartily with them. An enormous population has here solved, imperfectly of course, but to a comparatively successful degree, the problem of the greatest happiness of the greatest number The venality of the officials notwithstanding, the people are, if not well governed, certainly not misgoverned; riches are fairly distributed, and the



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contrast of grinding poverty with arrogant wealth, the rule in Europe, is the exception here. Taxation is nominal, and such is the innate and universal love of order, that the reserve of force behind the decrees of the magistrate is limited to a few hundred men in a Province as large as an European kingdom. Competent investigators compute the total cost of the central and local governments at not more than 40,000,000l. a year, say two shillings per head for the whole population. Education is universal and voluntary.

No wonder that such results, due to the universal acceptance of the Confucian Ethics, should make the people look askance at innovations coming from the West, where, as the Chinese say, notwithstanding their marked superiority in applied mechanics, nations live in a permanent condition of armed peace, the monotonous pressure of which is only relieved by the still worse calamity of frequent wars, with their attendant burdens of debt and pauperism.

Revolutions occur at long intervals in China, but the normal state of the Empire is peace. Thus since the last change of dynasty (A.D. 1644), the Chinese have enjoyed the blessings of peace and prosperity uninterruptedly, with the exception of the petty wars of this century with ourselves and the French. Even the terrible Taiping rebellion (1848 to 1864) may be attributed to the unnecessary aggressiveness of the missionaries, which resulted in the conversion of its fanatical leader, Hong-hsio-



Missionaries and Merchants.

choen, often cited as the one misguided although genuine convert to Christianity, which the Empire has produced, and who modelled his action on that of the Jewish leaders, his war-cry being "Sho yao," "Slay the idolaters." But we who have to make our living in China, merchants or missionaries, are not disinterested onlookers. We both have our gospel to preach to unwilling ears, and we both assume that outside our gospel, in the one case Free Trade, in the other Christianity, there is no salvation. Force has been freely applied in both cases, and each propaganda accuses the other of being a hindrance to its own success. Holding a religion whose ethics commend themselves to the reason, and the obligatory practice of which literally accords with its tenets, the Chinese naturally mistrust a doctrine which, however humane in theory, they consider is not and cannot be literally obeyed in practice: not to speak of the, to them, incomprehensible antagonism of the doctrine exhibited in the literal translation of the Old and New Testaments, which we have forced the Chinese to allow foreign colporteurs to distribute, without comment or explanation, broadcast over the land. The merchant professes a more selfish doctrine, and the beneficial results of his propaganda are likewise not immediately apparent; but having committed ourselves to its adoption we are bound to continue the necessary pressure, in the hope of increasing still further the material benefits, as much to the Chinese as

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to our own people, which even the restricted trade at present carried on undoubtedly confers.

For, viewing the enormous population, now again estimated at over 400,000,000, the richness of the soil, the genial climate, the inexhaustible mineral wealth, and above all, the untiring industry of the people; the trade at present carried on is not a tithe of that which we should naturally In the number of Great Britain's look for. foreign customers China proper takes seventeenth rank, being just on a par with Scandinavia. Our exports to the Celestial Empire are not onesixth of those to the United States, with a population of 60,000,000; just one-sixth of our exports to British India, and not one-tenth of that to our Australian and other Colonies, all, except India, countries fenced in with hostile tariffs ranging from thirty to sixty per cent., while with China, according to treaty, our imports have only to withstand a nominal burden of five per cent. If we include Hongkong, which is a depôt for many of the surrounding countries as well, we bring up the total figures of our imports to China to 9,000,000l., or about one-half of our total exports to the thinly-populated South American Continent. The great drawbacks, which prevent our trade with China attaining to dimensions on a par with the wealth, civilization, and numbers of its people, are the rudimentary condition of its roads, the discouragement of mining, and the vexatious multiplicity of the inland tax-stations.



Obstacles to Trade with China.

These obstacles present themselves in the order named, the first of all being the difficulty of inter-communication. By the compulsory opening to steamers of the Great River as far as Hankow, 600 miles only, the trade of Shanghai was quickly quadrupled. Later on 400 miles additional, up to Ichang, situated at the foot of the first rapid, were reluctantly conceded as an equivalent for the murder of Margary in Yunnan and another great bound took place. But in Ichang we have only a poor mountain town. which has derived a limited importance as the transhipping point for the rich Province of Szechuen, lying in the far west above and beyond the rapids. To reach this, the native merchants have to run the gauntlet of the rapids in frail native craft, and the still worse gauntlet of a string of Custom-houses; the delays and damage caused to goods by the thorough examination they have to undergo, more particularly at Kwei-Kwan, being even more injurious to traffic than the actual taxes demanded. To evade this obstacle, a conditional stipulation was inserted in the Convention under which Ichang was opened in 1877, by which it was hoped to open up the great mart of Chung-king as another step of 400 miles. The establishment of this. the commercial metropolis of Szechuen, as a treaty port, would, in the words of a late Consular Resident there, create another Shanghai in Western China, such are the ascertained riches of

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the Great West, of which Chung-king is the key. But the Chinese cannot make up their minds to this step, and although we have more than fulfilled our part of the Chefoo Convention by permitting them to establish a Customs-office for opium in our own free port of Hongkong, our Government has dealt so tenderly with the Chinese, as not yet to have claimed from them permission for a steamer to make the trial ascent. The difficulty lies with the provincial authorities, whose interests are menaced by the change; but a vigorous minister has only to press the matter home sufficiently upon the Central Government at Pekin, for them to give way, and in their turn plead force majeure to the provincials, who then. as in so many other previous instances, would promptly, though sulkily acquiesce. Thus far the Chinese Government pleads for delay, on the ground of the junkmen who would be thrown out of work; but this argument, though good in itself, is dispelled by the experience of other ports opened to steam, where the trade on the subsidiary channels of communication has been so stimulated, that more natives are employed in the carrying trade than ever before.

But to bring about a radical change like that of steam communication, and at the same time promote the prosperity of all classes, including those whose vested interests are threatened, what is wanted is permission to the people to avail themselves freely of their almost untouched



Obstacles to Trade with China.

mineral wealth. It is the studious discouragement of mining enterprise, on the part of the authorities, that forms the second of the three obstacles to increased trade, which I have just enumerated. It is nothing less than a scandal, that at Ichang, 1000 miles inland, steamers should be driven to burn imported Japanese coal, when Ichang, as Richthofen points out, is situated on the borders of one of the richest coalfields in the world. The vast carboniferous deposits that underlie the Red Basin of Szechuen, and the outcroppings of which in the gorges of the Yang-tse and its affluents, arrest the attention of all travellers in that region, remain a sealed book. If these mines were allowed to be worked by Western appliances, and the coal, the iron, the precious metals, and the petroleumsprings properly developed, not only would there be such a trade, that junks and steamers together would hardly be able to carry it all; but even if the junks were displaced in toto, the few thousand trackers thrown out of employment would not suffice to supply one-tenth of the labour required, and in lieu of the miserable pittance they now receive for their arduous and dangerous labours, they would then earn sufficient wages to enable them to live in comparative comfort.

The Chinese Government has a traditional mistrust of all enterprises, carried out upon private initiative. There is one steamer company in China, the "China Merchants' Steam

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Navigation Company," and one coal-mining company, that of Kaiping, to the north of Tientsin, whose operations are large and successful, but they are both worked under Government auspices, the managers being high Mandarins, although both employ a large number of European assistants. The capital of both companies is largely recruited from the trading classes, and these non-official shareholders complain bitterly of the absence of proper accounts, and of the few and arbitrary dividends doled out to them. So great is the mistrust, engendered by the official management of these two important enterprises, that the trading class so far, have utterly failed to respond to the recent Government appeals for capital for the proposed railway from Tientsin to Taku, and it seems probable, that the authorities will fail in their endeavour to construct railroads, independently of the foreign aid which has been so lavishly tendered to them by the agents of competing European syndicates.

However, the fact remains, and has to be counted with, that the high Chinese officials are hostile to all trading enterprises in the country, which they do not themselves inaugurate and control. If they do not ultimately succeed in constructing railroads, and working mines on their own system, employing a few foreigners in subordinate positions only, the expected field for foreign enterprise in China, will be materially



The Foreign Trade of China.

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reduced, and the process of centralization which has been steadily going on of late years will lead to an organic change in the government of the Empire, the result of which it is impossible to foresee. If no disturbing revolution intervene, the prosperity of the people must slowly increase as the latent resources of the country, and consequently their consuming powers, are developed. A few figures, extracted from the foreign Customs return, will show what the present consumption is, how stationary our imports remain, and especially how trifling is now the import of European goods into Western China.

The following table shows the annual value of the foreign trade of all China; the tax upon which, levied by the Imperial Maritime Customs, amounted in 1886 to 15,000,000 Haikwan taels (or at 5s. per tael, 3,750,000l.). This is exclusive of the internal taxation, which may be estimated at fully as much again.

Imports from all countries Exports to all countries	70,050,000	1886. £21,870,000 19,300,000
	£38,627,000	£41,170,000
Imports from Great Britain Exports to Great Britain	0.501.000	1886. £5,508,000 4,936,000
	£11,614,000	£10,444,000

Comparative table, showing value of imports of foreign goods into Shanghai, and proportion



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imported thence into Ichang, for transit to Western China, in 1886; reduced to sterling:—

Cotton piece-goods Woollen piece-goods Metals Timber Opium Kerosene oil, coal, dye-stuffs		705	,000 ,000 ,000 ,000	Ichang. £158,000 110,000 4,000 nil 100
weed, and miscellaneous genumerated under 200 head		2, 390	,000	75,000
		£12,876	5,000	£347,100
Total value of <i>imports</i> into M as above				5, £347,100
Exports from Western China, Silk, silk waste and cocoons Drugs, white wax, and			247,000	0
produce Silver in ingots (balance			216,50	0
movements)			36,60	0 500,100
Surplus of exports over import	ts			£153,000

This latter table exhibits a surplus of exports over imports, of over forty per cent., and this excess of exports has been a marked feature of the trade, ever since the collection of statistics was begun, upon the establishment of the Foreign Inspectorate at Ichang, in 1877; an excess amounting, in some years, to double the value of the imports. Unfortunately, the figures published by the Imperial Maritime Customs, are (as indeed may be said of all statistics) imperfect, and therefore misleading, as they do not embrace the goods passing through the native Customs, and these comprise all goods which both reach the port, and