

**Re-imagining, reconstructing, and re-estimating British trade with Asia
during the very long eighteenth century**

H.V. Bowen, Swansea University
(h.v.bowen@swansea.ac.uk)

HARVARD-HITOTSUBASHI-WARWICK CONFERENCE
“ECONOMIC CHANGE AROUND THE INDIAN OCEAN IN THE VERY LONG RUN”
The University of Warwick in Venice, Palazzo Pesaro Papafava

22-24 July 2008

This draft working paper should not be cited without the permission of the author

1. The research context and the current state of play.

The primary research reported on here has largely been completed, but the findings have yet to be fully considered, reflected upon, and written up in systematic fashion. Much of what is said is thus, of necessity, very cautious and tentative, but essentially I am presenting an outline of a book-length study which will present the first detailed reconstruction and study of British trade with Asia between 1760 and 1833. This was, of course, the period when the East India Company established military and political supremacy on the Indian subcontinent and, as a consequence, greatly expanded its trade with China. But it was also a period when the Company's exclusive commercial privileges were gradually eroded, ending with the loss of the China trading monopoly in 1833, a process which saw private traders gain ever-greater levels of legal access to the trade with Asia.

The research on which this progress report is based was conducted, in the main, between 2004 and 2007 as part of an ESRC-supported project 'British economic, social, and cultural interactions with Asia, 1760-1833' (RES-000-27-108). For the end-of-award report on the project see: <http://www.esrcsocietytoday.ac.uk/ESRCInfoCentre/research/> [search on H.V. Bowen]. For the East India Company commercial and financial dataset generated by the project see: <http://www.data-archive.ac.uk/findingData/snDescription.asp?sn=5690>

Two preliminary scoping exercises were funded by the National Maritime Museum in 2002 and 2003.

2. British trade with Asia, c. 1700 – 1830: the conventional wisdom.

In the absence of detailed studies and robust data relating to British trade with Asia between 1760 and 1833 (when the East India Company lost its last remaining commercial privileges), historians have tended to approach the subject with a series of unquestioned general

assumptions lodged firmly in the front of their minds. In particular, the very nature of the commercial relationship between Britain and Asia has often been defined solely by the existence of the monopolistic East India Company, an organisation which by the third quarter of the eighteenth century is routinely held to have been engaged in the type of unprofitable trading activities that gave substance to Adam Smith's famous criticisms of it. Consequently, it is believed that the Company did not well serve the interests of British manufacturing industry, and excluded the private merchant community in both Britain and India from active participation in the East India trade. Moreover, it is generally thought that the trade was heavily unbalanced, with the value of exported woollens and metals failing to match that of imported luxury goods (and after 1790 raw materials) to such an extent that the gap could only be closed by the transfer of silver before 1765 and the appropriation of surplus Indian territorial revenues thereafter. Indeed, it would appear that, on the face of it, there are some statistical grounds to support this characterisation of the East India trade, and these have found representation in data assembled by some of the economic historians who have attempted to present a general profile of the distribution of British overseas trade during this period. See, for example, Table 1.

Table 1. 'East India's' share of English/British overseas trade, 1752-4 to 1824-6 (%).

	1752-4	1772-4	1784-6	1794-6	1804-6	1814-16	1824-6
Exports	7.9	7.3	13.3	14.7	6.5	5.6	9.2
Imports	13.3	15.1	21.8	19.4	14.4	16.4	16.5

Source: Percentage figures based on data in Ralph Davis, 'English foreign trade 1700-1774', *Economic History Review*, second series, XV (1962), 285-303; and idem., *The industrial revolution and British overseas trade* (Leicester 1979). Similar profiles are to be found in Phyllis Deane and W.A. Cole, *British economic growth, 1688-1959* (Cambridge, 1962), p.87; and Jacob M. Price, 'The imperial economy, 1700-1776' in *Oxford history of the British empire*, Vol. II: *the eighteenth century*, ed. P.J. Marshall (Oxford, 1998), p. 101.

Perhaps unsurprisingly - and especially in view of the widely held belief that the growth of British manufacturing industry was not to any great extent export-led - it is generally held that commercial and imperial expansion in Asia bore only very lightly on the development of the domestic economy, although of course the whole question of the multifarious effects of demand for imported luxury goods has recently been attracting considerable attention, notably from Maxine Berg.¹ And, quite logically, the reverse is also held to have been the case; that is: Asian consumers, hidebound by tradition and religion, and presented by the Company with commodities that were of limited practical or personal use, had little interest in British manufactured goods before the rapid influx of cheap Lancashire cottons from the 1820s onwards, a period which coincided with the Company's loss of its Indian trade monopoly and saw fuller rein given to free private merchants.

Needless to say, I don't agree with any of the above, and in fact very little of it stands up to any close scrutiny.

3. The working hypotheses.

The study as a whole focuses on the testing of a number of working hypotheses which have been formulated over the course of a long period of close engagement with a very wide range of source materials in Britain and Asia. These hypotheses can be summarised briefly as follows:

(a) A narrow focus on the East India Company as a conduit for commercial exchange between Britain and Asia serves quite fundamentally to misrepresent the complexity, diversity, dynamism, and innovative nature of the East India trade as a whole. There is a need to consider the trade within much larger terms of organisational and institutional reference.

¹ . Maxine Berg, *Luxury and pleasure in eighteenth-century Britain* (Oxford, 2005), esp. ch.2.

(b) The history of British trade with Asia has been dominated by import-led studies, especially of tea and textiles. But a sustained focus in particular on the significance of luxury goods imported into Britain has tended to marginalise other important flows of commodities, especially those in the export trade which have been almost entirely neglected by historians.

(c) The East India trade could, in some instances, exert very powerful influences on the sustaining and development of local and regional economies, as can be demonstrated through a series of commodity chain analyses and case-studies. The importance of this is lost in aggregated data or studies conducted at a 'national' level.

(d) There is a need for a pre-history of South Asian consumption of British manufactured goods to be written; a history focusing on the years before Lancashire cottons began to make their mark, i.e. pre-1820. This is because it can be demonstrated that through an engagement with private trade networks at least some India consumers were entering an international world of goods centred upon Britain, a process which subtly began to reshape lifestyles, behaviour, bodily practice, and material culture.²

All of the above needs to be tested and explored in a study which rests upon firm statistical foundations, but herein lies the central problem.

4. The scope of the problem

Historians are presented with very significant difficulties when they try to analyse British trade with Asia during the three-quarters of a century or so after 1760, which is precisely the period when the East India Company established control over much of the Indian sub-continent and effectively abandoned 'trade for trade's sake' in favour of a remodelled

² . For a preliminary exploration of this subject see H.V. Bowen, 'The consumption of British manufactured goods in India: a prologue, 1765-1813' in Douglas Haynes and Abigail MacGowan (eds), *Towards a history of consumption in South Asia* (forthcoming).

commercial system designed to facilitate the transfer of tribute from India to London, a process which greatly stimulated the growth of trade in Indian textiles and Chinese tea.³ This is because there are no robust long- runs of trade figures that allow the changing volume, value, and distribution of commodity flows to be analysed with any great degree of confidence or accuracy. Indeed, perhaps rather ironically, we are much better served for the period *before* 1760 because we have access to the data that was painstakingly assembled by K.N. Chaudhuri, although for reasons that will become apparent below Chaudhuri's study is not without its limitations when we consider flows of bullion and commodities between Britain and Asia.⁴ But when we arrive at 1760 we enter something of a statistical black hole, and this makes it extremely difficult to chart accurately and analyse the changing pattern of Britain's commercial interactions with Asia. There are a number of reasons for this.

First and foremost, the statistics generated by the British customs service in London have some very significant weaknesses in them and thus have to be treated with a considerable degree of caution. There are the very well known general problems associated with the use of 'official values' of commodities until the 1790s, but as far as this study is concerned a much more serious issue arises from the fact that until 1834 the Inspector-General at the Custom House in London used the general descriptor 'East Indies' for all British trade conducted beyond the Cape of Good Hope. This broad scheme of accounting classification means that it is quite simply impossible to distinguish between flows of commodities and bullion to and from India and China, let alone to and from Bombay,

³ . For a full discussion of this see H.V. Bowen, *The business of empire: The East India Company and Imperial Britain, 1760-1833* (2006), ch. 8.

⁴ . K.N. Chaudhuri, *The trading world of Asia and the English East India Company, 1660-1760* (1978). In a nutshell, Chaudhuri focused narrowly on the East India Company, with little or no acknowledgement of the legal and illicit transoceanic private trade of the type that is discussed later in this paper.

Calcutta, and Madras, which were the ports of entry to the East India Company's three Indian Presidencies. But, as is clearly evident from even the most cursory glance at a representation of the trading world of the British in Asia [See Map], there is a vital need to define regional and sub-regional commodity flows, if we are properly to understand how patterns of activity shifted over the long run.

Of course, the East India Company itself regularly extracted figures from its own account ledgers in order to inform analysis of British trade with Asia, and this information often found its way into parliamentary papers and official briefing documents prepared for the government's Board of Control for India that was established in 1784. Such information is rather more useful than that created by the state's customs officials because it contains long runs of figures distinguishing between Company exports to 'India' and 'China'. Accordingly, a number of historians have used it extensively for a wide range of purposes. But these figures also have to be treated with some degree of caution because, as was customary practice, and has been correctly pointed out by Om Prakash,⁵ exports to places such as Balambangan, Benkulen, and Mocha, were routinely recorded under the heading of 'India' in the Company's summary accounts, and this has led to an inadvertent inflation of the value and volume of shipments made by the Company to the subcontinent.

As far the Company's trade is concerned, however, a statistical reconstruction can be undertaken through use of primary data contained in the Commerce Journals which record in great detail the volume and value of the commodities and silver that passed between Britain and different ports Asia. Unfortunately, the Company clerks who laboriously compiled the Journals at East India House in London did not see fit to generate any annual total export or import figures before 1796, and therefore for the purposes of this study values

⁵ . Om Prakash, *New Cambridge history of India, II.5: European commercial enterprise in pre-colonial India* (1998), p. 274.

and volumes have had to be extracted systematically from the detailed individual cargo invoices that were routinely copied into the Journals. This statistical information has then been aggregated to produce overall totals for the consignments dispatched to, and received from, different destinations in Asia during each accounting period, and as a result it is now possible for the first time to present an accurate and finely detailed picture of all exports and imports made by the Company on its own account after 1760. It is these commodity flows that are quantified in the dataset noted above on page 2, but they by no means represent the full extent of British trade with Asia. In order properly to appreciate the full extent of that trade, it is above all necessary to understand that far from all of British trade with India, China, and the East Indies conducted by the East India Company during the age of monopoly, and at any given moment there were several private channels through which moved subsidiary flows of commodities to and from Asia, some legally, some illicitly; some directly, and some via Europe. This shift away from a simple single-institutional, bi-lateral model of transoceanic exchange first requires us to re-imagine British trade with Asia as a multi-faceted, multi-lateral series of commercial connections, because only then can we proceed to a full reconstruction and re-estimation of its volume and value.

5. Re-imagining the East India trade: beyond the East India Company

Unlike many modern historians, informed contemporaries recognised that British trade with Asia did not begin and end with the East India Company, and they often acknowledged that the East India trade gave rise to a much more complex set of maritime trading relationships. They of course knew of the ‘indulgence’ or ‘privilege’ trade allowed by the Company which enabled the commanders and crew of East Indiamen to ship goods to and from Asia according to a certain value and volume determined by rank. They knew also that a substantial volume of illicit goods was carried on board Company ships by crew and passengers in the hope that it could be smuggled ashore and thereby escape the notice of the

authorities. Finally, much was made of the ‘clandestine trade’, a successor to the interloping voyages of the seventeenth century; that is, a trade in goods carried to and from Asia on board British-owned foreign vessels via intermediary ports in Europe, and Company papers reveal this to have been a problem that much exercised the minds of the directors in London. Indeed, these three various forms of private trade – the legal ‘privilege’, smuggled, and clandestine – were at the forefront of the competitive commercial challenges confronting the Company and they elicited a range of responses intended to regulate them or eliminate them altogether.

During the late 1780s and early 1790s, the Company director David Scott undertook detailed studies of the British export trade conducted with Asia through different legal and illegal channels. Although Scott, a former partner in a Bombay agency house, was exceptionally well informed about the subject, the figures he assembled do have to be treated with some degree of caution because he was powerfully motivated by the desire to ‘open’ Britain’s trade with India. He was inclined to emphasise to his fellow directors, and to government ministers such as his friend Henry Dundas, the President of the Board of Control, that the Company only carried a relatively small proportion of Britain’s exports to India; and he argued that the directors should bow before the inevitable pressures of free trade and concede the removal, or at least the reduction, of their monopoly privileges, so as to ensure that all British trade with Asia was conducted directly from London. As such, he fought, not without some success, a long campaign to restructure the East India trade for the benefit of both the Company and private traders.⁶ He focused in particular upon the high freight rates and supposed lack of commercial enterprise which he argued were the root causes of the Company’s failure greatly to expand its export trade, and which had in turn had served to

⁶ . For a detailed study of Scott’s arguments, and his influence upon Company and government policy, see Vincent T. Harlow, *The founding of the second British Empire, 1763-1793* (2 vols, 1952 and 1964), II, 499-527.

restrict the legal opportunities open to British merchants and manufacturers who wished to gain access to Asian markets. His conclusions are presented in Table 2.

Table 2. David Scott's analysis of exports to India, 1790.

	Tons	Price per ton (£)	Total value (£)
Foreign companies	18048	55	992640
Clandestine trading (English commerce in foreign ships)	10255	60	615300
Private trade in EIC ships (licensed and unlicensed)	4258 ¹	103	439600
EIC goods	4893 ²	70	346070
1. For sale: 2748			
2. Stores: 2145			

¹ = estimated average, 1784-90; ² = average, 1784-90

Source: BL, IOR, H/399, p.1.

Scott's figures were a combination of estimates and averages based upon figures in the Company's records, to which he had access.⁷ In general terms, as far as British exports to India were concerned, Scott's paper simply confirmed what was known to most interested contemporaries: that there were three main ways by which British commodities could be shipped to India. As is evident from the table, each of these channels had a salient feature. Leaving to one side the trade of foreign companies, the Company's own trade ranked third and accounted for a mere 25 % of the total value of British exports. In terms of overall tonnage, Scott believed that British goods carried on foreign ships were more than the combined weight of Company and private goods. As a result, he remarked that this clandestine trade 'has certainly, as far as exports, been very useful to England as it has taken

⁷ . For Scott's unattributed paper, see British Library, India Office Records [hereafter BL, IOR], H/399, pp. 1-163. On the issue of the authorship of the paper see Harlow, *Founding of the second British empire*, II, 496 n. 25, 523, n.81, 533, n.102. For a copy of the paper see BL, IOR, H/404, pp. 99-257. For a different paper written by Scott but containing the same data see *ibid.*, L/MAR/1/26, pp.253-346 (Table on p. 305).

off a very great part of her manufacture, which otherwise, from the restrictions of the Company, must have wanted vent.’⁸ Finally, as far as the price per ton of goods was concerned, the most valuable branch of the trade was the private trade conducted on the Company’s ships. The reason for this, Scott explained, was that private trade exports are ‘by far the most valuable in consequence of the quantity of jewellery, silks, hosiery, hats, plate, elegant carriages, cut glass, mirrors, fine broad cloth, copper etc.’.⁹ He stated that in 1790 the value of the ‘private adventures’ carried out in 25 Company ships was officially estimated to be £582,000; with £442,000 destined for India and £140,000 for China.¹⁰

We can of course take Scott’s figures with a pinch of salt, but what his paper confirms is that it is entirely misleading to consider the East India trade as being synonymous with Company trade. Indeed, a study by Frances Russell of the Board of Control for India published in 1793 estimated that legitimate British private exports to Asia *as a whole* were almost as valuable as those as the Company itself.¹¹ This suggests that Company and private branches of British trade with Asia had long been co-existing, and they clearly had their own very different characteristics and organisational structures, all of which offered different types of opportunities to entrepreneurs in Britain who were formally excluded from the East India trade by the existence of the Company’s monopoly. The private branches of the trade can be illuminated, and Scott’s claims substantiated, through consideration of extensive evidence which throws light on how a wide range of innovative commercial practices

⁸ . David Scott, *Regulations for improving the commerce of the East India Company* (1789), p. 6. A copy of these printed ‘regulations’ is to be found in BL, IOR, H/404, pp.273-88.

⁹ . BL, H/399, p.5.

¹⁰ . BL, IOR, H/399, p. 4 (marginal note).

¹¹ . ‘FR’ [Francis Russell], *A short history of the East India Company ...*(1793), pp. 28, 38. Russell put Company exports during the early 1790s at £900,000 and private exports at £750,000.

facilitated private involvement in long-distance transoceanic commercial exchange between Britain and Asia.

As far as legal private trade with India was concerned, the main form in existence before 1793 was the 'indulgence' or 'privilege trade' allowed to the commanders and crew of Indiamen.¹² The indulgence supplemented modest wages and was intended to act as an incentive to insure that officers devoted their best efforts to preserving ships and cargoes.¹³ In total it amounted to freight-free shipment of 80 tons of goods in vessels of 755 tons and upwards, and it was structured according to a sliding scale, in which weight/volume allowances were determined according to rank, and which changed from time to time; but, broadly speaking, the allowances ranged from the 56 tons granted to a Commander to a few cubic feet given to a midshipman or assistant surgeon. In addition, the Company published detailed regulations prohibiting individuals from exporting commodities that would compete with its own goods in the Indian market place or guns and gunpowder that might find their way into the wrong hands.

As far as commanders and officers were concerned, this was indeed a great privilege affording them several different types of commercial opportunity within the context of an expanding Company import trade which required that more East Indiamen had to be dispatched (often half empty) to Asia to bring back textiles from India and tea from China. Indeed, while only twenty or so 499-ton Indiamen were sent annually to Asia during the 1750s, more than sixty Company ships of 800 to 1400 tons were dispatched to the East each year during the first decade of the nineteenth century. The privilege trade allowed officers to profit from goods they sold in Asia, either on their own account or by acting as agents for

¹² . As a result of David Scott's campaign, the Charter Act of 1793 permitted private traders to export 3,000 ton of goods a year to India on Company ships, but discussion of this lies beyond the scope of this paper. Additionally paying passengers often carried small items for sale in Asia.

¹³ . Copy of printed regulations in National Maritime Museum, Greenwich, UPN/11.

traders and merchants in Britain; it provided them with an entry point into the lucrative intra Asian or ‘country’ trade in which they could participate while in the East, especially if they were ordered to call at more than one port; and it enabled those intending to make only a one-way passage to transfer funds to India through the use of a respondentia or bottomry bond - loans secured against a cargo or vessel – which provided an important means of generating start-up capital for the newly arrived would-be private trader. This of course also enabled the suppliers of finance in Britain to earn interest from Asian trade and/or transfer funds to family, friends, or associates to whom the proceeds of sales were paid in India.¹⁴

There was clearly a considerable incentive for individuals to maximise weight allowances and, as Scott’s analysis suggested, much emphasis was placed upon assembling cargoes that contained low volume/high value goods that could be disposed of easily to the growing European communities in the main Company settlements at Bombay, Calcutta, and Madras. The privilege trade thus provided the channel through which flowed the ‘necessary’ and ‘luxury’ goods which served to sustain and improve the comfort of increasingly genteel Anglo-Indian societies that, as with elites across the British empire, were eager to adopt the fashions, habits, and interests of their contemporaries in metropolitan society. Rather more surprising, perhaps, are the bulk items declared in the private trade ledgers. For example, the Company permitted items to be exported under licence to those who were undertaking approved capital projects in the Company’s settlements. As a result, in the sailing seasons of 1770 and 1771 145 tons of hardware (including a saw mill in kit form and dock gates) was shipped to Archibald Campbell and Henry Watson who were commencing their ambitious wet and dry dock project at Kidderpur on the Hughli; and in 1771 over 100 tons of iron pipe work was transported to George Baker who was constructing a waterworks at Fort St George.

¹⁴ . For a detailed reconstruction of the privilege trade see H.V. Bowen, ‘Privilege and profit: commanders of East Indiamen as private traders, entrepreneurs and smugglers, 1760-1813’, *International Journal of Maritime History*, XIX (2007), 43-88.

Three years later a 900-gallon still and associated equipment weighing 17 tons was exported to John Levett, who by the 1780s was producing rum and sugar candy at his distillery in Bengal. These were perhaps special cases, and the shippers paid freight accordingly, but exports such as these tempted officers to include similar bulk items in their own privilege consignments. Thus in 1771 John Stewart of *Duke of Albany* bound for Madras and Calcutta gave over more than half of his weight allowance (39 tons) to the export of a sugar mill, three stills, twelve malt mills, and one bolting mill. In many ways, therefore, it was the privilege trade rather than the Company's own trade was at the heart of the processes through which technology was transferred from Britain to India.

What did this privilege trade amount to in terms of overall value and volume? This is a complicated matter which lies beyond the scope of this paper, but one thing is crystal clear and that is that all commanders and officers routinely exceeded their official allowances. False declarations, concealment, and underassessment of items were commonplace abuses that do not seem to have been addressed rigorously during the process of weighing and valuation of items that took place at East India House and the Quayside export warehouse. As the directors complained in 1786, officers 'frequently registered articles of private trade, under the denomination of chests of sundries without specifying the contents of such chests.'¹⁵ Five year later a committee of the directors reported that 'the private trade so carried to India, considerably exceed both in tonnage and value the amount of privilege granted by the Court, And this excess is, as they are informed, so different with respect to different ships and so fluctuating as to baffle all computations.'¹⁶ Where evidence has survived, considerable discrepancies do indeed emerge from comparisons between the

¹⁵ . Directors to Governor-General and Council of Bengal , 24 February 1786, *Fort William – India House correspondence* [hereafter *FWIHC*], X (Public series): 1786-1788, ed. Raghbir Singh (Delhi, 1972), p. 54.

¹⁶ . MSS 'Report of the Select Committee appointed to take into consideration the export trade from Great Britain to the East Indies' (1791), BL, IOR, H/400, p. 10.

official values recorded in the Company's private trade ledgers and the invoice payments noted in the personal journals and ledgers of commanders and officers. To take just one of several detailed cases that have been reconstructed: in 1780 William Hambly, Commander of *Lord North*, declared goods that were officially assessed at 56 tons in weight and £2052 in value (See Appendix 1). In fact, Hambly's own account books reveal that he paid £4474 10 s. 4d for these goods, and in addition he spent £2154 3s. 3d. on items that were not declared at all. Also noteworthy (and typical), is the range and diversity of items contained in Hambly's consignment: metals, hardware, personal goods, groceries, and luxury items.

Clearly, underpinning this type of activity was a lot of deception routinely practised by most if not all officers and, even if officials had possessed the will to root it out, it would have been very difficult to detect small but valuable items when they were concealed in cases and hidden on board Company ships. On an altogether larger, well-resourced, and well-planned scale, however, was the illegal shipment of bulk goods, and this was a particularly acute problem for the Company during the 1760s and 1770s. In some instances commanders and officers simply attempted to load at London or Gravesend excess quantities of licensed commodities in the hope that on-board checks would not be too rigorous, and many smuggling operations were based upon a considerable amount of planning, co-operation, and collusion between those inside and outside the Company. But yet more sophisticated operations saw outward bound Company ships meet with supply vessels in the Channel or, more commonly, near Madeira, Tenerife, or the Cape Verde Island, in order to take on board prohibited goods. These types of operations are detailed in Appendix 2, and especially noteworthy are the bulk and composition of the consignments, which included some very large quantities of metals and cloth, as well as military hardware. The heyday of these types of illicit activity was during the 1760s and 1770s, but there is evidence to suggest that

similar large-scale smuggling on board East Indiamen continued into the early nineteenth century.

Considerable amounts of commodities were also carried to (and of course from) Asia on a wide range of non-Company vessels, and these need to be factored into any calculation of the overall volume and value of British trade with the Orient. The captains of some private merchant vessels used the straightforward deceptive device of declaring to the customs authorities in Britain that their destination was a European port, but on reaching the open sea they then raised foreign colours and sailed on to India. This was reported to have happened with *Five Sisters* a 1400-ton vessel, commanded by O'Brien Harvey, during the late 1780s. An informer told the Board of Control for India that the ship was stated to be for Cadiz and the Canary Islands. On board it already had a cargo consisting of 190 casks of porter, more than 2,000 pigs of lead, iron ordnance, 40 nine-pounder guns, and a large quantity of iron and copper. It was said that the ship would do what *Hydra* had done two years earlier, and head for Calcutta 'under the colours of different foreign nations.'¹⁷

An extensive clandestine trade was conducted on board British-owned, British-commanded, and British-crewed vessels sailing to India from European ports. The voyages of these foreign-registered ships were the descendants of earlier interloping voyages, and they were similar to them because many of them started out from Ostend, although such ships also sailed from Copenhagen, Lisbon, and Cadiz. The late-eighteenth century clandestine trade was held by David Scott to have been reborn in 1777 when the notorious and deeply disaffected former Company servant William Bolts 'was the first adventurer in this new field under the colours of the Emperor of Germany'.¹⁸ Bolts was said to have fitted out a ship of

¹⁷ . Copy of 'W.L.' to the Board of Control for India (n.d., late 1780s), National Library of Scotland, MS 1066, f.44.

¹⁸ . BL, IOR, H/399, p. 2. The rest of this paragraph is based on this source.

700 tons at Ostend, and thereafter his example was followed to such an extent that in 1790 there were 22 such vessels of 10,225 tons burthen. The value of the exports carried was calculated to be £615,300 and it was estimated that 80 percent of this trade was 'English', with the main commodities being military and marine stores, as well as copper and woollens, and a wide range of British-produced necessities and luxuries (for examples from two such ships see Appendix 3). Moreover, the whole of the 5,505 tons exported from Ostend to India was said to consist of English property, and Scott remarked of Ostend that 'Indeed the port is now considered as much an English port as the port of London, both for exports to India and imports from it.' Holden Furber, who is one of the few historians to pay much this much attention to this trade, went rather further and on the basis of a series of case-studies suggested that during the 1770s and 1780s Copenhagen and Lisbon also 'became the centres of an India trade which was for the most part British in all but name.'¹⁹

Scott believed that without reform the growth of the clandestine trade would continue, and the actions of private traders certainly much exercised the minds of the Company's directors during the 1790s, not least because evidence had come to light that pointed to the fact that British-owned vessels were carrying out guns and military stores in order to sell them to Tipu Sultan who was then waging war against the Company's army. In 1791 the names of four such ships were sent to India so that they could be intercepted by the authorities [See Table 3], and the following year other such vessels were identified. Later in the decade, a series of inquiries revealed a sophisticated large-scale operation based in Copenhagen, but also involving Dutch and English agents, to facilitate the transfer of French cargoes from India to Europe at a time when Britain was at war with France. These

¹⁹ . Holden Furber, *John Company at work: a study of European expansion in India in the late eighteenth century* (Cambridge Mass., 1948), pp.110-59 (quotation on p.110).

Table 3. The clandestine arms trade to India, 1791

Ship	Commander	Port	Destination	Colours	Agents
<i>Enterprize</i>	Babcock	Ostend	Mauritius and Malabar Coast	American	Harris & Keith of Ostend
<i>Crown Princess Maria</i>	Christman	Ostend	Madras	Danish	Railton & Rankin of London
<i>Minerva</i>	Greenaway	Middleburg	Madras	Danish	Webb & Rigg of London
<i>Princess Frederica</i>	Barkley	Middleburg	Madras	Danish	Fraser of London

Source: The Secret Committee of directors to the Councils of Bengal, Madras, and Bombay, 13 May 1791, *Fort William – India House Correspondence (Foreign, Secret, and Political)*, XVII: 1787-1791, ed. Syed Hasan Askari (Delhi, 1976), pp.84-5.

inquiries exposed the inner workings of the clandestine trade and, although David Scott was eventually able to refute the politically motivated charge that he himself had been trading with the enemy under foreign colours, the findings endorsed Scott's claims that a great deal of trade was being carried to and from Europe in non-Company British-owned ships.²⁰ It was a trade that could only be ended, as Scott had long argued, by a removal of the Company's monopoly, and there can be no doubt that it continued until the Company lost its Indian trading privileges in 1813.

Very similar in organisation and method to the British clandestine trade via Europe was the illicit or undercover trade conducted on American ships that cleared from London and the out ports, and then headed directly or indirectly to Asia. It is possible to catch an early glimpse of this type of activity in 1785, for example, when it was reported that the tradesmen of London were shipping on an American vessel 'now fitting in our river for India every article of commerce that would fall under the description of measurement at the East

²⁰ . For the papers that formed the background to the inquiry see BL, IOR, H/496, passim.

India House'.²¹ This vessel was commanded by John Haggey who had earlier served as Chief mate on the Company ship *Royal Henry*. It is of course again very difficult to quantify this type of activity, but American merchants and ship owners certainly later played an important part in enabling British manufacturers to circumvent the monopoly restrictions that continued to be applied to the China trade until 1833. Joshua Bates, an American partner in Baring Brothers organised the private export of British manufactures to China on behalf of Americans from 1818;²² and indeed a decade or so earlier Francis Baring himself had used an American partner to send a consignment of prohibited woollens to Canton at a time when he was serving as a director of the Company.²³ Such consignments became very large, and between 1818 and 1828 Charles Everitt, an American commission agent, made extensive purchases of British manufactures for the China trade on American account; while William Brown a Liverpool merchant trading to America and China sent cargoes amounting to £805,527 between 1821 and 1829.²⁴ With the exception of some specie worth around £10,000, Brown's consignments 'consisted of British manufactured goods', and he admitted that for the purposes of 'concealment' the cargoes were usually cleared for Batavia. While, of course, Batavia was incorporated within the customs category of 'East Indies' referred to earlier, doubts must be expressed about how much of this trade was accurately represented in the official record.

Finally, there were a couple of further commercial channels that enabled small-scale exports of British manufactures to take place beyond the control and supervision of the East India Company. First, during times of war commodities were shipped from Britain to Asia

²¹ . Petition to the directors of the East India Company from the Society of East India commanders, 8 January 1785; London Guildhall Library, MS 31376.

²² . *Report from the Select Committee of the House of Lords appointed to enquire into the present state of the East India Company, and into the trade between Great Britain, the East Indies, and China* (1830), pp. 653-60.

²³ . Bowen, *Business of Empire*, p.123.

²⁴ . *Report from the Select Committee of the House of Lords...*, pp. 666-9, 748-51.

on board Royal Navy warships and troop transports, and the directors were sufficiently concerned to warn the Governor-General of India about the practice in 1782.²⁵ Then, ten years later, a spying mission organised by the Bombay Council revealed that two ships carrying convicts to Botany Bay had later sailed on to Goa where they transferred a consignment of copper and lead to three local or country vessels sent down to meet them from Bombay.²⁶

In sum, then, it seems clear that, in addition to official trades conducted on board East Indiamen, British export commodities also flowed to Asia through one of several alternative channels. This allows us in overall terms to represent the East India trade in the following way [See Table 4], a scheme of organisation that also duly acknowledges the gradual opening up of the trade that occurred after 1788.

Table 4. British trade with Asia, 1760-1833.

a. Official trade

The trade of the East India Company
The 'privilege' trade of the commanders and officers of East Indiamen
Limited licensed private trade on Company ships 1793-1813
Open trade with India only from 1813 onwards
British commodities legally re-exported from Europe, via other East India Companies

b. Unofficial trade: smuggling and clandestine trade

Smuggling on board East Indiamen by commanders and officers
Illicit trade on ships from London and outports
Clandestine trade on British-owned foreign registered ships sailing from and to London
Clandestine trade, post-1783, on American ships to and from India and China
Smuggling on ships sent on to India from Botany Bay
Smuggling conducted on Royal Naval vessels

²⁵ . Directors to Bengal, *FWIHC*, XI (Public series): 1782-1785, ed. K.D. Bhargava (New Delhi, 1959), p.78.

²⁶ . Maharashtra State Archives, Mumbai, Public Department, diary series, vol.103, pp.1152-71 (16 October 1792).

The operation of this multi-channel trade enabled merchants and manufacturers in Britain who wished to enter Indian and Chinese markets to overcome the problems of the supply bottle necks caused by the existence of the Company's monopoly. With imagination, resources, knowledge, and connections, it was certainly possible for private individuals to trade with Asia on a regular and large-scale basis even if they did not enjoy the patronage of the Company's directors who assigned supply contracts and orders. Of course, it must be stressed that this was far from being a fully open trade and many beyond London continued to be excluded from it because they were outsiders of one description or another, and in part this explains the increasingly vigorous assault that was mounted on the Company's monopoly during the final quarter of the eighteenth century.

6. The research results, dark figures, and gaps.

The project has been developed within an overall framework of organisation that affords due emphasis to private trade as well as Company trade with Asia. As such, it has generated research outcomes which enable a much more detailed and nuanced assessment to be made of British commercial interactions with Asia, and in some key areas it has been possible to generate robust sets of figures arranged in time series. In particular, the study enables the relationship between British imperial and commercial expansion to be mapped more closely and to be explored in a much greater level of detail than has hitherto been the case. The specific outcomes are numerous and varied in nature, but the 'big picture' can now be painted with rather more confidence than has hitherto been the case. For example, as far as the East India Company itself is concerned, it is now possible to be certain for the first time about the value, volume, and distribution of silver exports, an important subject over which there has been much confusion and misunderstanding.²⁷ Likewise, it is now possible to quantify the

²⁷ . See H.V. Bowen, 'Bullion for war, trade and debt-relief: British movements of silver to, around, and from Asia, 1760-1833' (currently under consideration for publication in *Modern Asian Studies*).

post-1785 emergence of China as the main source and destination of Company goods, a process which saw a gradual shift away from a preoccupation with luxury commodities. At the same time, regional and sub-regional flows of Company commodities can be established,²⁸ and the changing commodity profile can be analysed.²⁹ As a result, the drawing out of fine detail from the records which enables studies to be made of the regular trade conducted with Fort Marlborough at Benkulen (Sumatra), for example, or of the composition of specific consignments of import and export commodities (see Appendix 4 for the case of textiles imported in 1768/9).

As far as private trade is concerned, the study establishes the very great range of commodities carried to and from Asia. The diversity of export cargoes has already been indicated (for a reminder see appendices 1-3); but the same can be said of considerable legal and illegal private consignments of commodities imported into Britain.³⁰ Hence, in 1811 when *Wexford* returned to London from Canton, under the command of William Stanley Clarke, it carried on private account substantial quantities of mother of pearl shells, nankeen cloth, rhubarb, and raw silk, but it also brought fans, fireworks, ivory boxes, lacquered ware, hand screens, sticks for parasols, “toys of all sorts”, drawings on silk, a leopard skin dress, and a large number of other items.

Yet, for all this detail, the study remains incomplete and can probably never be brought to a wholly satisfactory conclusion. This is because significant ‘dark figures’ exist

²⁸ . During the period under review Company trade was conducted, at one time or another, with the following places: Bengal; Madras; Bombay; China; Madeira; Angola; Saint Helena; Cape of Good Hope; Madagascar; Mocha; Benkulen; Penang; Java; and Singapore.

²⁹ . The summary headings for different categories of commodities, as used in Company accounts were as follows: (i) exports: broad cloth, long ells (serge cloth), worsted stuffs, copper, lead, iron, tin, general merchandise; (ii) imports: textiles, tea, drugs and china ware.

³⁰ . On the extensive illegal importation of Asian commodities into Britain from East Indiamen see H.V. Bowen, “‘So alarming an evil’: smuggling, pilfering and the English East India Company, 1750-1810”, *International Journal of Maritime History*, XIV (2002), 1-31.

which make it impossible to quantify accurately several of the commodity flows between Britain and Asia that have been outlined above. Most notably, of course, many of the private commercial activities were illicit or clandestine in nature and they only survive in the record either fitfully or not at all. We catch tantalising statistical glimpses of private enterprises that were evidently considerable in scale, but whose value and volume cannot be firmly established. At the same time, there is an absence of good, consistent price data for both Company and private trade, and this frustrates any meaningful attempt to establish short- and long-term trends in price movements. In spite of these rather frustrating problems, it is nevertheless possible to draw out some wider implications from the study, and these are summarised briefly below.

7. The wider implications of the study.

a) It is evident that much British trade with Asia escaped capture on the official contemporary statistical record, and this suggests a need for a revised overall estimate of the share of overseas trade allocated to the 'East Indies', with regard to both exports and imports. This has the potential significantly to revise our current understanding of the structure and geographical distribution of British overseas trade. As far as the hitherto neglected export trade is concerned, not only was there a considerable amount of smuggling activity, but also many products given customs clearance from Britain to destinations in the Europe and the Atlantic world were quite clearly intended for despatch to South Asia and, to a lesser degree, China. In other words, a considerable proportion of the information embedded in the customs records that have been so widely used by historians relates (as ever) to the first and not final destination of commodities, and this serves to increase the prominence of regions such as north-west Europe. If we can accept this, it becomes necessary to make adjustments to the geographical structure of British trade during this important period, although, as things stand, the size of those adjustments must remain a matter for conjecture. Any such adjustments

must then necessarily impact on the balance of trade and payments equations as they relate to Britain and Asia.³¹

b) The study makes a compelling case for the existence, during the time of the East India Company, of a vigorous and innovative private sector that was capable of organising sophisticated and robust commodity chains conveying a very wide range of products between Britain and Asia on a regular basis. Many supplementary linkages were created between consumers and producers in Britain and Asia, as entrepreneurs found ways through and around the monopoly of the Company. Those who acted independently of the Company in order to create private transoceanic trading networks were capable of mobilising very considerable levels of finance, resource, skills, and information in support of diverse business interests and activities that were often conducted across (and beyond) maritime Asia. Indeed, these traders conducted their activities across a much wider range of locations than the Company which concentrated primarily on Calcutta, Madras, Bombay, and Canton; and the nodal points of their private trade networks acted as a means by which British manufactured goods entered into sub-regional trading circuits and systems. For example, private trade was conducted at the Comoro Islands, up the east coast of Africa, and along both the western and eastern coasts of India.

c) The detail in the study points to a much greater diversity within commodity flows, and this reveals the existence of important, but often overlooked, niche markets in both Britain and Asia. While the Company focused its attention on carrying its traditional bulk cargoes of woollens and metals, a wide range of private traders endeavoured to exploit Asian markets

³¹ . For two recent detailed and sophisticated studies of the balance of payments J. Cuenca-Esteban, 'The British balance of payments, 1772-1820: India transfers and war finance', *Econ. Hist. Rev.*, LIV (2001), 58-66; and idem., 'India's contribution to the British balance of payments, 1757-1812', *Explorations in Economic History*, 44 (2007), 154-176.

for other types of commodities as well as those sold in direct competition with the Company. But it should also be pointed out that a close examination of the record reveals that the Company was not itself incapable of providing a stimulus to product experimentation and innovation as it attempted to create demand for its export and import commodities. This was most obviously evident as far as textile imports are concerned where considerable attention was given to colour, weight, pattern, and texture; and this was reflected in the range of very different textiles imported, and the changing structure and profile of those imports over time. But these entrepreneurial characteristics were also very much evident with export commodities as well, and this suggests that the Company was not perhaps as inefficient and un-commercial in its outlook as is sometimes represented in the literature.

d) The study points to a range of external influences being exerted by the East India trades upon the British domestic economy, and these influences become apparent through the development of a series of inter-linked local and regional case-studies focusing on the production of commodities destined for Asian markets.

e) It is evident that Asian markets had the capacity to absorb a very diverse range of British manufactured goods well before the great influx of cheap Lancashire cottons into India that began during the 1820s and 1830s, and this can inform discussion of emerging patterns of demand and consumption among both Europeans and Indians. To be sure, the market for Company staples did become saturated from time, but there was strong and sustained demand for the type of commodities that have represented consistently throughout this paper: weapons and armaments; hardware; household goods; personal accoutrements; necessities; groceries; and luxury items. These items found their well beyond the expanding European communities of South Asia, and local agency increasingly ensured their infiltration into the indigenous distribution networks which linked port cities with their economic hinterlands.

f) Finally, a vigorous and innovative transoceanic private trade between Britain and Asia exerted its own powerful integrative influences within the global economy well before the East India Company lost its commercial monopolies in 1813 and 1833. These influences were most obviously at work within the wider Indian Ocean region, but they were also brought to bear quite powerfully upon the two (north and south) Atlantic Oceans, and this invites us to reconsider the chronological framework within which global commercial institutions, mechanisms, and infrastructures emerged.

Appendix 1. The Private Trade of William Hambly, Commander of Lord North, to Benkulen and Canton, 1780-1.

a. Declared values and private account payments

Commodity	Assessed Value	Assessed Weight (tons/feet)	Supplied by	Invoice Payment
Lead	260	20	Freeman	351.18.05
Iron	112	8	French	219.06.00
Ironmongery and Brassware	450	7.23	Goodchild	788.15.08
Furs	300	2	Paul	597.05.04
Hardware and cutlery	60	2.21	Wigram	
Cabinet ware	50	2.25	Bushnell	
Cutlery	20	0.10	Wigram	346.11.03
Sadlery	30	0.10	Wigram	
Glass ware	30	1.15	Wigram	
Stationary and cards	20	0.10	Wigram	32.12.06
Medicines	40	1.31	Wigram	170.16.00
Snuff	200	1.38	Spencer	1110.17.10
Haberdashery	50	0.10	Stokes	206.13.00
Remnants Cloth	20	0.30	Mitford	42.19.00
Smalts of Prussian Blue	160	2.00	Middleditch	335.13.00
Window Glass	120	1.80	Quinton	
Beer and vinegar	40	2.37	Wigram	136.08.04
A phaeton	40	1.20	Godsal	85.00.00
Gunpowder	50	10.00	Cowling	49.14.00
Sub total	2052	56.28		4474.10.04

b. Undeclared goods noted in private account book.

Commodity	Supplier	Payment (£sd)
Sundries	Rowland Salmon	125.03.09
Porter and Cyder	Benjamin Kenton	285.12.06
Oilman's stores	Isaac Lucas	232.00.04
Butter and Cheese	Robert Cox Trapp	250.00.00
Grocery	Joseph Middlewich	52.07.10
Rum	John and William Chatfield	65.00.00
Books	G. Burnett	38.02.00
Wine	George Browne	77.00.00
Camblets	Edward Marsh	526.05.00
Files (on acct William Wheeler)		60.00.00
Wine	Robert Wigram	46.07.08
Toys and turnery ware	Robert Wigram	23.14.10
Cassimer and shoes	Robert Wigram	54.17.02
Hats and hosiery	Robert Wigram	62.16.06
Tin ware and Betel nut boxes	Robert Wigram	78.12.00
Mathematical instruments	Robert Wigram	15.10.00
Grocery and haberdashery	Robert Wigram	38.14.10
Sundries	Robert Wigram	108.18.11
Sub total		2154.03.04

Assessed value of declared goods = £2052

Total invoice payments = £6628.13.08

Sources: BL, IOR, H/22, ff. 77-8; and *ibid.*, European Manuscripts, MS Eur. C425: 'Invoice of goods ship'd on board the Lord North on account of Captain William Hambly...'. Robert Wigram was the managing owner of *Lord North*.

Appendix 2. Smuggling on East India Company ships to Asia, 1762-71.

Season	Vessel	Commander	Where loaded	Supply vessel	Goods loaded
1762	Cruttenden	John Bowland	?Channel	Good-Intent	Bales and cases: 150 pieces of cloth; 500 stuffs; 500 serges
1763	Vansittart	Richard Lewin	Madeira Road		'large quantity' of iron, cannon, military stores, etc.
1763	Caernarvon	Norton Hutchinson	Madeira		6 casks/bales and 2 small boxes of cloth
1763	Anson	Edward Lord Chick	Madeira Road		Lead, iron, cannon, shot, and copper (£1164)
1763	London	John Webb	Madeira Road		As above, plus cloth and long ells (£6859 10 s.)
1763	Pigot	George Richardson	Off Tenerife	Grenade	30 bales of cloth; 23 pipes of wine
1763	Prince of Wales	Burnet Abercrombie	Tenerife	Port Royall	1100 quintals of iron; 600 quintals of steel; 600 quintals of lead; 12 3-pdr guns
1763	Fort William	Edward Roche	Tenerife	Fanny	400 quintals of lead; 900 quintals of iron; 40 3-pdr guns
1764	Hector	Edmund Massey	Off Plymouth	'a sloop'	100 bales and cases of cloth
1764	Falmouth	George Hepburn	Channel; St Iago		320-330 tons of goods
1765	Nottingham	Thomas Howe	Cape Verde Islands La Palma, Canary Islands	New Success, (Robert Hay) William (Capt. Gill)	200 1 cwt bundles of steel; 90 1 cwt cases of copper; 35 5 cwt casks of shot; 75 chests of small arms; 6,000 iron bars 220 cannon
1771	Speaker	Robert Scott	Nr Portsmouth		130 'books' of copper; 40 sheets of copper; 2 chest of small arms

Sources: *FWIHC*, IV (Public series): 1764-6, ed. C. S. Srinivasachari (Delhi, 1962), 113, 114, 139, 142, 170-1, 181, 200-1, 424, 425, 441; BL, OIOC, D/149, 94; *ibid.*, E/4/863, 285, 399.

Appendix 3. The illicit or 'clandestine' trade to Asia, 1789.

a. 'Manifest outwards of the *Lord North*, since called the *Daphne*'.

72 Cases cordage Cwt 594
22 cases glass
2 puncheons of rum
10 bales of canvas
133 masts
4 bales sail cloth
4 whiskeys and harness
1 cable
60 hogsheads of beer
18 loose blocks
46 bundles of blocks
20 iron cannon
20 carriages
1 ½ ton shot, large
4 large cannon
89 casks shot
3 hampers ship chandlery
2 per quarter badges
9 packages sundries
12 bails of sail cloth
63 swivel guns
3 cases copper
1 box plate
10 barrels gunpowder.

b. 'Particulars of goods in the *St Joseph* from Ostend'.

40 tons iron
1 Chariot complete
187 grapnals
123 anchors
26 bags and casks corks
Wrought iron
60 tons iron
6 trunks, 2 parcels
11,979 plates copper
1 coach and harness
1 Do and Do
1 chariot
2 chaises and harness
2 coaches and harness
1 body, 3 chariots, and harness
15/29 packages
¼ four casks rum
34 bales 11/20 bales scarlet cloth
100 casks beef
66 casks pork
12 casks suet
27 bushels wheat ground
350 bags bread

First Report of the Select Committee (appointed by the Court of Directors to take into consideration the export trade from Great Britain to the East Indies), dated 1 and 7 Sept 1791. Presented 2 January 1793, Appendix No. 5, pp. 38-39.

Appendix 4: A sample of East India Company textile imports, 1768/9

Bengal (on *Verelst*)

Type	Pieces	Rs 2s. 6d.
Atchabannies	352	814
Baftaes	17358	79962
Cossaes	11814	82036
Do. Flowered	302	3835
Callicoes	1344	5138
Chucktaes	502	5988
Charconnaes	204	1829
Chillaes	567	2103
Cuttanees	813	7610
Do flowered	473	5943
Chint	3380	12252
Carridarries	1163	4619
Coopees	479	2227
Doreas	4209	51016
Ginghams	395	2036
Garraks	8083	40625
Humhums	6300	46948
Lacowries	2758	7572
Lungers Herba	342	790
Mamooodees	4024	13681
Mulmuls	9085	88010
Do. Handkerchiefs	303	3958
Nittaes	1031	5627
Peniascoes	749	5125
Puteahs	1060	6806
Romals	15947	58557
Shalbasts	76	632
Seersuckers	1371	10972
Sannoos	976	6410
Tepoys	294	3041
Terrindams	420	5922
TOTAL	96174	571498
		=£71437

Madras (on *Egmont*).

Type	Pieces	Pags
Allejars	400	433
Bettellees	3982	11143
Do. flowered	200	1134
Do. handkerchiefs	383	1403
Calliawapores	200	216
Chint	2625	12066
Ginghams white	100	327
Do coloured	940	932
Longcloth	44780	112776
Longcloth blue	8280	24806
Moorees	4080	7881
Musters	25	84
Romals	6280	3921
Saccaloons	240	548
Do. blue	400	825
Sastracundies	400	466
Sallampores	15540	18371
TOTAL	88855	197339
		=£78935

Bombay (on *Royal Captain*).

From Bombay itself.

Type	Pieces	Rs 2s. 6d.
Bejutapants	700	2882
Burampants	600	2261
Boral Chowdars	1000	1183
Chints	1700	9140
Chelloes	1600	6443
Guinea stuffs	1800	1309
Niccanees	1323	3979
Neganapants	360	1824
Tapseils	949	3538
TOTAL	10032	Rs 32562
		= £4070

From Anjengo.

Type	Pieces	Rs 2s 6d
Long cloth	1600	6391
Sallampores	10000	51350
TOTAL	11600	Rs 57741
		= £7217