STEADY CUSTOMS DUTIES IN THE "DAOGUANG DEPRESSION"

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Scholars have always considered the Jiaqing and Daoguang periods (1796-1850) of the Qing Dynasty as the most important turning point in Chinese economic history. According to the widely held "Daoguang Depression" theory, the amount of customs duties significantly declined at that time, initially due to a blockage of the food trade, and later due to a market slump. However, by aggregating the national customs revenue, it is possible to demonstrate that customs duties remained relatively level at roughly 500 million tale throughout the period. Based on an analysis of customs duties the Daoguang Depression did not exist.

Coinciding with China's rapid economic rise, studies of Chinese earlier economic history and the historic position of China in the world economy have attracted increasing attention over the last three decades. The Jiaqing period (1796-1820) and Daoguang period (1821-1850) of the Qing Dynasty have generally been considered two of the most important, but negative, turning points in China's economic history. Wu Chengmin (2001), Lin Manhong (2006), Li Bozhong (2007, 2010), and Yang Bin (2012) disagree on some of the details but all contend that a "Daoguang Depression" occurred in the 1830s and 1840s.[1] However, other scholars, including Angus Maddison (1998) and Liu Ti (2010), contend that China was still the economic center of the world at that point. In his highly influential book *Chinese Economic Performance in the Long Run*, Maddison (1998) estimates China's aggregate economic performance over the last thousand years. Maddison suggests that China of the Daoguang period was still an economic powerhouse.[2] China's GDP increased from 228.6 billion Yuan in 1820 to 247.2 billion Yuan in 1850, and China accounted for 32.9 percent of the world GDP at that time, while

Europe's accounted for 26.6 percent. [3] This short essay seeks to take a deeper look at this era, and explores the idea of whether there was indeed a Daoguang Depression.

Wu Chengmin (2001) notes that China had a profound slump, which peaked in the 1830s and 1840s. Wu claims that the Daoguang Depression was not caused by an external shock such as war or famine, but instead was due to purely economic factors. Wu notes that starting in the Jiaqing period (1796-1820), the customs duties of the Qing court declined, largely due to the reduction of long-distance grain transport, which traditionally amounted to nearly half of all the duties levied. However, a great deal of money (including silver and copper) entered the market during the White Lotus Uprising (1796-1804), keeping the economy from depression.

Wu claims that the reduction of grain tribute in the Jiaqing period was due to two factors: first, the population in the grain producing regions increased dramatically so that these areas were unable to export as much grain as before; secondly, the Grand Canal was blocked with silt which slowed the transport of grain. In contrast, Wu claims that the decline in custom duties during the Daoguang period was caused by a market recession. The economy recovered in the 1850s with an unprecedented expansion of trade, Wu notes, as population, arable land, price indices (land, grain, cotton, silk and finished cloth), and business taxes (salt tax, custom duties and local business taxes) rose.

Did the custom duties really decline in the Jiaqing and Daoguang periods? And if declines did occur, can this be attributed to the same reason in both periods, or to different reasons as Wu maintains? There were 46 customs posts during the Jiaqing and Daoguang periods. After the First Opium War (1840-1842), the Qing opened Guangzhou, Shanghai, Xiamen, Fuzhou and Ningbo as foreign custom posts. Prior to this, Yuehai Guan was the only post which had the privilege to trade with foreign countries. Guangzhou's duty was transferred to Yuehai Guan, Fuzhou's duty was transferred to Xiamenguan. So the number of customs offices had increased to 49 after 1844.

Wu's data came largely from two sources: Wang Qingyun's *Shi Qu Yu Ji* (SQYJ) and *The List of Money and Grains Sent to and from the Provinces in the Seventeenth Year of Jiaqing in the Qing Dynasty* (LMGS). However, Ni Yuping (2008) shows that these data were unreliable as they were missing many important customs posts and time periods.[4]

The analysis in this article, employing customs duties between 1796 and 1850, is based on data in two kinds of archives. The first is the First Historical Archives of China, including Palace Midrange Rescript Memorials（PMRM, film no. 20, 21), Extra Copies of Grand Council Memorials（ECGCM, film no. 126、218-219), and Jiaqing and Daoguang Period Edict Records (Guangxi Normal University Press, 2000). The second is Revenue and Expenditure Reports of Customs in the Qing Dynasty, finished by Tang Xianglong in the 1930s and now stored in the library of the Institute of Economics of the Chinese Academy of Social Sciences. It is open to question whether the data in these archives are flawed because for example, customs officials were corrupt or, more simply, because of poor reporting. However, since the reported money had to be sent to Court, the data can be interpreted as representing, at the very least, minimum numbers.

Customs posts are classified here into three types of customs: Frontier Border Customs (which includes 17 posts), Canal and Yangtze River Customs (23 posts), and Coastal Customs (nine posts).[5] We find that of the 49 customs posts, only Huai'an Guan, Hushu Guan, Jianghai Guan, Zhehai Guan, Minhai Guan, Xiamen and Fuzhou Yangguan, Yuehai Guan had a full set of data. The data for 27 customs posts was almost complete.[6] The data for five customs posts are almost lost.[7] There are no data in the archives for the 10 remaining customs posts.[8] However, we can find that these 10 customs posts collected only 35,868 tales of silver quota each year;[9] this represented about seven tenths of one percent of a total of the nearly five million tales of silver collected, and thus this missing data will have minimal impact.

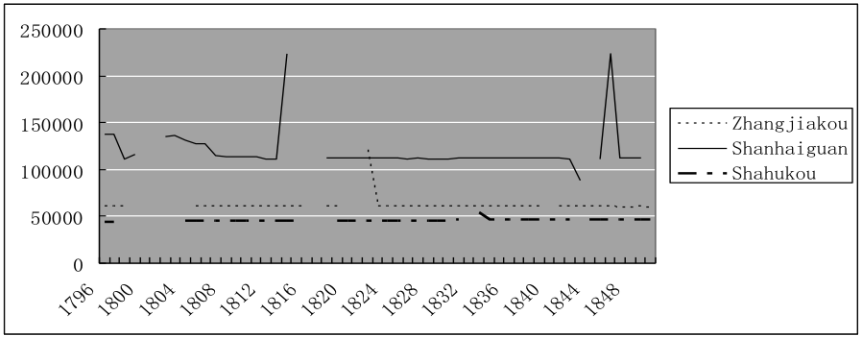

Figure 1A

Figure 1A plots the custom duties for the three Frontier Border Customs areas. As previously mentioned, large amounts of numerical data were missing from this category. Still, it appears that the duty collected by these customs offices was fairly stable.

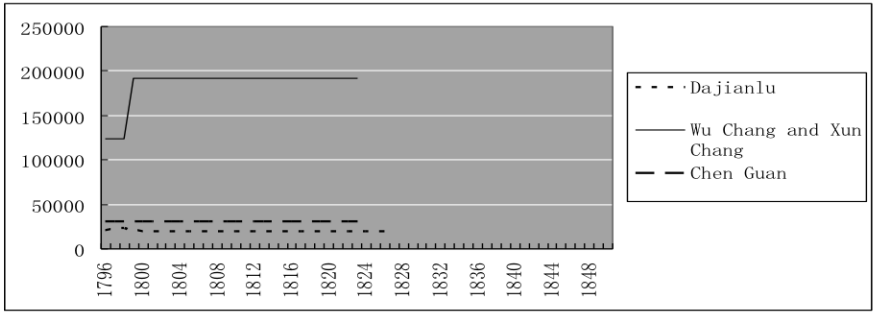

Figure 1B

The data for the three posts reported in Figure 1B are incomplete. Still, it appears that the duty collected by these customs offices was fairly stable.

For the Canal and Yangtze River Customs, the data cannot be neatly plotted into one figure so the data is reported in four separate panels of Figure 2.

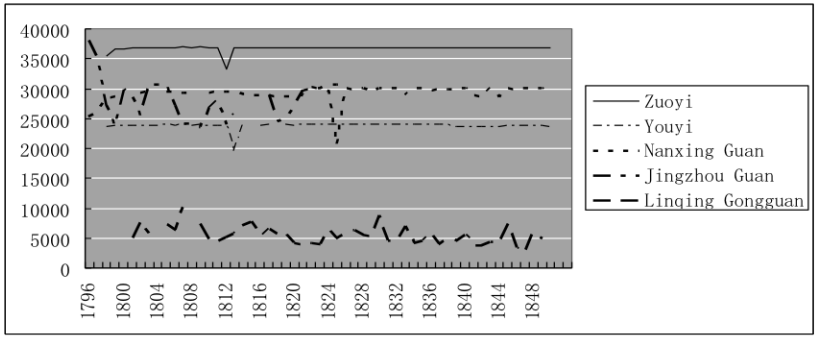

Figure 2A

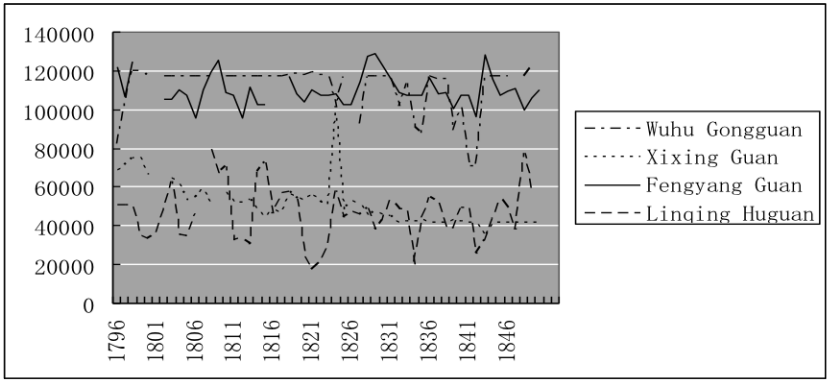

Figure 2B

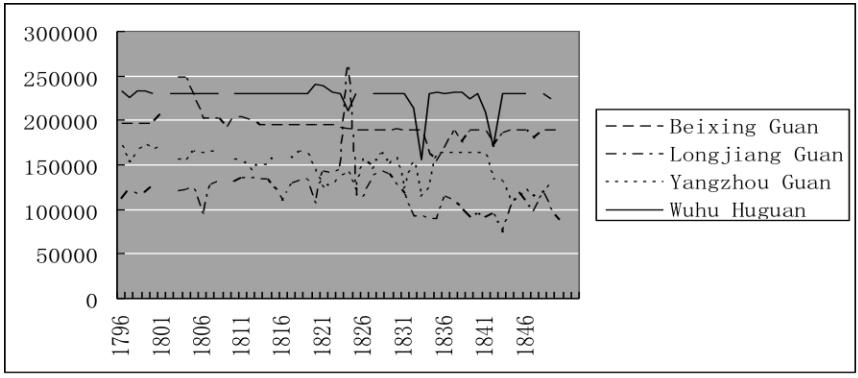

Figure 2C

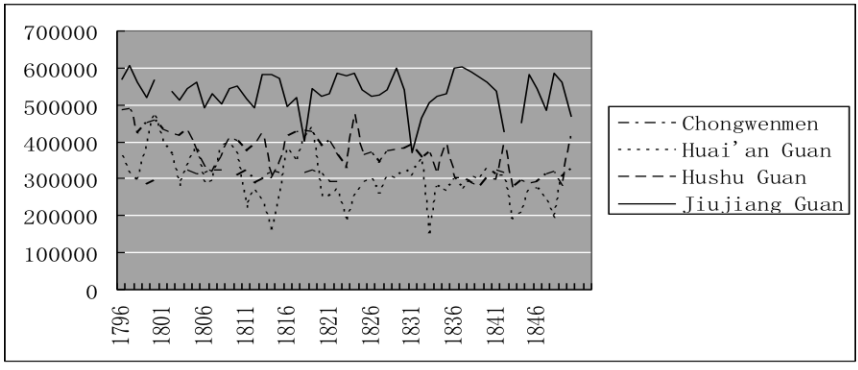

Figure 2D

Leaving aside the periods of the White Lotus Uprising (1796-1804) and the First Opium War (1840-1842) which affected the duties greatly, the Canal and Yangtze River Customs can be divided into three categories: (1) those in which customs duties were relatively stable, such as Zuoyi, Youyi, Zuoliangtin, Fenyang Guan, Ganguan, Beixing Guan and Nanxing Guan; (2) those for which customs duties declined due to river flooding, blockages and natural disasters, such as Chongwenmen, Huai'an Guan,Yangzhou Guan, Wuhu Huguan, Wuhu Gongguan, Fengyang Guan, Linqing Huguan, Lingqing Gongguan and Jingzhou Guan. [We know this because each year, the officials of these customs posts had to explain why the duties had declined. The reasons given can be found in PMRM (film no.21) and ECGCM (film no. 218-29)]; (3) those for which customs duties declined for other reasons, including poor grain circulation, weak lumber transport, and collapse of the rice store industry, the silk industry and the lumber industry. They were Jiujiang Guan, Hushu Guan, Longjiang Guan and Xinxing Guan.

However, even with respect to the third category, we cannot find the different reasons for the decline between the Jiaqing (1796-1820) and the Daoguang (1820-1850) Periods. Furthermore, if we consider that the posts in the third category took about 15-18 percent of the total tales of silver, their impact in the context of the country as a whole was small.

Finally, with respect to Coastal Customs, Figure 3 includes two panels. Panel 3A reports data for four regions whilst panel 3B reports data for Yuehai Guan separately, as this was the only post which had the privilege to trade with foreign countries before the Opium War (1840-1842), and hence had significantly higher duties than the other four.

On the basis of the figures, we can see that the Coastal Customs were kept broadly stable at most times, except during the period of the First Opium War (1840-1842) which had nothing to do with the market depression.

Aggregate Analysis: Domestic versus International Custom Duties

We now summarize the total customs duties of the Jiaqing and Daoguang Periods. As mentioned above, Yuehai Guan was the only post open to trade with foreign countries prior to 1842 and its duty was transferred to Guangzhou, Shanghai, Xiamen, Fuzhou and Ningbo. Did there exist some difference between domestic duties and international duties? The data reported in the Figures above is aggregated in Table 1. The duties are divided

into two types—Domestic (posts without Yuehai Guan and other foreign custom posts) and International—and the total of the two is given. The data are reported both in terms of tale of silver and as an index whereby 1796 equals 100.

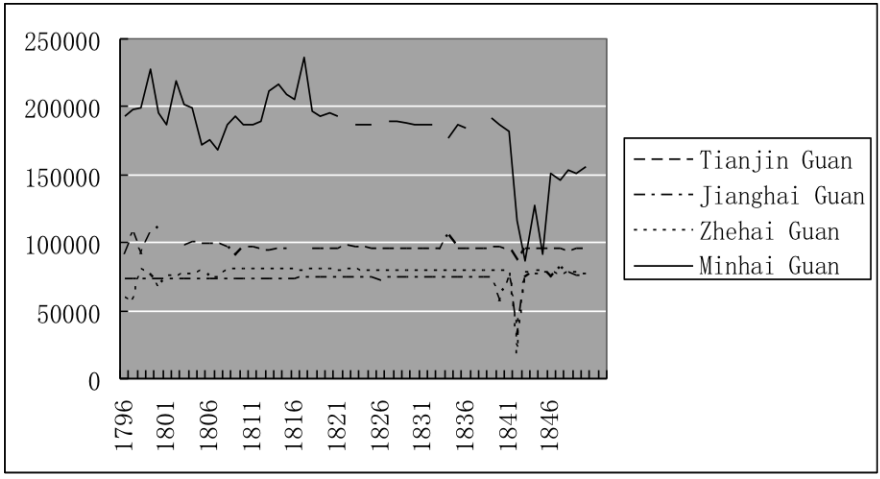

Figure 3A

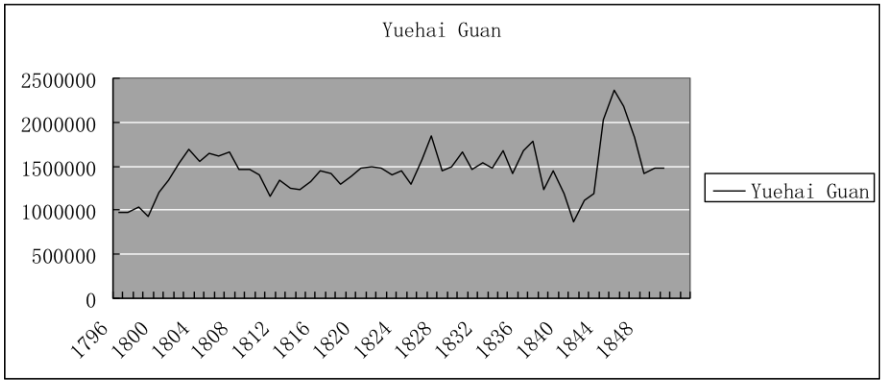

Figure 3B

From Table 1, one can see that after the First Opium War (1840-1842), there was an obvious decline in the domestic duties and an obvious increase in the international duties. But, as a whole, the customs duties were maintained

at a level of over 5 million tales of silver during both the Jiaqing and Daoguang Periods. He Benfang (1987) estimated the customs duties in the Qianlong Period (1735-1795) were about 4.3 million to 5.4 million tales of silver. So, there was no significant decline. Clearly, we are not able to show the presence of a "Daoguang Depression" based on the change in customs duties.

Land Tax during the "Daoguang Depression"

The main revenues of the Qing government came from the land tax, salt tax and customs duties. In the Daoguang period, the annual revenue collected by the government was nearly 45 million tales of silver. The land tax was the most important source of revenue for the government, accounting for around half of all revenues. While an analysis of customs duties does not show a decline during the alleged Daoguang Depression period during the 1830s and 1840s, it is perhaps possible that a decline in land taxes occurred. Data for land taxes was obtained from the archives of *Land Tax Collection Tables of Difference Provinces in the Qing Dynasty* (from Book 1-8, stored in the library of the Institute of Economics of the Chinese Academy of Social Sciences). Figure 4 shows that land tax revenue was also stable, largely following the same trend as customs duties. Thus we are not able to demonstrate the "Daoguang Depression" based on the changes in land tax revenues.

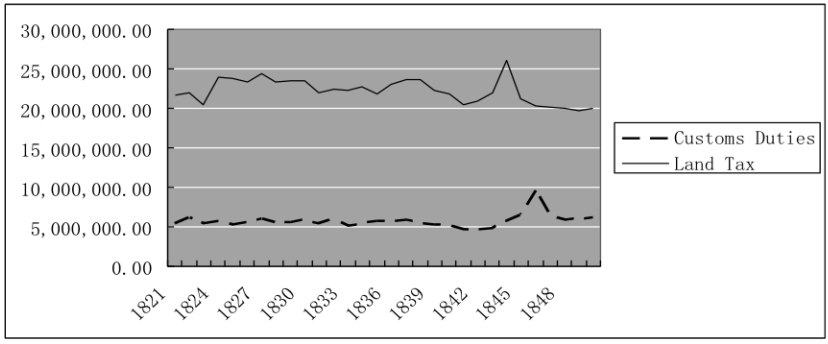

Figure 4 Land Tax and Customs Duties in the Daoguang Period

Table 1
Customs Duties in the Jiaqing and Daoguang Period (tale of silver)

Year	Domestic Duties	Index	International Duties	Index	Total	Index
1796	4,272,777.158	100	981,186.69	100	5,253,963.8	100
1797	4,330,593.594	101	973,172.975	99	5,303,766.6	101
1798	4,055,491.592	95	1,035,757.477	106	5,091,249.1	97
1799	4,201,454.805	98	937,073	96	5,138,527.8	98
1800	5,128,311.557	120	1,201,246.537	122	6,329,558.1	120
1801	4,232,980.326	99	1,336,171.831	136	5,569,152.2	106
1802	4,229,921.89	99	1,540,773.092	157	5,770,695	110
1803	4,647,422.968	109	1,695,389.03	173	6,342,812	121
1804	4,288,876.815	100	1,555,586.405	159	5,844,463.2	111
1805	4,443,374.723	104	1,641,971.768	167	6,085,346.5	116
1806	3,963,622.942	93	1,621,375.998	165	5,584,998.9	106
1807	4,043,242.621	95	1,663,830.048	170	5,707,072.7	109
1808	4,217,012.544	99	1,470,460.226	150	5,687,472.8	108
1809	4,321,038.295	101	1,457,201.777	149	5,778,240.1	110
1810	4,262,871.749	100	1,408,641.864	144	5,671,513.6	108
1811	4,063,453.962	95	1,165,263.126	119	5,228,717.1	100
1812	4,048,379.148	95	1,347,936.891	137	5,396,316	103
1813	4,130,364.879	97	1,246,708.16	127	5,377,073	102
1814	4,586,240.957	107	2,420,719.524	247	7,006,960.5	133
1815	4,072,554.847	95	1,331,239.86	136	5,403,794.7	103
1816	4,132,112.149	97	1,446,979.965	147	5,579,092.1	106
1817	4,192,243.201	98	1,421,303.799	145	5,613,547	107
1818	4,159,608.5	97	1,302,910.999	133	5,462,519.5	104
1819	4,329,197.195	101	1,380,097.088	141	5,709,294.3	109
1820	4,005,717.088	94	1,479,820.102	151	5,485,537.2	104
1821	4,021,419.799	94	1,497,022.492	153	5,518,442.3	105
1822	4,696,907.344	110	1,485,146.83	151	6,182,054.2	118
1823	3,997,605.974	94	1,404,913.16	143	5,402,519.1	103

Year	Domestic Duties	Index	International Duties	Index	Total	Index
1824	4,339,394.989	102	1,444,322.616	147	5,783,717.6	110
1825	4,056,224.552	95	1,298,828.962	132	5,355,053.5	102
1826	4,060,480.105	95	1,576,637.162	161	5,637,117.3	107
1827	4,150,449.044	97	1,850,045.992	189	6,000,495	114
1828	4,142,976.292	97	1,441,924.596	147	5,584,900.9	106
1829	4,173,294.418	98	1,499,580.743	153	5,672,875.2	108
1830	4,309,358.621	101	1,663,634.978	170	5,972,993.6	114
1831	3,958,447.753	93	1,461,806.163	149	5,420,253.9	103
1832	4,599,545.711	108	1,532,933.249	156	6,132,479	117
1833	3,694,877.937	86	1,477,846.265	151	5,172,724.2	98
1834	3,837,220.235	90	1,669,712.641	170	5,506,932.9	105
1835	4,372,383.534	102	1,424,944.169	145	5,797,327.7	110
1836	4,064,779.494	95	1,674,851.728	171	5,739,631.2	109
1837	4,044,134.972	95	1,789,424.322	182	5,833,559.3	111
1838	4,185,864.013	98	1,242,044.215	127	5,427,908.2	103
1839	3,929,450.88	92	1,448,558.993	148	5,378,009.9	102
1840	3,991,120.638	93	1,186,551.857	121	5,177,672.5	99
1841	3,901,438.617	91	864,232.169	88	4,765,670.8	91
1842	3,589,525.401	84	1,115,742.362	114	4,705,267.8	90
1843	3,636,277.239	85	1,182,488.993	121	4,818,766.2	92
1844	3,684,352.369	86	2,094,559.32	213	5,778,911.7	110
1845	3,888,402.676	91	2,603,953.937	265	6,492,356.6	124
1846	4,308,037.209	101	5,453,189.524	556	9,761,226.7	186
1847	3,789,214.304	89	2,536,226.423	258	6,325,440.7	120
1848	3,907,270.976	91	2,036,630.608	208	5,943,901.6	113
1849	3,949,332.327	92	2,172,997.001	221	6,122,329.3	117
1850	4,017,204.564	94	2,214,669.997	226	6,231,874.6	119

Conclusion

In traditional Chinese historiography, the record regarding the first half of the 19th century is gloomy. After the rules of Kangxi Emperor and Qianlong Emperor (1661-1795), China entered a hopeless era with foolish emperors, corrupt officials, social unrest and economic stagnation. The Daoguang Emperor was defeated by the British Army in the First Opium War (1840-1842), and then the Western powers repeatedly forced the Qing government to cede territory and pay indemnities. China was increasingly dragged into the process of political and economic modernization, which largely followed a path laid down by the West.

Custom duties present a good proxy for changes in the broader economy. Interestingly, the analysis of custom duties performed here shows that duties remained quite stable in the Jiaqing and Daoguang periods, Despite conventional wisdom, the analysis of both custom duties and land tax revenues casts doubt on the notion that there was a "Daoguang Depression" in the mid to late 19th century China. Clearly more work should be done to evaluate the Chinese economy during this important period.

NOTES

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[1] In addition, there was an earlier depression in this era, known as the "Kangxi Depression." Kishimoto Mio (1984) first proffered the Kangxi Depression concept.

[2] His book exerted a tremendous impact on the international scholarly community, especially on Chinese scholars. Academics in China have held multiple symposiums on Maddison's book in recent years and work by Li Bozhang (2010) Liu Ti (2010) has followed up on Maddison.

[3] Angus Maddison (1998, pp. 36, 168).

[4] By using archives from the First Historical Archives of China, Ni finds that the data for Chongwenmen, Zuoyi, Youyi, Nanxin Guan and Zhehaiguan were inaccurate in SQYJ, and the data for Zhangjiakou, Shanhaiguan, Shahukou, Chongwenmen, Huai'an Guan, Hushu Guan, Yangzhou Guan, Xixing Guan, Jiujiang Guan, Longjiang Guan, Beixin Guan was inaccurate in

LMGS. Adding the missing customs posts, the data for each year would increase by more than 200,000 tales of silver in LMGS and 1,000,000 in SQYJ.

[5] Frontier Border Customs includes 17 posts: Zhangjiakou, Shanhaiguan, shahukou, Guihuacheng,Wuyuancheng, Gubeikou, Tungyong Dao, Chihli Pantao Kou, Shengjing Mushui, Jilin Mushui, Yili Mushui, Dajianlu, Wu Chang, Xun Chang, Fengtian Niuma Shui, Fenghuangcheng Zhongjiang, and Chen Guan. Canal and Yangzi River Customs include 23 posts: Chongwenmen, Zuoyi, Youyi, Zuoliangtin, Huai'an Guan, Hushu Guan, Yangzhou Guan, Wuhu Huguan, Wuhu Gongguan, Longjiang Guan, Xixing Guan, Fengyang Guan, Linqin Hugaun, Linqin Gongguan, Jiujiang Guan, Gan Guan, Beixin Guan, Nanxin Guan, Yuguan, Kuiguan, Taiping Guan, Wuchang Youhu Guan and Jingzhou Guan. Coastal Customs includes nine posts: TianjinGuan, Tianjin Hai Guan, Jianghai Guan, Zhehai Guan, Minhai Guan, Yuehai Guan, Jianghai Yangguan, Xiamen and Fuzhou Yangguan, Zhejiang Yanguan.

[6] They were: Shanhai Guan（lacking the years1800, 1815, 1817, 1844, 1850, Zhangjiakou（lacking 1799, 1801–04, 1817, 1820, 1821,1840), Shahukou（lacking1798-1803, 1816-17,1832, 1843), Taiping Guan（lacking 1824-40, 1843-44, 1846-48, 1850), Dajianlu（lacking 1827-50), Wu Chang, Xun Chang and Chen Guan（lacking 1824-50), Zuoyi（lacking1796-98), Youyi（lacking 1796,1798,1816,1818), Yangzhou Guan（lacking 1802, 1809,1816, 1850), Wuhu Huguan（lacking 1801,1809, 1826, 1847,1850), Fengyang Guan（lacking 1799,1801,1816-17), Xixing Huguan（lacking 1801-02,1809), Jiujiang Guan（lacking 1801, 1831,1843), Beixin Guan（lacking 1802), Linqing Huguan（lacking 1807, 1850), Wuchang Youhu Guan（lacking 1824-50), Tianjin Guan（lacking 1801-02, 1816-17), Tianjin Haiguan（lacking 1796-1806, 1847, 1850), Jianghai Yangguan（lacking 1850), Zhehai Yangguan（lacking 1848), Liqing Gongguan（lacking 1796-98, 1800, 1804, 1808, 1850), Wuhu Gongguan（lacking 1801,1809,1826,1847,1850), Nanxin Guan（lacking 1800-01,1804,1809), Longjiang Gongguan（lacking 1801-02,1809), Jingzhou Guan（lacking 1814, 1816,1827-50).

[7] They were: Guihuacheng（only had the years 1796-98,1811-12, 1841-42, 1845, 1849), Chongwenmen（only had 1799-1800, 1803-08, 1810, 1815, 1818-20, 1821-22,1841-42, 1845,1849), Zuoliangtin（only had 1804, 1811-12,1841-42, 1845, 1849), Ganguan（only had 1796-98,1811-12, 1823, 1825, 1831, 1837-42, 1845, 1849), Kuiguan（only had 1796-1800）

[8] Fengtian Niuma Shui, Fenghuangcheng Zhongjiang, Wuyuancheng, Shengjing Mushui, Jilin Mushui, Yili Mushui, Chihli Pantao Kou, Tungyong Dao, Gubeikou and Yuguan.

[9]Li Hongzhang (1908, pp. 801-2) provided the quota of each customs post.

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