

had enabled the company to build up the trade. Seven years after their first small adventure, or in 1780, a depot of two small receiving hulks was established in Lark's Bay, south of Macao. A year later the company freighted a ship to Canton, but finding no demand were obliged to sell the lot of 1,600 chests at a loss to Sinqa, a Canton "Hong-merchant," who, not being able to dispose of it to advantage, reshipped it. The price in that year was \$550 (Mexican) a chest; Sinqa had paid the company only \$200, but even at a bargain he found no market. Meantime, in the words of a "memorandum," prepared by Joshua Rowntree for the debate in parliament last year, "British merchants spread the habit up and down the coast; opium store-ships armed as fortresses were moored at the mouth of the Canton River."

In 1782, the company's supercargoes at Canton wrote to Calcutta: "The importation of opium being strongly prohibited by the Chinese government, and a business altogether new to us, it was necessary for us to take our measures (for disposing of a cargo) with the utmost caution."

This "business altogether new to us" was, of course, plain smuggling. From the first it had