Editorial Note.

In the spring of 1917 the Foreign Office, in connection with the preparation which they were making for the work of the Peace Conference, established a special section whose duty it should be to provide the British Delegates to the Peace Conference with information in the most convenient form—geographical, economic, historical, social, religious and political—respecting the different countries, districts, islands, &c., with which they might have to deal. In addition, volumes were prepared on certain general subjects, mostly of an historical nature, concerning which it appeared that a special study would be useful.

The historical information was compiled by trained writers on historical subjects, who (in most cases) gave their services without any remuneration. For the geographical sections valuable assistance was given by the Intelligence Division (Naval Staff) of the Admiralty; and for the economic sections, by the War Trade Intelligence Department, which had been established by the Foreign Office. Of the maps accompanying the series, some were prepared by the above-mentioned department of the Admiralty, but the bulk of them were the work of the Geographical Section of the General Staff (Military Intelligence Division) of the War Office.

Now that the Conference has nearly completed its task, the Foreign Office, in response to numerous enquiries and requests, has decided to issue the books for public use, believing that they will be useful to students of history, politics, economics and foreign affairs, to publicists generally and to business men and travellers. It is hardly necessary to say that some of the subjects dealt with in the series have not in fact come under discussion at the Peace Conference; but, as the books treating of them contain valuable information, it has been thought advisable to include them.
It must be understood that, although the series of volumes was prepared under the authority, and is now issued with the sanction, of the Foreign Office, that Office is not to be regarded as guaranteeing the accuracy of every statement which they contain or as identifying itself with all the opinions expressed in the several volumes; the books were not prepared in the Foreign Office itself, but are in the nature of information provided for the Foreign Office and the British Delegation.

The books are now published, with a few exceptions, substantially as they were issued for the use of the Delegates. No attempt has been made to bring them up to date, for, in the first place, such a process would have entailed a great loss of time and a prohibitive expense; and, in the second, the political and other conditions of a great part of Europe and of the Nearer and Middle East are still unsettled and in such a state of flux that any attempt to describe them would have been incorrect or misleading. The books are therefore to be taken as describing, in general, ante-bellum conditions, though in a few cases, where it seemed specially desirable, the account has been brought down to a later date.

G. W. PROTHERO,
General Editor and formerly
Director of the Historical Section.

January 1920.
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I. GEOGRAPHY PHYSICAL AND POLITICAL

(1) POSITION AND AREA

The Portuguese colony of Macao (lat. 22° 11' 50" N., long. 113° 34' E. at the Fort da Guia) consists of the peninsula of Macao in the delta of Canton river, and the islands of Taipa and Coloowan. The area of the whole is about $4\frac{1}{2}$ square miles. The Portuguese also make certain claims to the possession of the island of Macarira or St. John, of the eastern coast of Lappa facing Macao, and of the northern part of Wongkam. The Chinese admit no claims to the possession of anything except Macao itself.

(2) SURFACE AND COASTS

Surface.—The peninsula of Macao is about 3 miles in length; its greatest breadth is about 2,000 yards, and its perimeter about 8 miles. It is attached to the island of Heungshan by a narrow, sandy isthmus. The peninsula is hilly, and was probably at one time an island. It is dominated by the high hills on the island of Lappa. Two ranges of hills intersect it, one running from north to south, the other from east to west. The highest point is at Fort da Guia (333 ft.) on Mt. Cacilhas, where a lighthouse stands whose light is visible for 25 miles in clear weather. Potentially Macao is a place of great strategic importance, for it commands the chief avenue of approach to Canton.

The island of Heungshan is alluvial; the peninsula is of granite formation, with occasional felspar and quartz. At the lower levels, where the alluvial deposits of past ages made tracts of level ground, the soil is all formed of argillaceous and quartz sediments, due
to the erosive action of the water. It is a thin layer of soil, but clothed with vegetation. Taipa consists of two islands, joined together at low water. Taipa and Colowan are more arid than Macao; they have the same geological formation.

Coasts.—The coast on the east side of Macao is very irregular. On the north-east is the Praia d’Arcia Preta, bounded on the east by the headland on which stands the fort of Donna Maria II, which separates it from the Bay of Cacilhas. Along the south-east side of the peninsula, where it begins to narrow, is the Praia Grande, three-quarters of a mile in length, with a seawall along it. It offers protection against the north-east monsoon, but is exposed to south and south-easterly gales. A breakwater is badly needed.

The fort of Bom Parto at the western end of the Praia separates it from the Bay do Bispo. The headland of Barra, with the fort of S. Thiago, is at the entrance to the inner harbour.

The western island of Taipa is harbourless. On the eastern island the Bay of Pak-on penetrates the northern coast. The big Bay of Taipa lies on the west coast.

The island of Colowan is penetrated by a considerable bay on the south-eastern side. A fort is built at the south-west extremity.

(3) Climate

From October to April the predominant winds are from north, north-north-east, and north-east, the monsoon being north-east; from April to October the winds are from south-south-west and south-east, the monsoon being south-west. It is during the south-west monsoon that the chief rains fall, especially between June and August. The climate is generally damp, the humidity being most felt in April and May.

Observations conducted for fifteen years at Macao show a scale of mean monthly temperatures from 61°F (16°C) in January and February to 85°F (29°C).
in July and August. The hottest month is usually August, the coldest February. The average rainfall is 69 inches.

The region suffers very much from typhoons. They come mostly between June and September, being especially frequent in July and September. Earthquakes are not unknown.

(4) Sanitary Conditions

Being open to the south-west monsoon, Macao is much healthier than Hongkong; and many inhabitants of the latter place (40 miles distant) visit Macao for the sake of the greater coolness and quiet. The sanitary conditions of the town have been greatly improved. One piece of evidence for the healthiness of Macao is furnished by the fact that the French wished to purchase a property at Boa Vista in the north-east of Macao as a sanatorium for their officials in Indo-China; the scheme was abandoned, however, for political reasons.

There have been epidemics of plague, and in the summer of 1907 over 1,000 deaths were recorded. The municipality thereupon adopted strict sanitary precautions, which were successful; there were no cases in 1910–11, though there had been some during each of the previous eight years. The authorities are now turning their attention to malaria, and the low-lying ground east of the city with its stagnant pools is being filled in with soil from the Mong-ha hill. Near Green Island some 675 acres are being reclaimed, a work which will benefit the health of the colony, and add to the very restricted amount of the surface which can be used for cultivation. An outbreak of cholera followed the drought of 1902, and sporadic cases have occurred in subsequent years. Cases of plague, when notified, are removed to the plague hospital at Wanchai on Lappa Island. Leprosy sometimes occurs among the Chinese population; there are two leper hospitals, one for women on Colowan, and one for men on Macarira.
(5) Race and Language

The bulk of the population consists of Chinese, who need no special description. A Portuguese writer says that a feature of Portuguese colonization, instituted by Albuquerque himself and furthered by the authorities of the Church, is 'the procreation of a mixed, but legitimate and Christian race'. Such a race are the Macaists, or Nhons, as they are locally called, who have little physical resemblance to their Portuguese ancestors, and in whose veins runs Chinese, Japanese, and Malay blood, with some admixture of Spanish from the Philippines and British from Hongkong. They are an active and intelligent population, and have a preponderating influence in the colony. Many fill public offices not only in Macao but in Portugal and the other Portuguese colonies. They go in considerable numbers to Hongkong, and are employed in business houses there. The Macaists speak a Portuguese patois, very unlike real Portuguese. There are three forms of this dialect: (1) as spoken by the lower classes, (2) a form that approximates more to pure Portuguese, (3) as spoken by the Chinese.

There are several 'Portuguese' papers in the colony, said to be written in better Portuguese than those of Goa. There is also one Chinese newspaper.

(6) Population

The most recent census returns are for December 31, 1910. They give the following figures:

Total population of the colony, 74,866 (42,263 men, 32,603 women).
Chinese, 71,021.
Portuguese, 3,298: of these 2,171 were born in Macao, 996 came from Portugal, 131 from other Portuguese colonies.
Foreigners, 244, of whom 64 were British.

The population of Macao city was 63,991. The density of population on Macao is 16,459 per square kilometre; in Taipa and Coloane it is 211.
These figures show a decline from those of 1896. In that year the total was 78,627: the Chinese numbered 74,568, the Portuguese 3,898, of whom 3,106 were born in Macao, and foreigners were 161, of whom 80 were British. It is not known whether these figures included those who live in boats, a population of about 1,100. These were originally a pariah class, who were never allowed to land, and the manner of life has remained, although the necessity for it has been removed.

Up to 1896 the population had been increasing, the increase being especially among the Chinese, whose numbers had risen by 11,306 between 1878 and 1896. The numbers of Portuguese had decreased. Up to 1793 the numbers of Chinese were strictly limited, but now the Chinese are much the largest part of the population, and inhabit many of the fine old houses formerly occupied by wealthy Portuguese.

In 1900 the population of Taipa and Colowan was 12,894, mostly Chinese (there were only 92 Portuguese); Colowan has only about 1,200 or 1,300 inhabitants.

Towns and Villages.—The city of Macao is called by the Chinese of the neighbourhood Omoun, in Pekinese Ao-mên, and by the Portuguese, in full, Cidade do Santo Nome de Deus de Macau. It occupies about 520 acres, and accommodates about six-sevenths of the whole population of the colony. It is divided into a Chinese and a non-Chinese quarter, each under a special administrator; the former lies along the inner harbour and up the western slope of the hills; the latter along the eastern shore and on the tops of the hills. The town is extending northward. The Chinese quarter presents an animated appearance, especially along the harbour; it contains narrow, tortuous streets with low houses, giving the appearance of a mediaeval Portuguese town. In this region is the Rua da Felicidade, in which are the principal gaming saloons; over a score of these pay an aggregate tax of 170,000 dollars a year. The Chinese theatres of Macao are celebrated. The city as a whole presents
a very favourable appearance; the streets are clean, the houses brightly painted with a variety of colours, the public buildings handsome. There are many fountains. At the north of the town, near the village of Patane, is the Grotto of Camoens, where the exiled poet wrote part of the *Lusiads*; and this association gives the Portuguese their strongest sentimental interest in the colony.

In Taipa the bulk of the population is concentrated in the town of Tamtsai, in the south-west corner of the eastern island, where about 3,000 Chinese dwell. Colo-wan contains five small villages.
II. POLITICAL HISTORY

CHRONOLOGICAL SUMMARY

1515 (circa) R. Perestrello visits the Canton River.
1517 Arrival of Fernão Pires d'Andrade.
1524 Death of the Ambassador Thomé Pires at Canton.
1542 Portuguese settlement at Ningpo.
1557 Settlement formed at Macao.
1583 Establishment of Senate at Macao.
1622, 1627. Attacks on Macao by the Dutch.
1628 (circa) Appointment of a Governor.
1749 Portuguese admit Chinese criminal jurisdiction.
1833 Introduction of Portuguese colonial administration.
1845 Macao a free port.
1846 Ferreira do Amaral becomes Governor.
1862 Commercial treaty with China.
1874 Coolie traffic stopped.
1887 Portuguese sovereign rights recognised.
1896 Macao separated from Timor.

(1) Early History

The first attempts of the Portuguese to open up communications with China were made after the conquest of Malacca by Albuquerque in 1511. A merchant named Rafael Perestrello, who made his way to China in a junk in 1514 or 1516, was believed to have been imprisoned; and the reports of Albuquerque induced King Manoel to despatch an embassy to make enquiries and establish a trading post. This task was carried out by Lopo Soares d'Albergaria, Albuquerque's successor, who sent Fernão Pires d'Andrade with a fleet to the Canton River in 1517. Before the expedition started Perestrello returned, and gave such a glowing account
of the profits to be made that great hopes of success were entertained.

Fernão d'Andrade took with him as ambassador a man of ability but of humble origin, named Thomé Pires, who paid with his life for the mistakes and faults of his superiors. A landing was made in August 1517 at one of the islands near the mouth of the river, which is called Tamão by the historians, and is said to have been called by the Portuguese Beniaga or Veniaga. Tamão was the place where all foreign vessels were detained for examination. Fernão d'Andrade seems to have been on friendly terms with the Chinese authorities of Canton, but left after fourteen months, having realised great profits, before authority had been received from the Emperor for the ambassador to travel to Pekin. Fernão's brother, Simão d'Andrade, who succeeded him, appears to have been an injudicious man who offended the Chinese in many ways; and, when at last Thomé Pires was allowed to go to Pekin, he was accompanied by bad reports and suspicions of espionage, which led to the total failure of the project. He was treated as a prisoner from the time of his arrival, and on the death of the Emperor was very roughly handled by his successor, who had learnt how the Portuguese had taken Malacca. In the end Thomé Pires was sent back under a guard to Canton, where he died in 1524. Simão d'Andrade had already departed, and the other Portuguese were expelled.

After a time, however, the Chinese were induced to allow occasional visits of Portuguese ships, which carried on a good trade from 1542 to 1548 at Chinchew and Liampoo (Ningpo). But in 1549 the traders were forced to abandon the coast, some of them being killed or imprisoned. Negotiations opened up in 1554 by Lionel de Souza, accompanied by an agreement on the part of the Portuguese to pay Chinese custom duties, led to the reopening of trade; and finally, in 1557, the Chinese Governor sanctioned Portuguese occupation of the Macao peninsula. This arrangement is said to have been approved by the Emperor; but it seems quite
clear that the Chinese regarded the settlement simply as a trading station under their own authority, and did not recognise Portuguese sovereign rights.

The Portuguese, on the contrary, treated the Macao peninsula as their own property. Authority was at first exercised by the captains of the various fleets that visited it for trade; but in 1583 a municipal government was established in the form of a Senate, consisting of the principal residents. This Senate exercised all the functions of government until a Royal Governor was appointed, at a date variously stated as 1615, 1623, and 1628. The powers of this Governor seem, however, to have been limited to military matters, the civil administration remaining with the Senate. The Governor presided over the meetings of the Senate, but had no vote in its decisions.

The Chinese in 1573 had insisted on the erection of a rampart across the neck of the peninsula to check the incursions of bands of Portuguese slaves into the island of Heungshan, with which it is connected (c.f. p. 1). In this there was only one gate, known as the Porta do Cerco. The Chinese, in fact, never ceased to regard Macao as part of their own dominions, and took advantage of every opportunity to introduce changes which led to the increase of their influence, even in the town of Macao itself. In the period of weakness and decay which set in during the seventeenth century the Portuguese often yielded to these encroachments in order not to endanger their profitable trade; and in 1749 an agreement was made which constituted a modus vivendi, one of its articles providing that European criminals should be surrendered to Chinese justice. Towards the end of the eighteenth century the Portuguese even yielded to a Chinese demand for the payment of tribute and the establishment of a Chinese custom house in the city; while a representative of the Chinese Governor of the island of Heungshan sat to administer justice among the Chinese residents of Macao.

After the accession of Philip II of Spain to the
Crown of Portugal in 1580, Macao was neglected, like other parts of the Portuguese dominions. It also suffered from the trade competition of the Philippines, which was favoured by the Spanish rulers. In 1622 the Dutch made a determined attack on Macao, but were successfully resisted, although at the same period they expelled the Portuguese from Formosa, where the latter had formed a settlement. Another attack was made in 1627.

The British East India Company had a large establishment at Macao; and its proximity to Canton made it a valuable place of refuge for the Europeans in that city at times of difficulty with the Chinese. In the Napoleonic wars British expeditions were twice sent to Macao, in 1802 and in 1808, to protect the place against threatened raids by the French. It is interesting to note that an ordinance passed in the early days of the British occupation of Hongkong (No. 1 of 1844) enacted that the peninsula of Macao should for the purposes of the ordinance "be deemed and taken to be within the dominions of the Emperor of China."

(2) Recent History

The modern history of Macao may be considered as dating from 1833, when the old system of administration was abolished. The general colonial system was introduced and the Senate reduced to the position of a municipality. Macao was formed into a province jointly with Timor, Macao becoming the capital. In 1896 Timor was, however, separated from it and formed into another government.

After the English war with China, the occupation of Hongkong in 1842, and the opening of treaty ports, it was considered necessary to make Macao into a free port. This step was taken by a Royal Decree of November 20, 1845, the first words of which were:

"The opening of some of the ports of the Empire of China to the commerce and navigation of all nations having put a stop to the propitious circumstances which favoured the commerce of the city of Macao."
It was also thought well to remove it from the control of the Governor-General of Goa, under which it had hitherto been. These measures entailed the abolition of the Chinese encroachments, and especially the custom house or Ho-pu. In 1846 Ferreira do Amaral was appointed Governor, and successfully carried out these changes. A new system of taxation had to be introduced to make good the revenue which had been derived from duties. The islands of Taipa and Coloan were occupied at the same time. Chinese resentment was intense, and Amaral was assassinated in August 1849. There were several bodies of Chinese troops in the neighbourhood, and the fort known by the name of Passaleão was strongly garrisoned; the occupation of Macao by the Chinese seemed imminent; but a sudden coup de main struck by Lieutenant Mesquita and a handful of soldiers, who seized this fort, restored confidence, and allowed defensive measures to be carried out.

In 1887 Portuguese sovereign rights were at last formally recognized by China. The question of the delimitation of the boundaries, however, remains unsettled. Portugal claims, in addition to the peninsula, the islands of Taipa and Coloan, the eastern part of Lappa (west of the inner harbour), the small island of Dom João (west of Taipa), and the north part of Wongkam, which lies west of Coloan. Authority over Coloan was asserted in 1910 by the clearing away of a band of pirates which infested the island. These territories are necessary to give complete control of the harbour.
III. SOCIAL AND POLITICAL CONDITIONS

(1) Religious

Macao is the seat of a Roman Catholic diocese which includes Timor, and has superintendence over the Portuguese congregations of Malacca and Singapore. Under the Republic the Church has been disestablished, as elsewhere in the Portuguese dominions. The great bulk of the population is Chinese, and does not differ in respect of religion from that of independent China. A large number of the Chinese, however, are Roman Catholic, and have adopted European Christian names.

(2) Political

The province of Macao is under a Governor, assisted by two Councils—one for the city and one for Taipa and Coloan. The city is divided into the Chinese and European quarters, each of which has a separate administrator. The Council of Taipa and Coloan is really a municipality under a president, who is at the same time the Military Commandant. The Senate or Municipal Assembly has authority over both Councils.

(3) Public Education

There are a large number of educational establishments in the colony, but the expulsion of the religious orders in 1910 has introduced much confusion into the organization both of education and philanthropy. The government of the province maintains a national Lyceum at Macao; it also supports a female school, a commercial school, and a school for Chinese pupils in which both Portuguese and Chinese are taught. The
Town Council of Macao maintains a school of primary instruction for each sex, a commercial school attached to the Lyceum, and a school in Portuguese for Chinese. The diocese of Macao maintains eight schools, seminaries, and orphanages, two of which are in Taipa and one in Colowan. The Council of Taipa and Colowan also maintains a school of Chinese and Portuguese for Chinese pupils.
IV. ECONOMIC CONDITIONS

(A) MEANS OF COMMUNICATION

(1) INTERNAL

(a) Roads

The roads are good in Macao, but, as soon as the barrier is crossed, the well-kept Portuguese road is continued by a miserable footpath. A great difficulty in making new roads is the number of Chinese graves, the disturbance of which arouses violent feelings; the removal of such graves to make new roads was one of the chief causes of the assassination of the Governor Amaral in 1849.

The principal means of locomotion are jinrickshas and palanquins borne by two carriers.

(b) Railways

The project for a railway to Canton agreed upon with the Chinese Government in 1901 seems to have been abandoned. A later project to build a railway from Canton to Macao, with Chinese and British capital, was agreed upon in 1913, but is still in suspense owing to lack of capital, and pending settlement of the boundary dispute.

(c) Posts, Telegraphs, and Telephones

The post office used to be in the hands of a private individual, but is now worked by the Government.

The Eastern Extension Australasia and China Telegraph Company has an office at Macao, and there is both telegraphic and telephonic communication.
between the city and Taipa fort and village. There are several agencies of the Chinese post office in the immediate neighbourhood, including a telegraph office at Tsinshan.

(2) External

(a) Ports

Accommodation.—The inner harbour is formed by Macao peninsula on the east and the island of Tui-mien Shan (Lappa) on the west. It is about 1½ miles in length and 600 yards wide, narrowing to ¾ mile at the entrance. It has two to three fathoms depth on the town side, but is encumbered by sandbanks on the west. The entrance is shallow and made difficult by a sandbar. The harbour is getting rapidly silted up by fluvial deposit; it was calculated in 1883 that in 25 years the harbours of Macao had been laden with no less than 69,000,000 metric tons of alluvium, and within an even shorter period depths marked in a British Admiralty chart as from 9 to 10 ft. at neap tide were found upon survey to be only 5½. In 1909 the Lisbon Government began a grant of annual appropriation for improving the harbour, and in 1911 entered into a contract with a Hongkong engineering firm to dredge a channel 6,000 metres long with a uniform depth of 12 ft. Since then the channel has shoaled again, and in 1915 a sea-going dredger was ordered. The approach to Point Barra is a channel from the north-east, 111 ft. wide with a depth of 11 ft. at low water. The approach will be considerably improved if the project of a breakwater from Taipa Island to Pedra d’Areca, between it and Macao, is executed. At the north end of the harbour between Green Island and Macao a typhoon harbour for small craft has been dredged.

South of Macao, between it and Taipa, is the outer harbour, known as the Rada. There is an outer anchorage in about 4 fathoms, with mud bottom, about 7 to 8 miles east-south-east of Fort Guia. A
good number of fishing junks are to be found in the Bay of Taipa, anchored by the town of Tamtsai. The Praia Grande is fringed with small vessels in fine weather; and some protection is afforded these against the north-east monsoon.

The tides round Point Barra at the entrance to the harbour run strongly. Spring tides rise 9½ ft. and neaps 6½ ft. The inner harbour faces south-west and is not entirely immune from storms. In June 1913 a squall of extraordinary severity struck it, causing steamers to break adrift from their moorings and working havoc among the floating population, whose sampans were upset.

Nature and volume of trade.—The harbour is filled mainly with junks, and all kinds of minor vessels such as sampans and tankas. In 1913 the port of Macao was visited by 4,110 merchant steamers of 1,008,814 tons and 13,389 junks of 303,764 tons.

(b) Shipping Lines

The Hongkong Canton and Macao Steamship Company run two steamers daily between Macao and Hongkong; the distance is 40 miles, and the journey takes 3 hours. A Chinese company also has a daily service between the two ports. There is a daily steamer service (Saturdays excepted) between Macao and Canton (88 miles). There used to be a regular service to Kongmoon, but this ceased in April 1915. There is direct communication with the French possession, Kwangchowwan. The Stoomvaart Maatschappij Nederland has fortnightly sailings, taking up passengers at Singapore.

With the various towns in the delta and on the river routes there is launch and junk traffic, besides a considerable coasting trade.

Steamships cannot obtain patent fuel or liquid fuel at Macao, and only a small amount of coal (about 50 tons) is kept in stock.
(c) Telegraphic and Wireless Communication

Macao is connected by cable with Hongkong. The wireless station (a low-power Telefunken station with a radius of about 100 miles) near Kwanchiap, on the road from Macao to Tsinshan, had been rebuilt and was in operation in 1915, for official use only.

(B) INDUSTRY

(1) Labour

The industry of Macao is mainly in Chinese hands. The Chinamen in Macao are as a rule thrifty, hard-working, and orderly; wages are higher than in the neighbourhood, ten dollars a month being the lowest wage for unskilled labour; house-rent is said to be cheaper than in Hongkong. The only form of agricultural industry is market-gardening.

(2) Manufactures

The chief industry is opium, which the colony imports raw (opio crã) and prepares for exportation (opio cosido). The opium boilery is the monopoly of a Chinaman, who pays 250,000 dollars a year to the Portuguese Government. Considerable restrictions have been put by the Chinese Government on the opium trade, but a good deal of smuggling goes on. The preparation of tea is another important business; the fresh-picked leaves arrive from the plantations in the country, and are subjected to the various processes of picking, firing, and curling in native hongs (houses), being finally packed to suit the different markets according to demand. The tobacco factory at Macao is one of the largest in South China; near it, in the same industrial quarter, is a silk filature business, which is in Chinese hands. There are also rice-mills, a certain amount of boat-building, and manufacture of mats (esteiras) and fireworks (panchôes). "Samshu," a Chinese drink, is manufactured in the colony.

On Green Island is a cement and brick factory worked
by the Green Island Cement Company, of Hongkong. It suspended operations for some time, but re-opened in 1915; before its suspension it employed 700 Chinese workmen, and its monthly output was 1,100 tons of cement. The Portland cement produced in Macao is of a very superior quality and largely used in that part of the world. The limestone for the cement is obtained from the provinces of Kwangtung and Kwangsi, and the clay in the inner harbour itself, just in front of the works. Most of the output goes to Manila, Hongkong, and various parts of China and Japan.

(3) Fisheries

Fish abound in the waters round Macao. The activity of the fishing industry has been increased lately because of the migration of fishers from Hongkong to Macao in order to escape irksome restrictions during the war, and because of the increased demand for fish to replace other forms of food not obtainable owing to the war or the bad floods of the Canton River delta. Fishing employs about 920 vessels and 8,700 hands; the fish is exported fresh, dried, or salted, these last two methods providing a large amount of employment. The drying is principally done in Taipa.

(C) COMMERCE

(1) Domestic

There are several markets, but the only important one is S. Domingos'. Macao is a city of monopolies, most of which are in the hands of Chinese; among these is the whole trade in kerosene oil, gunpowder, and jinrickshas.

(2) Foreign

Until about forty years ago the chief export and import trades of Macao were respectively coolies and opium, but the first was made illegal in 1874, and the
second has become restricted, though both in its legitimate and illegitimate forms it is still of great importance. The loss, in 1864, of the privilege of importing rice free of the Chinese export duty was much felt in the colony. The principal function of the commerce of Macao is now to prepare products to be exported so as to suit the taste of the consumer and to condition them to resist the effects of the voyage. Piracy used to be a great foe to Macao commerce; it is now to some extent its friend, for the piracy in the neighbourhood of the West River has had the effect of driving part of the local trade to Macao, some of the junks preferring to trans-ship their cargo there rather than proceed to Kongmoon direct. In recent years Macao has had to suffer a good deal of competition. There is also a tendency for a portion of the west coast produce to go via Kongmoon, whether destined for Hongkong or Canton; and the old junk trade of this region with the foreign colonies is gradually disappearing.

Macao is a free port, and it is difficult to obtain any accurate figures of its exports and imports. It lies within the Lappa customs district of China, and in the figures for the Lappa district the exports and imports of Macao are included among those of Hong Kong and foreign countries generally. In the period 1911–15 the average annual value of the total volume of trade passing through the Lappa customs station amounted roughly to £2,250,000. All that can be said is that the trade of Macao would account for the greater part of this total.

The floods in the delta during 1915 in some ways stimulated Macao trade in that year. Thus pigs increased from 36,032 to 50,531; they were exported from the lower prefectures to Macao and thence re-imported; on the other hand, export of paper and fish was diminished by reason of the flood, and there was a decrease in the export of oysters, because the oyster-beds were damaged by the flood. In 1915, 793 steamers and 16,482 junks cleared at Lappa. Of the latter 2,011 were from China to China, 14,471 were to and from
Macao and Hongkong, of which 768 (87,351 tons) traded between Macao and Hongkong, and 6 were engaged in the trade between Macao and Indo-China.

(a) Exports

The chief exports are: to Hongkong timber, oil, tea, tobacco, mats, nankeen, fireworks, incense, fowls, eggs; to Canton betel-nuts, cement, and fish; to Kwangchowwan cotton and petroleum; to Chinese ports oil, rice, sugar, cotton, cotton-stuffs, cotton-yarn, fish, tobacco, nankeen.

(b) Imports

The chief imports are: from Hongkong rice, oil, tea, opium, flour, cotton, cotton-stuffs, cotton-yarn, munitions, gunpowder, saltpetre, sugar, European wines, medicine, and petroleum; from Canton silk, fruit, eggs, bricks, timber, mats, tea; from Kwangchowwan pigs and basket-work; from Chinese ports timber, fruits, silk-stuffs, incense, mats, tobacco.

The number of chests of opium imported from Hongkong during the years 1911–15 was:

<table>
<thead>
<tr>
<th>Year</th>
<th>1911</th>
<th>1912</th>
<th>1913</th>
<th>1914</th>
<th>1915</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1,211</td>
<td>301</td>
<td>450</td>
<td>750</td>
<td>508</td>
</tr>
</tbody>
</table>

Tea is imported from China and prepared in Macao for foreign markets. It goes almost exclusively to British ports, and not at all to Portugal.

(D) FINANCE

(1) Public Finance

The revenue for 1913, according to the Anuario Colonial of 1916, amounted to 897,079 escudos (£198,000), of which the main item was 811,534 escudos (£179,000), under the head of ‘contributions and direct imposts’, the other items being ‘indirect imposts, national property and miscellaneous revenues,’ and

1 The Portuguese escudo is worth normally 4s. 5d.
specially ear-marked revenue'.¹ By far the largest amount of the direct imposts is derived from gambling; in 1912 the receipts from *fantan* amounted to nearly half, and the receipts from lotteries to nearly a third of the direct imposts, the next most important source being the monopoly of the preparation of opium. Other monopolies include the sale of fish and salt, which are practically the only local produce. The farming of monopolies is a cheap means of raising revenue, whereby the Government secures a rent without the expense of administration. The other imposts are complicated and not easily understood by a people like the Chinese, whose habits and ways of thought are so totally different from those of any nation in the Western world.

In 1913 the expenditure amounted to 609,430 *esceudos* (£134,000). It will thus be seen that Macao, unlike most Portuguese colonies, pays its way. After its separation from Timor in 1896 it still continued to make a contribution to the revenue of that colony of 60,000 *patacas* (£6,000), which would amount in some years to almost a third of the receipts of Timor.

**2) Currency**

The chief coinage in use in the colony is the Hong-kong dollar, which is worth about 2s. 2d., and the *pataca* or *peso duro espanhol*. The latter was formerly calculated as equivalent to 720 reis; but, as the finances of the colony suffered because its receipts were reckoned in *patacas* and its expenses in reis, the Government decided that in all payments made by the exchequer the *pataca* should be the equivalent of 850 reis. With the depreciation of silver this proved an exaggerated value. It was then fixed at the value of 640 reis, and later (in 1910) at that of 450, so that it is about 2s. in value.

¹ e.g. the receipts from the monopoly of the sale of gunpowder and petroleum, which are applied exclusively to harbour improvements.
Values are usually reckoned in *Haekwan taels*, the *tael* being a measure and not a coin. Its value in the Lappa district was computed in 1915 as 2s. 7½d. Fifteen years ago it exchanged for 1,420 *cash* (a small Chinese copper coin) or 150 *cents*. As the *cash* became scarcer, their value rose, while the increasingly minted *cents* depreciated, so that in 1910 it exchanged for 1,350 *cash* or 180 *cents*. Silver has depreciated not only in reference to gold, but also to copper.

(3) *Banking*

The Banco Nacional Ultramarino has a branch at Macao.

(4) *Foreign Capital*

As has been said above, many of the industries of Macao are Chinese monopolies. Besides these the principal businesses that are in other than Portuguese hands are the Green Island Cement Company, of which the head office is in Hongkong; the Eastern Extension Australasia & China Telegraph Company, whose head office is in London; and a branch office of the London firm of Herbert Dent & Co., public silk and tea inspectors and commission agents.
V. GENERAL REMARKS

Macao owes its whole importance to the fact that it is a port; but as such it cannot long remain of much value, for the harbour is being silted up by the alluvium brought down the Canton river; and, though it is being dredged, it must eventually share the fate of Kongmoon, which is now 30 miles inland, though once a maritime city. The works undertaken in the harbour by the Portuguese lead to friction with the Chinese, who contend that a definite clause in the agreement between the two Powers debars such operations.

Macao's internal trade is all in the hands of the Chinese. The territory is too limited to admit of any considerable expansion of the town, or to afford space for the establishment of industries on a large scale.

But though the colony's advantages are necessarily circumscribed and of precarious duration, the Portuguese attach a sentimental value to its possession that goes far beyond its commercial importance. Not only is Macao a long-cherished possession, but it was for a time the residence of Camoens, their national poet, with whom the glories of their former Empire are inseparably bound up.
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MAP

A map of Macao, on the scale of 1:80,000 (G.S.G.S. No. 2874) was issued by the War Office in July 1918 in connexion with this series.
LONDON:
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