few men who remained to fire off their guns in the batteries before mentioned. Shanghae appears a rich commercial city with good walls in perfect repair, on which but few guns were mounted, and these all at the gate-ways. The walls are three miles and a quarter in circumferance; the population I understand to be from 60 to 70,000 souls. A very considerable trade is carried on at Shanghae—its position as a commercial city nothing can exceed, being situated within sixteen miles up the Woosung river, up which, for several miles above the city, ships of large burthen can be brought with great facility.

4. It afforded me great satisfaction to perceive the unusual degree of confidence manifested by the people; it is true a great proportion of the wealthiest inhabitants had left it, but the middling classes and the great body of the shopkeepers remained and freely brought in poultry and vegetables so that I was enabled to give the troops a good portion of these necessary comforts, after living for some time on salt provisions. I have done every thing, in my power to prove that the confidence was not misplaced, and I am most happy to say the troops, by their orderly and forbearing conduct in the midst of that pernicious liquor sham-shee with large stores of which we were surrounded, conducted themselves to my entire satisfaction, and I re-embarked the whole force with its numerous followers, yesterday morning without a single instance of inebricty.

5. The only injury done at Shanghau was by the Chinese robbers, who had commenced their work of depredation before we entered it. I issued a very strong edict, which before we left, produced in a great measure, the desired effect, and I was enabled to induce many of the most respectable Chinese to take charge of large establishments (principally pawnbrokers,) the proprietors of which had fied, with a promise they would protect them from the rabble. We have of course destroyed all the iron and embarked the brass guns amounting altogether including those taken at Woosung and Paonshaw to 406, about 100 of which are brass. The powder and military stores of every description have been also destroyed.

By an extensive though necessarily rapid survey of the river Sir William Parker has nearly ascertained the practicability of moving on Lachoo by this route, but as I consider it an object of the most vital importance to reach the point of intersection of the Imperial Canal with the Yeang-tse-Keang as early as possible, and to take the strong fortress and important city of Chin-Kean-foo commanding that point we have deemed it right to forego all other operations for this most important one, after which I shall be anxious at once to move on Nankin. These commanding positions in our possession as I before stated to your Lerdship, both Sooehoo, and Hangcheo must fall.

6. On my return here yesterday, I found the Belleville, and I understood that the Appollo, with the greater part of the transport is at Chusan. Instructions will be sent for them immediately to follow us up the Yeang-tse-Kang. With these ample means at my disposal not only to take but to occupy whatever may be deemed most advisable,

I hope to prove to the Chinese Government the extent of the power and resource of Great Britain, and the folly of persisting in rejection of the terms offered.

I have the honour to be, &c.,

H. GOUGH, Lieutenant-General, Commanding Expeditionary Land Force.

P.S.—I omitted in the foregoing despatch to report to your Lordship that the same Chinese Mandarin who came to me at Chopo, brought n e on the 20th instant, at Shanghac, a letter from Eleepoo, of which, together with Sir William Parker's and my joint answer; I beg to enclose a translation.

## (True Copy.)

H. GOUGH, Lieutenant-General, Colonel Madras, Commanding Expeditionary Land Force

## (Copy.)

Elepoo, late Governor General of Keangnan and Keangse provinces, Assistant Minister of the Cabinet, and now Lieutenant General of Chapoo, sends the following communication :—

I find on examination that the English prisoners have been restored, and a letter having been sent with them, whilst however, making peace, by putting a stop to war, and entering upon arrangements respecting the trade, I all at once received a letter from Keangnan stating, that a large fleet of your honourable country had sailed to the entrance of Woosung River; without my knowing what was the object.

When I, the Minister and Governor two years ago, carried on at Chinhai, a correspondence with all the Commanders-in-Chief, I was then fully aware that your honourable nation was highly prising justice and good faith.

Now, however, when the two countries are on the eve of concluding peace, then sails the whole fleet suddenly to the entrance of Shaughac River, firing guns and stirring up a quarrel, which is on one side carrying on a correspondence about peace, and on the other hand to give rise to rancour and to promote hostilities, what has thus become of good faith, and where is the justice? This I, the Minister and Governor, am not able to comprehend fully.

Our two Empires have now for three years been at war, the soldiers and people who have been killed are innumerable, and the misery entailed is unspeakable and grievous to recount. It is therefore requisite in accordance with celestial rule, to feel regret at those evils and to put down the war, but if one proves disobedient to the dictates of Heaven, it is to be feared that Heaven will visit us with punishment, and who will be able to endure this?

Your honourable country has hitherto laid strong upon commerce, and considered war as nefarious, with the hope of putting a stop to the misery of war, and enjoying the advantages of an open market. Now if this takes place, the people of your honourable country may all return home and