

Tribute and treaties

Maritime Asia and treaty port networks in the era of negotiation, 1800–1900

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States and the seas

Countries functioning as territorial states have long distinguished themselves from others by establishing boundaries, extending their territory even out to sea. The result has often been inter-state disputes such as clashes over 200-mile sea zones and conflicting claims to islands, as in the case of the Spratly Island issue with potentially large oil revenues at stake.¹

The state has long claimed sovereignty, and in the days when all things were thought to belong ultimately to the state, negotiations and conflicts focused on exclusive possession of territory defined by formal boundaries.

The meaning of the seas cannot be fully appreciated as long as they are seen as opposed to the land and as long as one's focus is on the land. The seas, in fact, form and set the conditions of the land. The seas and the land should be understood not as being separated by the coasts, but as part of a larger whole in which the land is part of the seas (and vice versa). The sea forms, in short, a road, a basis for communication and network flows, not a barrier.

Looking at Asia from the viewpoint of the seas brings into focus the features that identify it as a maritime region *par excellence*. The seas along the eastern coast of the Eurasian continent form a gentle S curve extending from north to south (Figure 1.1). The chain formed by the seas that outline the continent, its peninsulas and adjacent islands, can be seen as shaping the premises of Asia's geopolitical space. The "maritime areas" thus formed in and around Asian lands are smaller than an ocean and less closely associated with the land than are bays or inlets.

Let us follow the "Asian seas" from north to south. The Sea of Okhotsk shapes Kamchatka and Siberian Russia. Further south, it merges into the Sea of Japan; then comes the Bohai and the Yellow Sea. These, with the East China Sea, embrace the Korean Peninsula, the Japanese archipelago, and the islands of Okinawa. The chain of seas then divides in two. On the east is the Sulu Sea leading to the Banda, Arafura, Coral, and Tasman Seas. On the west is the Java Sea that stretches west and connects with the

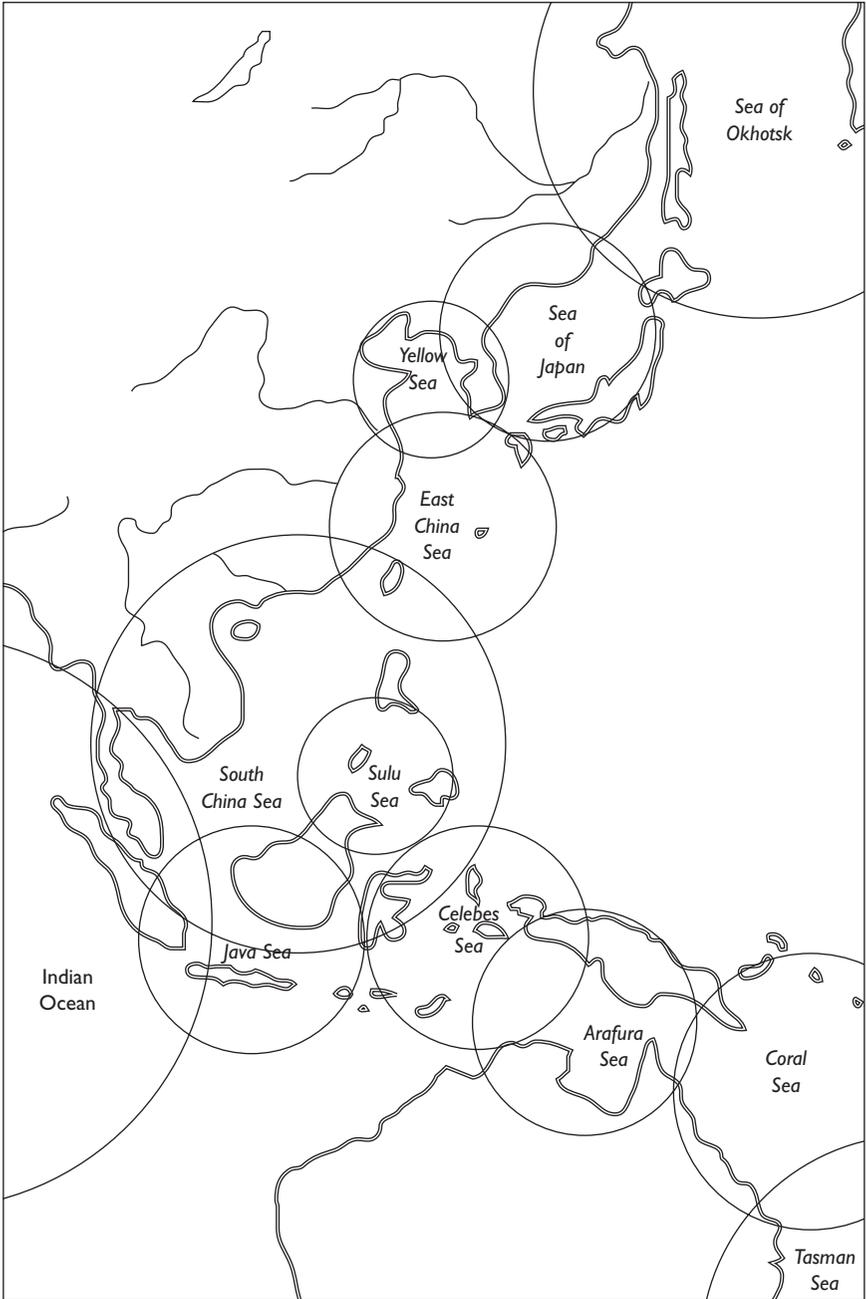


Figure 1.1 Maritime zones of Asia

Source: Takeshi Hamashita, *China-Centered World Order in Modern Times* (Tokyo: University of Tokyo Press, 1990). Used by permission of the publisher.

Strait of Malacca and thence to the Bay of Bengal. From the intersections of these seas, trade networks formed, pivoting on places like Nagasaki, Shanghai, Hong Kong, Malacca, and Singapore.

Asian studies in China, Japan and the West has, from its inception, revolved around the history of land-based states. However, to grasp the totality, particularly the regional integrity, it is necessary to study Asia in terms of the interfaces and exchanges that take place within and among maritime zones and that cross state boundaries.

The emergence of maritime zones

If the areas presently called East Asia and Southeast Asia are understood to be the maritime realm shaped and defined by the East China Sea and the South China Sea, the historical land–sea system of the region can be understood logically. The maritime world that functions here is not merely one of seas. Rather, it is composed of three elements. One is the coastal area where land and sea intersect. In the seventeenth century, the Kangxi emperor issued an order forcing the South China coastal population to move inland in an attempt to separate them from the influence of the powerful anti-Qing leader Zheng Cheng-gong (Koxinga) whose maritime empire extended from Fujian and Guangdong to Taiwan. This demonstrates the pivotal role of coastal areas in the maritime world.

Another important element is the sea-rim zone comprised of coastal areas. Along this rim are trading ports and cities that comprise the key nodes of the maritime area. These ports are not so much outlets to the sea for inland areas as points that connect one maritime zone to another. Historically, the merchants of Ningbo, located on the Chinese coast, for example, amassed wealth predominantly through coastal and maritime trade rather than from continental trade. Ningbo merchants played a particularly important role in trade with Nagasaki. Other maritime links that flourished in the eighteenth and nineteenth centuries included Pusan–Nagasaki–Fukuoka trade linking Japan and Korea, the Ryukyu–Kagoshima route between the Ryukyus and Southwest Japan, Fuzhou–Keelung linking Southeast China and Taiwan, and Aceh–Malacca–Guangzhou linking the Dutch East Indies, Malaya, and Southeast China. Notably, the maritime concept has reappeared today in the concepts of the Japan Sea-rim and Yellow Sea-rim trade zones.

The third element of the maritime world is the port cities that link maritime regions through long-distance trade. Among cities of this type which flourished in the nineteenth century are Naha, Guangzhou, Macao, and Hong Kong. Okinawa's Naha, for example, had long-established trade links with Fuzhou while Guangzhou's links were with Nagasaki and Southeast Asia. Port cities linking the South China Sea and Indian Ocean included Malacca, and later Singapore and Aceh in Indonesia. In contrast

to the land, the maritime world encompassed coastal trade, cross-sea trade, and chain-of-seas connections, for example, those linking the South China and East China seas. The result was an open, multi-cultural realm that was diverse and well integrated.

To understand the operational principles of the maritime world, it is necessary to examine the interplay of political, economic, and cultural factors that unfolded there.

The major historical principle that loosely unified the maritime world of East Asia was encapsulated in the tribute-trade relations, which functioned from the Tang through Qing dynasties, from the seventh century to 1911. This China-centered order nevertheless permitted Korea, Japan, and Vietnam to assert themselves as “centers” *vis-à-vis* smaller neighboring states under their sway. The region was sustained by a hierarchical order defined by the Confucian conception of a “rule of virtue.” Like any hegemonic order, it was backed by military force, but when the system functioned well, principles of reciprocity involving politics and economics permitted long periods of peaceful interaction.

In the China-centered order, tributary states sent periodic tribute missions to the Chinese capital, and each time rulers of tributary states changed, China dispatched an envoy to officially recognize the new ruler. In unsettled times, Chinese forces sometimes intervened to prop up or enshrine a ruler. Tribute relations were not only political but involved economic and trade relations as well. In exchange for the gifts carried to the Chinese court, tribute bearers received silk textiles and other goods from the emperor. Specially licensed traders accompanying the envoy engaged in commercial transactions at designated places in the capital. In addition, more than ten times as many merchants as these special traders exchanged commodities with local merchants at the country’s borders and at designated ports. In short, lucrative trade was the lubricant for the tributary system defining regional political, economic, and cultural intercourse. The sea routes and major ports of call of the tribute missions sent by Ryukyu to China, for example, were clearly established. Navigational charts were devised based on seasonal winds and on the points and lines established by surveying the coasts and observing the movements of the stars.

Not only overseas Chinese merchants based in East and Southeast Asia but Indian, Muslim, and European merchants participated in this tribute trade, linking land and maritime zones.²

A maritime zone, therefore, was also a tribute and trade zone. Moreover, such zones broadly defined flows of human migration. In Tokugawa Japan stories about castaways were often told to inspire fear, discouraging people from attempting to leave the land. In fact, however, when castaways were discovered, they were to be taken along the tribute route back to their home country at that country’s expense. Along the coast of

Kyushu, private Chinese ships often took advantage of this rule, intentionally drifting up along the coast, and engaging in a brisk illegal trade before officials arrived to do their duty.³

Tribute trade and Ryukyu networks

To see what a trade zone was like, let us look at the Ryukyus.⁴ The Ryukyu Kingdom regularly sent missions to Southeast Asia to obtain the pepper and sappanwood it could not produce locally, and presented these to China as part of its tribute trade. The first volumes of the *Lidai Baoan* (*Rekidai Hoan* or *Precious Records of the Ryukyu Kings*), a collection of official Chinese tributary-trade records, states that during the Ming period (1368–1644), the Ryukyus engaged in commercial transactions with Southeast Asia, including Siam, Palembang, Java, Malacca, Sumatra, Annam, and Patani.⁵ It can be assumed that Japan, Korea, and China were among the trade partners in addition to these Southeast Asian countries. The Ryukyus, in short, was part of an extensive trade network. Stated differently, this far-flung Ryukyu network pivoted on but was by no means limited to the Ryukyu tribute trade with China.

The trade network had two distinctive features. One was that trade with Siam and other Southeast Asian countries was vigorous between the early fifteenth century and the mid-sixteenth century.⁶ The other was that, as far as we know from the *Lidai Baoan*, Ryukyuan trade with Southeast Asia declined while trade with Korea and Japan increased.

This phenomenon prompts us to ask two questions concerning the Ryukyus: what happened to the trade with Southeast Asia after the mid-sixteenth century? And what was the nature of the trade with Manila and Luzon in the context of Ryukyu trade with Southeast Asia?

In examining these questions, we note that the Ryukyus were involved in two trade routes between the South China and Southeast Asia. One route ran along the island chains on the eastern side of the South China Sea from Luzon to Sulu and the other stretched along the coast of the continent on the western side of the South China Sea from Siam to Malacca (Figure 1.2).

The eastern route started from Quanzhou (or Fuzhou) in Southeast coastal China, and spanned the region between the Ryukyus, Taiwan, and Sulu. This route not only carried the trade with Southeast Asian tributary states but also, from the sixteenth and seventeenth centuries onward, the trade with Spain centered at Manila – exchanging silk for silver – and with the Dutch East India Company centered on Taiwan. At the same time, the route ran farther north from Fuzhou where soybean and soybean meal arrived from North China in exchange for rice, sugar, porcelain, and silk. The western route, starting from Guangzhou, linked various parts of Southeast Asia following the coast to major Southeast Asian tributary

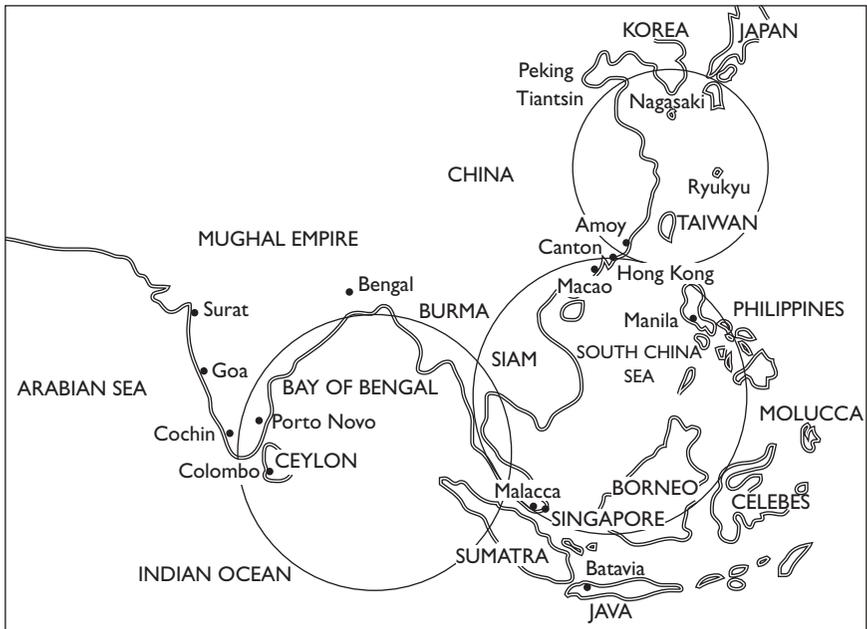


Figure 1.2 East and West maritime routes

Source: Takeshi Hamashita (1989: 249).

states, including Siam, Malacca, and Sumatra. Rice, marine products, and spices were major items imported to Guangdong from Southeast Asia and then traveled inland to Guangxi, Hunan, and other parts of South and Central China. China's exports to Southeast Asia were predominantly rice and sugar.

In 1666, ninety-six years after the records of official trade with Southeast Asia stopped appearing in 1570, the Ryukyu King Sho Shitsu asked that pepper, which was not produced locally, be excluded from the list of tribute goods. The Chinese court approved. This suggests that over the preceding century, using non-official trade channels, Ryukyu was able to obtain pepper from Southeast Asia for inclusion in its tributary shipments to China. Behind this development lay the increase in China's rice trade with Siam, bringing more merchants from the Chinese coast to Southeast Asia. Ryukyuan traders were able to obtain pepper and sappanwood either by joining Chinese merchants trading in Southeast Asia or by direct purchase from them.⁷

Even after being invaded by the Satsuma domain of Tokugawa Japan in the early seventeenth century, the Ryukyu Kingdom continued to dispatch tribute envoys to Qing China. At the same time, it sent envoys to

Tokugawa shoguns in Edo (present-day Tokyo). Ryukyu relations with Korea also continued.

After the Ryukyu Kingdom was abolished and the Ryukyus became a Japanese prefecture in 1879, Naha, which had been an important trading port linking the Ryukyus with East and Southeast Asia, lost these linkages and a new treaty port system emerged through treaties with western countries. Ryukyu trade was thereafter routed exclusively through Japan, and Japanese merchants controlled much of it. Hong Kong and Singapore played important roles in the emerging treaty port system that would redirect trade routes throughout Asia and between Asia, Europe and the Americas.⁸

The era of negotiation in the tributary-trade zone

From the 1830s to the 1890s the nations and regions of East Asia entered a period that can be called the era of negotiation, one characterized by multilateral and multifaceted intra-regional negotiations. The origins of the historical issues that the era poses can best be grasped not from the conventional perspective of Asia's "forced" opening from the "impact of the West," but rather from a perspective that focuses on internal changes in the East Asian region.

Changes in the historical international order of East Asia began with adjustments in the tribute relationships centered on the authority of the Qing emperor. Tributary states and trading nations (*hushi guo*) on the periphery of the Qing empire, based on their newfound economic strength, no longer strove to maintain as close a relationship with the Qing as before, and in each of them internal conflicts erupted between reformist and conservative factions. A variety of negotiations ensued between the Qing and its tributary and former tributary states.

By the early nineteenth century, the Qing's ability to maintain control over peripheral and minority regions on China's borders was severely weakened. Criticism and resistance by ethnic groups mounted against the rule by aboriginal officials (*tusi/tuguan*) and against the Office of Border Affairs (*Lifan yuan*) charged with managing "barbarian areas" (*fanbu*). With the weakening of state control, economic activity in the coastal trading regions picked up, and various economic and political forces on the periphery began to advance claims.

Forces hostile to the weakened Qing took advantage of the changing East Asian regional tributary order and of American and European efforts to conclude treaty relations with East Asian countries. This created at least the appearance of nations, these being the entities required for the establishment of treaty ports and the conclusion of treaties, thereby extending European diplomatic norms and treaty negotiations into Asia. As we will note, however, significant elements of the former tribute-trade order remained.

The changes in any one of (1) internal relationships within the East Asian region; (2) relationships within the Qing sphere of influence; or (3) relations between East Asia and Europe and the Americas, would have been sufficient to delineate an historical era. Focussing on the simultaneous appearance of changes in all three as one complex, and viewing the sixty-year period from the 1830s to the 1890s as the era of negotiation, allows a fuller understanding of the conceptual underpinning of the East Asian regional order, one manifested through the process of negotiation.

The most direct expression of the special characteristic of this era was the increased dynamism of relations within the East Asian region, centered on the ties between treaty ports. One interpretation has referred to this special characteristic as the coexistence of tribute and treaty relations. This approach, predicated as it is on a view of the tribute relationship as the conceptual basis of the East Asian international order centered on China and the treaty relationship as the principle underpinning international relations in Western Europe, naturally considers this period as one of transition in East Asia from the tributary order of the old era to the treaty order of the new. The tribute system, however, was essentially an expression of the Chinese world order (*huayì*), an historically evolved hierarchy of “civilized” and “barbarian” peoples, which defined region-wide geopolitical relations. Intellectuals in the nations and regions of East Asia shared the ideal of hierarchy extending outward from a Middle Kingdom (*Zhonghua*), but also from Japan and Vietnam in defining relations with their weaker neighbors, and this could hardly disappear easily or quickly. The concept of the treaty relationship, on the other hand, was derived from Western European international relations, and although international relations based on the concept of national sovereignty – sovereign, territorially defined nation-states – required the creation of these conditions in non-European societies, in the period under review, the result was a mere correspondence of forms. The internal and external relations of East Asia were by no means immediately governed by the new treaty relations.

In the situation that actually developed out of the interaction between these two concepts and the clash of two historical systems, this chapter will show not only that tribute and treaty relationships were not mutually incompatible, but that in East Asia the tribute concept tended to subsume the treaties. The concepts of East and West did not spatially overwrite one another, but rather it can be said that the tribute concept, that is the concept of a hierarchical order, remained primary, with the treaty relationship subordinated to it.

In 1839, the Daoguang emperor issued an historic edict trying to change Qing tributary-trade relations with Annam, Ryukyu, and Siam. He ordered them to reduce the frequency of tributary missions to the Qing court from a range of once each year to once in three years respectively to

just once in four years in each case. This policy change was prompted in part by a Qing fiscal crisis requiring reduction in expenses associated with tributary missions. It was also associated with Qing efforts to strengthen control over tax revenues derived from coastal trade by bringing the trade under central control by various measures including redirecting it from distant ports where local officials corruptly siphoned off revenues that the center sought. This change of policy can also be called a change from tributary trade to mercantilism initiated by the Qing state.

When the Ryukyu Kingdom vigorously protested this reduction in the frequency of tributary missions, the Daoguang emperor agreed to restore annual trade missions from the Ryukyus to Fuzhou. Nor was the Qing able to implement the new trade and financial policy designed to control emerging economic strength in south China and the South China Sea area, the regions dominated by Chinese, western, Taiwanese, and Southeast Asian Chinese merchants that was beyond the control of Beijing. While all of these had previously participated in the tributary trade, all now sought to extricate themselves from the tributary relationship, seeking more lucrative private trade throughout the South China Sea and the East China Sea independent of state missions. The result was booming trade between China and Southeast Asia in the mid to late nineteenth century, trade largely beyond the control of the capital.⁹

The expansion of relations between the treaty ports

The conditions under which competition between a regional international order based on the historically hierarchical politics of East Asia, on the one hand, and the mutually contractual treaty diplomacy newly begun with Europe and the United States, on the other, were most visible in the treaty ports. The interplay of the two orders propelled the expansion of inter-treaty port ties.

A broad survey of the treaty port era in East Asia from the 1834 termination of the English East India Company's exclusive right to trade with China through the Sino-Japanese war of 1894–5 yields the following historical themes.

Treaty relations, whether between European and Asian nations or within the Asian region itself, were concluded as binational relationships. Taken as a whole, however, they bound the treaty ports together in a multilateral relationship. Although pacts like the Sino-British Treaty of Nanjing concluded in 1842 and the 1844 Sino-French Treaty of Whampoa were each concluded between two nations, through their extension into the Treaty of Kanagawa and the United States–Korea Treaty of Amity and Commerce, mutual access among the treaty ports became possible. A critical issue in the Asian treaty ties of Europe and the United States

concerned intra-Asian relations among the treaty ports. Chinese merchants and Western trading firms struggled to secure a place in Asian trade networks, constructing bases in the treaty ports and linking them.

This trend of establishing a presence in the treaty ports was not the result solely of European pressures. Treaties of commerce and treaties of friendship began to be concluded within Asia as well. These included the 1876 Treaty of Kangwha between Japan and Korea, the 1882 Regulations for Maritime and Overland Trade Between Chinese and Korean Subjects (*Zhongguo Qiaoxian shangmin shuilu maoyi zhangcheng*) and the 1885 Tianjin Treaty between China and Japan. These commercial treaties concluded between Asian nations dismantled the framework of managed trade of the previous tribute-trade era, and the merchants of the coastal trading ports began to join in the inter-treaty port trade in great numbers, thereby strengthening previous private trade networks.

Of course, treaty relations concluded within Asia were modeled on the treaties with the West in an era of Western predominance. They differed, however, in their intention and in the process of their implementation. Sometimes the maintenance of suzerain–vassal relations was openly expressed; at other times the pretense of the geopolitical relationship enshrined in the historical tribute tie was maintained while in practice trade goals were pursued. During treaty negotiations, each side employed American and European legal and diplomatic advisors and conducted negotiations based on their proposals. The situation resulting from these internal and external relations made the substance of this era of negotiation even more broadly multilateral. The 1882 Regulations for Maritime and Overland Trade Between Chinese and Korean Subjects, discussed below, illustrate the special character of the region and the era. A close examination of this treaty reveals how the suzerain–vassal relationship was maintained through a period of tumultuous change.

After the opening of the five ports (Canton, Amoy, Fuzhou, Ningbo, and Shanghai) by the 1842 Treaty of Nanking, local Qing officials supervised customs. When the Shanghai county seat was occupied in the 1853 Small Sword Society uprising, however, the Shanghai Circuit Intendant was forced to flee. The American, British, and French consuls thereupon offered jointly to collect customs duties in his place in an attempt to strengthen their control over European and American merchants trading with areas under the control of the Taiping rebels. The Qing government later expanded this method of customs collection to the other treaty ports as a means to assure revenues. A foreign inspectorate of customs was established in each port with an Inspector-General of Customs in Peking. The inspectors had the same standing as the Chinese Superintendent of Customs (*Haiguan jian du*), but in practice the foreign customs inspectors controlled operations. The Chinese maritime customs system, including the role of foreign maritime customs inspectors, in the

treaty ports from the 1850s gave an institutional “guarantee” to inter-treaty port relations.

The maritime customs system, initially begun to strengthen the central finances of the Qing as well as to consolidate relations between the European powers and the Qing, naturally affected China’s vassal states. The maritime customs system was applied to Korea, and in the 1880s Paul Georg von Mollendorff of the Tianjin maritime customs was dispatched as Korean maritime customs inspector. A debate sprang up at that point concerning the problem of the duties to be paid by ships entering Korean ports that had previously docked in Chinese treaty ports. The question was whether foreign ships that had paid the 5 percent *ad valorem* import tax stipulated in the Sino-British tariff agreement for vessels stopping in any Chinese treaty port should pay only the 2.5 percent Qing domestic transport tax (*zikou banshui*) or be regarded as carrying foreign goods and therefore pay an additional 5 percent import tax when they entered Korean treaty ports. Behind this lay a difference in perceptions concerning whether Korea was a Chinese vassal state or an independent nation.

Elsewhere, the tributary system was under attack as a result of changing inter-state relations with Japan strengthening its grip on the Ryukyus, with Vietnam succumbing to French colonial rule and Burma to British rule. Nevertheless, in each of these cases, treaties negotiated with China granted Chinese merchants special tax relief in trade with these tributary areas. This constituted recognition by Japan, France, and Britain of the continued salience of certain Chinese tributary prerogatives. The tribute system did not simply yield to the treaty system.

As can be seen in the tax collection problem of Korean maritime customs, the treaty ports confronted the historical tribute or vassal relationship of the Chinese world order in East Asia. Viewed from another angle, the application of the logic of the historical East Asian world order became an issue in the operation, perception, and position of the treaty ports even though they had been formally opened through treaties with Western powers. This suggests that the historical background of the treaty ports themselves must be taken into consideration. The treaty ports were of course neither newly constructed nor recently opened as ports; the five southeast China ports, in fact all the treaty ports, had histories dating far back as trading ports, and in China’s North–South coastal trade and South China–Southeast Asia trade they had long been sites of tribute-trade activities. Merchant guilds functioned in all of them, each had a historically developed trading region, and commercial networks had long formed around them. After acquiring the right for their nationals to reside in the treaty ports, European and American merchants competed for commercial concessions in long-developed commercial networks.¹⁰

The issue, always apparent in American and European treaty negotiations with the Qing, of how to handle treaty ties between the Qing and its

vassal states, framed relations among the treaty ports. When Western countries entered into treaty negotiations with nations or regions within the Qing sphere or under its influence, they treated the suzerain Qing as one concerned party in the negotiations. In short, ostensibly bilateral treaty relations could only be concluded by taking the Qing and the entire tributary relationship into consideration. Thus the tribute relationship, which formed the background to the relationship expressed in the treaty, was directly and indirectly incorporated within it.¹¹

Vassal states and treaties: the negotiation of the 1882 Regulations for Maritime and Overland Trade Between China and Korea

From tribute to trade: change and continuity in the tributary relationship

Trade regulations between the Qing and Korea were concluded on October 4, 1882 under the Superintendent of Trade for the North (*Beiyang dachen*) and Governor-General of Zhili (*Zhili zongdu*) Li Hongzhang. From the Qing, Zhou Fu, the Customs Daotai of Tianjin and Li Hongzhang's private secretary, and the Expectant Intendant (*Houxuan dao*) Ma Jianzhong were appointed as representatives. On the Korean side, the Envoy to China, Cho Yong-ha, the Assistant Envoy Kim Hong-jip, and Secretary O Yun-jung were appointed.¹²

Li Hongzhang recorded the most important points of the negotiations and the contents of the regulations: (1) Ma Jianzhong was first sent to Korea where he investigated actual conditions through discussions with the Korean side; (2) Li supervised Zhou Fu and Ma Jianzhong in consulting the precedents (*zhanggu*) informing the relevant Chinese statutes, and carefully examining international law; (3) the regulations differed from those defining relations between two nations as they were to regulate traffic with a vassal state; and (4) article eight of the regulations stated that Li Hongzhang and the Korean king shall in future make determinations through consultation. Although criticised by some Chinese for intentionally altering the old system in the pursuit of profit, the regulations preserved the suzerain–vassal hierarchy.¹³

The regulations sought to assure “equal” trade, based on the premise that Korea was a Chinese vassal state. In drafting the regulations, the negotiators were deeply conscious of Sino-Japanese relations in connection with the Korea issue. Li Hongzhang notes, for example, that O Yun-jung, the chief Korean negotiator in preparing the regulations, feared that the Japanese would use the regulations as a pretext to increase demands on Korea. Examination of the contents and special characteristics of the treaty's preface and eight articles clarifies these issues.

The Preface confirmed the fact that Korea had long had titles conferred as a vassal state and that there was no change in that determination. Given that, and in light of the fact that the prohibition on sea trade (*Haijin lun*) had earlier been abandoned and trade by land and sea was being conducted with foreign nations, the merchants of the two countries were to conduct trade with each other, sharing the profits equally, while existing rules for frontier trade would be modified as circumstances required. These regulations for maritime and overland trade resulted from China's intent to treat its vassal state generously; the benefits they conferred were "understood to apply to the relations between China and Korea only." In this way, the Preface, while emphasizing the goal of increasing China's trading profits from the transformation in tribute trade with Korea and in the frontier trade in the northern part of Korea, simultaneously reaffirmed the suzerain-vassal relationship.¹⁴

The first Article established that nationals of each country would be supervised by trade commissioners dispatched from their own country and that each country would bear the cost of maintaining its own agents while they resided in the other nation. In short, China's Superintendent of Trade for the North (Li Hongzhang) would appoint trade commissioners to those treaty ports already opened by Korea; those trade commissioners were equal in standing to the Korean officials that were their counterparts; the Korean king would likewise dispatch a high official to reside in Tianjin and representatives to reside in each of the treaty ports; they too were equal in standing to the local Chinese authorities. What is of particular interest here is the enactment of a provision for "treaty port diplomacy," that is, China and Korea each dispatched commissioners to each other's treaty ports just as the European nations and the United States appointed consuls to the treaty ports. Furthermore, the determination that each nation was to bear the cost of maintaining its own officials was a significant change since the expenses of the tributary missions had all previously been covered by China. The posting of commissioners of equal rank, however, was in keeping with the historical ranking order. In short, there was both continuity and change in the tributary relationship between China and Korea.

The second Article dealt with consular jurisdiction in conflict resolution. Thus, in the case of an incident involving Chinese merchants in a Korean treaty port, if one Chinese merchant brought charges against another, then the Chinese trade commissioner would adjudicate. For incidents concerning property, if the accuser was Korean and the accused Chinese, then the Chinese side would arrest and try the accused. If convicted, the criminal would be turned over to the Korean authorities. In the reverse case, the Korean side would arrest and try the accused and turn the convicted criminal over to the Chinese. However, in Chinese treaty ports, if a Korean was involved in an incident, whether accuser or accused,

the Chinese still adjudicated. This determination of the consular jurisdiction of the trade commissioners of both nations was extremely one-sided, and the consular jurisdiction of the Korean trade commissioner was essentially not recognized in Chinese treaty ports. The third Article determined customs payments and allowed the free passage of fishermen in the coastal areas of both countries. It stipulated that:

Ships grounded on either coast under stress of weather shall be allowed to anchor at whatever place this occurs, to buy provisions and have the necessary repairs done; but while the local authorities shall take charge, all relevant expenses shall be borne by the owners of the ship.

Ships entering ports that had not yet been opened would have both cargo and vessel confiscated. Fishermen living in P'yongyang and Hwanghae provinces in Korea, and in Shandong and Fengdian provinces in China, however, were permitted to take on provisions and water in those areas. Comparing this regulation with tribute trade, we note a shift from the practices under the latter of (1) tax exemption; and (2) China paying the costs of returning grounded or damaged ships to their home country. The new regulations required that customs duties be levied and that the costs of ship repair be borne by the ship's owner. This regulation reveals how heavy a burden tribute trade was for the Chinese state. The opening up, moreover, of trade along the Yellow Sea and Bohai coasts, which had been strictly limited during the era of tribute trade, was a big change.

The fourth Article consisted of tax regulations applied to goods transported between China and Korea and another regulation governing transactions in the interior of the two nations. It stipulated that it was permissible to lease land and buildings in the treaty ports; when Chinese goods were transported from one treaty port to another a sum equal to half of the export duty paid on them was to be collected as an import tax; Korean and Chinese merchants were allowed to set up shops and engage in commerce only in Peking and in Yanghawajin and Seoul, respectively, while trade in other parts of the interior required special permission from the trade commissioners. Korean merchants were required for the first time to pay the Chinese *lijin*, domestic transport tax. The arrangements for the domestic transport tax and for transit passes established between China and the countries of Europe and North America were adopted without change in the Chinese-Korean regulations. The formal designation of Peking and Seoul as "open cities" (*kai shizhang*) preceded the opening of these cities to Europe and the United States. Customs agreements previously entered into with Europe and the United States were selectively adopted here.

The fifth Article aimed at converting the frontier trade to tariff trade.

Because frontier trade was carried on at various remote places like Uiju, Hoeryong, and Kyongwon, there had been “numerous difficulties arising from the authority exercised by local officials.” As a result, Ch’aengmun and Uiju on the Yalu River and Hunchun and Hoeryong on the Tumen River were designated as open trading locations, customs were set up in these newly opened markets, and a 5 percent *ad valorem* tax was collected on all goods except red ginseng (*hongshen*). Article five constituted a change in trade on the frontier and in seaports, where the scale of commerce had been largest under the earlier tribute-trade regime. The reference here to “difficulties” with local officials was an attack on the diversion of trade revenues into local finances. The 5 percent tariff was the center’s attempt to establish control over tax revenues on the frontier.

The sixth Article forbade the merchants of both countries from dealing in opium (importing or domestic production) or arms, permitted the import to China of Korean red ginseng with a 15 percent *ad valorem* tax, and established a permit system for the export of red ginseng from China (both Korea and North China exported red ginseng). This article clearly identified problems in the actual conditions of trade as the Qing sought to tighten its control over revenues. Article seven attempted to strengthen ties with Korea. The trade which was formerly limited to the overland route via Ch’aeng-mun, was now extended to the sea (Figure 1.3).

The regulations provided that the Superintendent of Trade for the North dispatch a merchant vessel of the China Merchant’s Steamship Navigation Company, a government-sponsored enterprise, with troops on board to provide security for each location. It stipulated further that while the Chinese state provided security, the Korean state bear a portion of the costs. This clause had powerful military overtones in providing not only security with respect to China–Korea trade but also strengthening Korea’s domestic defenses with an eye to Japan–Korea conflict (Figure 1.4). Article eight stipulated that revision of the regulations was to be handled through consultation between the Superintendent of Trade for the North on the Chinese side and the Korean king.

The eight articles led to great changes in the form of trade. This can be summarized as a Chinese attempt to make the existing tribute trade consistent with the forms of treaty port trade. The primary Chinese goals were: (1) reforming the one-sided financial burden that tribute trade placed on China; (2) redirecting to central finances, that is customs finances, the tribute-trade revenues that were in practice absorbed by local officials; (3) confirming the trend of expansion in the activities of coastal fishermen and in the so-called frontier trade. The regulations further affirmed the general framework of the suzerain–vassal relationship and maintained the historical relationship of rank between the two countries through the inclusion of the equal relationship between the Superintendent of Trade for the North and the Korean king, the equal relationship

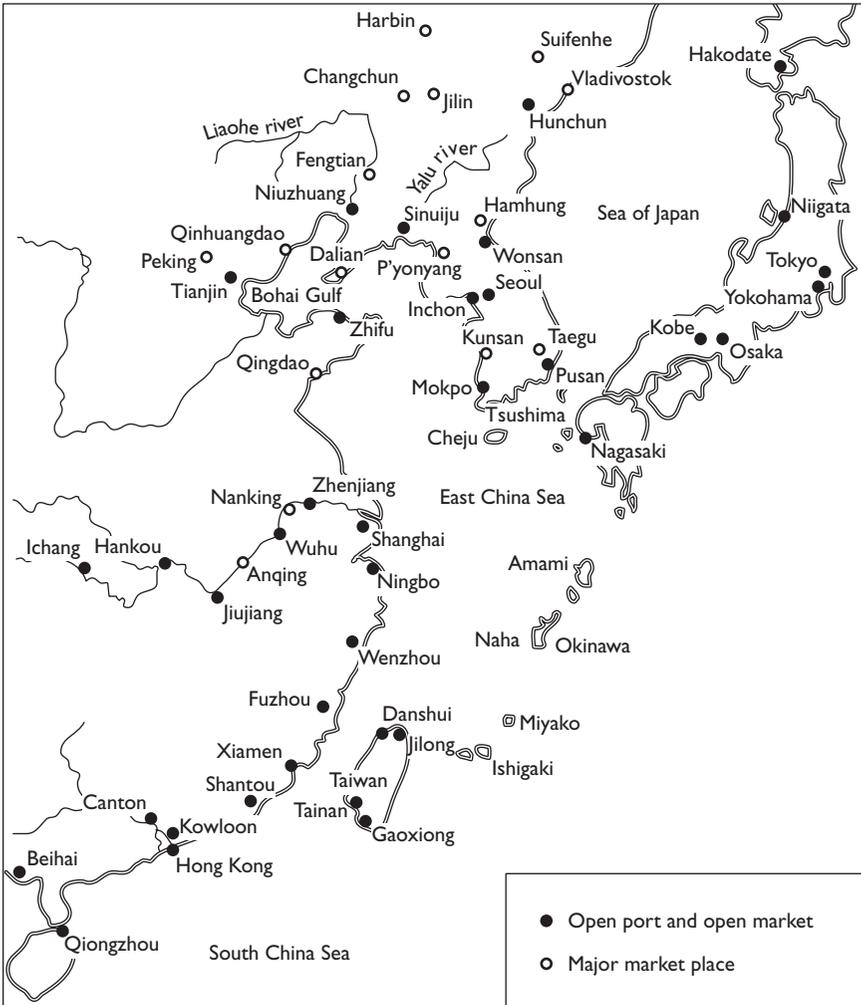


Figure 1.3 Treaty ports and opened cities in East Asia in the 1880s

Source: Takeshi Hamashita, "Tribute and Treaties: East Asian Treaty Ports Network in the Era of Negotiation, 1834–94," *European Journal of East Asian Studies* (Brill, Leiden, Boston, Köln, 2001), Volume 1.1: 62.

between the trade commissioners, and other provisions. But where China had formerly borne the costs of tributary trade, it now sought (successfully) to impose an equal share of costs on Korea.

The introduction of the 1882 regulations had two consequences. The first was criticism by the Korean king and the Korean side concerning the



Figure 1.4 Trading points along the Sino-Korean border (related to the 1882 Regulations for Maritime and Overland Trade Between Chinese and Korean Subjects)

Source: Takeshi Hamashita (2001: 68).

shift of the financial burden previously borne by the Qing. The second was further expansion of the border trade by merchants of both countries, which had begun to flourish, invigorating trade throughout the entire region.

These regulations were implemented at a time of great tension on the Korean peninsula, with Chinese troops entering Korea to counter the growing Japanese influence.

Korean criticisms of the Qing

The Korean side, which had long profited from tribute trade, took three types of actions when it became clear that the Qing policy of cutting back financial support meant that those profits would be reduced.

- 1 Attempts to maintain the former profits of the tribute trade by exploiting the gap between the regulations and the Chinese side's treatment of Korea as a vassal state and its attempt to maintain the tribute order.
- 2 Pointing out that, while the gist of the regulations was equality and fairness, in practice the regulations violated that spirit, the Chinese side's advocacy of reciprocity in the regulations notwithstanding.
- 3 Advancing the theory of the Japanese threat, specifically noting that the trade regulations gave the Japanese an excellent pretext to intervene in Korea, and pressuring the Qing to reconsider implementation of the regulations.¹⁵

These approaches reveal the Korean side adroitly combining tribute, treaties, and East Asian international relations to defend its historical interests.

The trade regulations had the immediate effect of subjecting the Korean tribute missions to Chinese taxation. About two months after the conclusion of the regulations, when Korea attempted to present tribute in Peking, a 4 percent *ad valorem* tax was collected from them at the border gate (*bianmen*) of Fenghuangcheng. Duties were also collected at the Chongwen gate, which opened to Shanhaiguan and Peking. This was unprecedented in the more than two hundred years of the Qing dynasty. Yet from another angle, it also represented a reaffirmation of the special tributary relationship since Korea was asked to pay only 4 percent whereas all others were subjected to a 5 percent tax. In addition, the practice of borrowing funds from Chinese merchants was also forbidden. The head of the tribute mission strongly expressed the hope that tribute trade would be made free of duty, as it had been before.¹⁶

Li Hongzhang's response to the first Korean criticism was that since tribute was an issue for the Ministry of Rites (*Li Bu*) and new taxes an issue for the Ministry of Revenue (*Hu Bu*), the regulations were a matter that should be referred for investigation to the *Zongli Yamen* (Office for the Management of the Business of Foreign Countries). He thus dealt with this critique simply as a difference between jurisdictional organizations. Li then reviewed the prohibitions and prohibited goods under tribute trade. The Ministry of Rites had forbidden tribute emissaries from trading at the Imperial Despatch Office (*Huitongguan*) and from dealing in a number of items including weapons and gunpowder. It had also forbidden foreign

merchants who were returning home from taking people, lumber for ship-building, iron nails, sesame, or grain with them. The private purchase of raw silk and silk products were also proscribed. However, in the case of a request from the Korean king, such prohibited items as copper, iron, horses and mules, bows, and raw silk had all been approved for export. There was also a precedent from 1793 proscribing the purchase of copper cash. Since most of these restrictions had been lifted with the opening of treaty port trade, Li concluded that the economic benefits enjoyed by the Korean side were far from negligible.

Concerning the second criticism, that the terms were unfair to Korea, O Yun-jung argued that:

Examining the texts of international law, an article of mutual equality is to be found in every one. Although we have enjoyed your country's favor, the conditions offered other countries differ from those given Korea. Although you say it is unavoidable in the tributary order, this is different from the ceremony of "Serving the Great" (*sadae*)

and requested the removal of the "unequal" clauses. Customs Daotai Zhou Fu argued against this that:

In the concept of *sadae* there is of necessity a place for the small and for the great. This is no empty ceremony; it depends on a real obligation. Therefore, the fact that in international law different terms are used for the commercial traffic of vassal nations is irrelevant to this case.¹⁷

Zhou Fu, in response, also rejected the claim of inequality in Article two, asserting the need to distinguish between great and small. The Chinese view was that the regulations exemplified the *sadae* relationship.

On the third point of the Japanese threat, O Yun-jung pointed out that while liberalizing passage of fishing vessels along the coast was a good thing, it would provoke the Japanese, who had been demanding whaling access to the East China Sea. Furthermore, he warned that the open cities stipulated in the fourth Article would lead to Japanese demands that Taegu and Hamhung be opened. He therefore requested that this Article and Articles three and four not be revealed to foreign nations.

Zhou Fu dismissed this argument completely. As for Qing differentiating regulations with Korea from those with other countries, the Korean side had been taken in by arguments foisted on them by other nations. Japanese officials, he believed, mocked Korea as positioned somewhere between half and total dependence. Concerning Article three, Zhou pointed out that the Japanese were not the only ones taking advantage of the situation, and greater attention should be paid to

smugglers. On Article four, he stated that if cities were opened to trade, not only Japanese merchants but also Chinese merchants would go into the interior, thus stimulating the development of Korean commerce. These counter-arguments were natural extensions of the principles underlying the Qing foreign policy that had replaced managed tribute with mutual trade.

The expansion of northern commerce

Implementation of the Trade Regulations produced a change in functioning of the tribute-trade system on China's northern border with Korea. There efforts were made to reform managed border trade and implement commerce, to replace the existing border trade with tariff-based trade. Li Hongzhang, in a memorial to the throne of February 18, 1883, presented a four-article proposal to reorganize the border trading cities of Jilin province and Korea that made the provisions for open cities in Article three of the regulations even more concrete.¹⁸

Article One. In the past, during the first month of the year the merchants of Jilin Province traveled to Hoeryong to trade, and once every two years they would go from Hoeryong to Kyongwon. Since Kyongwon and Hunchun are only sixty *li* apart, however, it is more convenient to conduct trade at these two locations. The trading route should therefore be divided in two: one route shall go from Heishidao on the border of Dunhua County to Hoeryong in Korea; the other from Hunchun to Kyongwon District. It is anticipated that the merchants of the Jilin provincial capital, of Ningguta, and of Hunchun will reap twice the profits as a result of this.

This regulation can be considered an administrative measure to improve market conditions. In other words, it can be regarded as a policy response to the need to increase the profitability of the northern trade.

Article Two. Customs should be established at Hunchun and on the border of Dunhua County. In the past, border trade was transacted only when the Yalu River froze over. Furthermore, in the past there were no ferries on the Tumen River. From now on, however, trade will be transacted throughout the year, so ferry landings and buildings should be constructed on both banks and inspection boats sent from the Jilin side.

This regulation was aimed at providing the port and customs facilities that would become necessary as a result of trade. Investment would be undertaken to strengthen the so-called border trade.

Article Three. Tariff regulations should be determined and goods categorized and taxed accordingly. The main goods going from Jilin to Korea are horses, hides, and cloth, and while the first two have hitherto been taxed according to Jilin tariff regulations, because cotton cloth is exchanged for imported goods, it has not been heavily taxed. Now, because of the switch to trade, everything other than the first two items should be taxed according to our tariff schedule and customs receipts issued. The tariff rates shall be 5 percent *ad valorem*, except for ginseng at 15 percent.

The third clause established tariff rates and attempted to apply the 5 percent *ad valorem* tax that was the basis of Chinese customs to Korean trade.

Article Four. Commissioners will be dispatched from Jilin to the two locations of Hoeryong and Kyongwon in Korea to supervise the Jilin merchants. Local Korean officials are not qualified to supervise these matters, so officials from the Jilin side should be posted. Food and fuel costs should not be treated as public expenditures, as the Japanese consul does, but rather should be paid for out of the budget items for the envoys despatched to each customs post, so as not to place a burden on Korean officials or merchants. Consideration should be given to the possibility of dispatching Korean commissioners to the two county seats of Dunhua and Hunchun.

Reciprocity and mutuality are stronger here than in the regulations. Li's injunction to dispatch Chinese supervisors because "local Korean officials are not qualified to supervise" offers an ironic footnote to the issues of international customs administration and extraterritoriality in China.

Taken as a whole, Li Hongzhang's proposals sought to expand trade and secure through tariffs a source of revenue for China's central finances. About a week later, however, the military governor of Shenyang (Shenjing jiangju) and others criticized this proposal in a memorial to the throne. Emphasizing border security, they urged that entry and exit be restricted to the Fenghuang border gate, as it had been up to that time. This reflected their wariness concerning the human traffic across the frontier that would expand as a result of trade. They also noted the necessity of following precedent, vividly displaying the frontier-defense mindset of regional officials.¹⁹

The Twenty-four Rules for Traffic on the Frontier between Liaodong and Korea, concluded in March 1883 by Chen Benzhi, Circuit Intendant of the East (*Dongbian daotai*) for the Qing and O Yun-jung on the Korean side, established a free-trade area in Zhonggang near Uiju. Although the establishment of customs and implementation of duties followed the

above Trade Regulations, at the same time the rules clearly stipulated that tributary missions would not be taxed, tribute would continue, and unrestricted passage on the tribute road by merchants was prohibited. The result was that tariff trade and tribute trade existed side by side.²⁰ The opening of the north of the Korean peninsula led to the formation of a region of mutual interchange and negotiation stretching from Japan in the south to Siberia in the north.²¹

The expansion of Chinese maritime customs to Korea

Korean merchants and Qing merchants

The drive to extend the Chinese customs system to Korea can be regarded as one institutional basis for regarding the period from the middle through the latter half of the nineteenth century as an era of negotiation, one shaped, moreover, by the multilateral trade between treaty ports. This movement, through the management of Korean maritime customs from Peking, was a gamble on the increased customs revenue anticipated from expanded trade. China simultaneously strove to maintain influence over Korea through maritime customs. The treaty ports and open cities in Korea constituted a bid to share in profits by not only using the cities of the North opened through Chinese initiative, but also to make active use of the treaty ports of Korea previously opened through Japanese initiative.

The management of trade through the treaty ports and open cities advanced on two fronts. The first was the termination of the special concessions granted to Korean merchants operating under the old tribute trade; the second was an attempt to secure customs revenue from Chinese merchants in Korean treaty ports by controlling their activities. Viewed from a different angle, we witness the advance in Korea and throughout East Asia of Chinese merchants into the trading activity of the treaty ports and open cities after their establishment in East Asia.²²

Looking first at the termination of the special concessions for domestic trade for foreign merchants under tribute trade, a report from May 19, 1883 by the Gansu provincial Circuit Intendant Gong Jinjie, indicates that one Mun Ch'o-un, a Korean merchant, had been actively purchasing ginseng and other Chinese medicines in Gansu. The report stated that the fact that he engaged in trade even though there were no trading ports or open cities in Gansu violated the trade regulations of the two nations.²³ The movements of this same merchant were persistently tracked, and about half a year later the Governor-General of Sichuan, Ding Bozhen, reported that he was buying ginseng and Chinese medicine in Gansu without a permit.²⁴ Korean merchants used the special concession for "free trade" in the interior under the tribute trade to engage in a lively trade, despite the tracking of Chinese

officials seeking to reform old practices through enforcement of the trade regulations. The principal products that Korean merchants dealt with were ginseng, raw silk, and silk cloth, and we can infer that these goods were primarily intended to meet Japanese demand.²⁵

Chinese merchants rapidly entered Korean treaty ports. This was particularly notable in the ports opened through Japanese “initiative.” On the eleventh of February 1884, a year and a half after the conclusion of the Trade Regulations of September 1882, the Superintendent of Trade for the North, Li Hongzhang, quoted the report of Chen Shutang, a trade commissioner who had been dispatched to Korea. The report omits Pusan and Wonsan, but it does list, according to region of origin, Chinese merchants and employees in Seoul, Mapo, and Inchon.

1 Chinese merchants based in Seoul

Zhejiang Group: six offices (Tongyuxian, Tianfeng, Gongji, Chaokang, Gongping, Xiechangmou); total of eighteen staff.

Shandong Group: thirteen offices (Zhonghuaxing, Hexingshun, Huiji, Heyang, Hengtaixing, Gongheshun, Renfengzhan, Fuxiangsheng, Yongyuanshun, Fuyuhao, Dexingcheng, Gongshengho, Fuxing Zhonghua); total of forty-one staff.

Chinese employees: Department of Machinery (Kigiguk), one Tianjin Chinese; Mollendorff official residence, four Ningbo Chinese; American legation, two Cantonese; Ch’ao p’an-so-chai, two Shandong Chinese; Tangzho, seven Jiangxi Chinese and one Shanghai Chinese; total of seventeen staff.

2 Chinese merchants based in Mapo

Shandong Yuchang, seven Chinese; Shandong Dexiang, five Chinese; Jardine, Matheson & Co. (two Cantonese, three Zhejiang Chinese); Xiehuan shunchuan (one ship with six Shandong merchants); total of twenty-three staff.

3 Chinese merchants based in Inchon

Guangdong Group: three offices (Zhizhonghe, Yian, Guangshenglong); total of seventeen staff; Yonglong shunchuan one ship (six staff).

Shandong Group: Two offices (Yonglong shunchuan, Gonghuzhan); total of thirteen staff.

Zhejiang Group: two offices (Daihe shun, Gongzhi); total of eighteen staff.

Chinese employees: Maritime Customs – two Zhejiang Chinese, one Jiangxi Chinese, one Guangdong Chinese; Customs Inspectorate – two Zhejiang Chinese, two Jiangsu Chinese; Ha-pai-lo affiliates – one Zhejiang Chinese; total of nine staff.

4 Other

Translators: Wu Zhongxian, Mollendorff; Zhou Zhangling, Inchon Customs; Tang Shaoyii, Pusan Customs; all Cantonese.

Secretaries: Tang Zhaoxian, Mollendorff, from Jiangxi.

Counselors: Wang Mingchang, from Anhui.

In short, after the opening of the Korean ports, merchants from coastal provinces like Shandong, Jiangsu, Zhejiang, Guangdong, and Guangxi moved immediately into Korean treaty ports. Their activities surpassed those of the Japanese merchants they competed with. The Japanese, as can be seen in the report of February 1895 from the acting Consul-General at Pusan, Kato Masuo, addressed to Foreign Minister Mutsu Munemitsu, displayed a strong sense of crisis that ‘their’ Korean ports had been taken over by aggressive Chinese merchants.²⁶ Thereafter the population of Chinese merchants in Korea increased rapidly from 162 in 1883 to 2,182 in 1893, 3,661 in 1906, and 11,818 in 1910. There were few women, only one-tenth to one-thirtieth of the male population, and the immigration pattern was one of migrant workers.

The era of negotiation premised on trade among treaty ports above all resulted in the expansion of Chinese merchants into treaty ports throughout East Asia. Chinese merchants from the coastal provinces, freed from the trade control of the Qing center with the disintegration of state power in the first half of the nineteenth century, linked together via trade the regions of coastal China, Japan, Korea, and beyond. This Chinese mercantile capital was a source of anxiety for Japanese, Korean and Hong Kong, as well as European, merchants, all of whom found the competition from Chinese merchants to be fierce. The Qing state was also concerned about the dynamic thrust of coastal Chinese capital throughout Asia. It was precisely in order to manage and control their activities, and assure the flow of tax revenues to the Chinese state, that the extension of Chinese maritime customs to Korea became an issue.

The conflict over Korea–China relations and the Korean maritime customs – independent nation or vassal state?

Trade among the treaty ports was by no means limited to the Chinese ports, but spread to treaty ports throughout East Asia with the expansion of treaty relationships. While trade among the treaty ports was sustained, on the one hand, by Chinese merchants who advanced into Korea, Japan, and elsewhere, Qing China’s attempt to apply the maritime customs system of its own treaty ports to Korea and also to install foreign maritime customs officers led to the dissemination of the customs system of trade among treaty ports throughout Asia.

On October 3, 1883, Robert Hart, Inspector-General of the Imperial

Maritime Customs in Peking, reported on the current condition of arms exports.²⁷ The movement of arms was strictly monitored, with the transfer of arms to Korea via Shanghai of particular concern to Hart. Earlier that year four cannons and fifty-four cannon balls were delivered by an English ship from Hong Kong to Shanghai, where Jardine, Matheson & Co. filed a customs report and transferred them to Korea the same day, again via a British ship. Because these arms were brought into Korea via Shanghai, Hart, who was concerned about arms sales, “discovered” a customs problem.

Although Korea was recognized as a tributary state of China, the treatment of customs would differ depending on whether Korea was regarded as a foreign nation or in the same fashion as each of China’s other provinces. If Korea were classified as one of China’s provinces, when foreign goods are trans-shipped, then a receipt of payment of import duties or a customs waiver should be obtained and a bill of lading issued. However, if Korea were classified as a foreign state, then, according to the treaty, it would be sufficient to issue a receipt for the goods and not necessary to have a bill of lading. Since the determination of Korea’s position was of great importance concerning China’s relations with the outside world, this matter could not be settled by the Inspector-General alone.²⁸

In this way, it could be said that Hart sought, through the concrete issue of maritime customs procedures, a solution to the practical problem of the recognition of Korea as an historical vassal state of China and an approach to the determination of the nature and scope of the relationship. The handling of customs opened questions pertaining to the role of trade in East Asian tribute relations. Li Hongzhang made the following response to Hart’s question:

Foreign goods on which import duties have been paid at Chinese customs and that are then trans-shipped to Korea, whether by Chinese or foreign merchants, shall be treated as delivered to a foreign state and import duties shall be paid according to the customs regulations of Korea. Exported Chinese goods, after payment of export taxes, can be disposed of freely, even though duties for foreign merchants and Chinese or Korean merchants differ. The tax on ships (levied by tonnage) will be paid by ships entering Chinese ports and paid again after entering Korean ports. The Chinese customs regulations and the Regulations for Maritime and Overland Trade Between Chinese and Korean Subjects will be enforced in parallel . . . China’s favorable treatment of its tributary kingdoms differs from the European and American treatment of their dependent territories as provinces, a point that will be examined in more detail in the future.²⁹

In response to Hart’s attempt to situate the vassal state issue within diplomatic relations, one can probably say that Li Hongzhang, while asserting

that Korea was autonomous in both foreign relations and domestic administration, distinguished it both from European and American colonies and provinces, thus leaving room for negotiation concerning Korea's special status. Hart met Li in 1889 and again touched on the vassal state question, stating that if Korea was not a vassal state of China, then the debate as to whether it was or was not should itself be stopped. He went on to say that if it were a vassal state, on every available occasion foreign nations should be informed to that effect. Moreover, Korea as well should be made to acknowledge this.³⁰ To Hart's view of vassal states as colonies, Li Hongzhang withheld response, but to his claim that if it was a dependency, then corresponding customs procedures were necessary, Li replied clearly that Korea was a foreign nation, autonomous in domestic administration and foreign relations. Although their perspectives on vassal states and dependencies differed, neither attempted to take the other to task on the issue. This was an expression of the special characteristic – negotiating among different principles of sovereignty – of the era of negotiation.

In fact, the open cities and treaty ports established in the Regulations for Maritime and Overland Trade Between Chinese and Korean Subjects were exempt from maritime customs. The position of this frontier trade activity is comprehensible neither on the basis of the treaty principle, based on relationships between states, nor the tribute principle, based on the suzerain–vassal relationship. Rather it suggests the possibility of a third concept that could be called a “regional principle” (*chiiki genri*), one that sought to encompass core–periphery trading activities by both parties. The development of maritime customs, moreover, functioned as a means to subsume a broad region, so that here as well a process of negotiation based on a regional principle can be discerned

Foreign advisors and the loan issue

In the era in which negotiations concerning treaty relations were initiated with Europe, the United States, and Japan, the employment of Westerners as advisors was indispensable. In Korea, around 1882, when the negotiation of the Regulations for Maritime and Overland Trade Between Chinese and Korean Subjects with the Qing began, a debate ensued over the employment of Westerners. In particular, Cho Yong-ha warned the Korean king that if Westerners were not employed in handling negotiations, Korea might lose its autonomy. Li Hongzhang, in response, strongly recommended the former German consul in Tianjin, Mollendorff, as genial, loyal, and expert in Chinese as a result of five years of experience in China's maritime customs. He also recommended that the Koreans employ three Chinese advisors: Ma Jianzhong, who had previously conducted negotiations with Korea, his older brother, Ma Jianchang, and Li Shuchang.

In December 1882, Mollendorff was engaged as a diplomatic advisor and as Inspector-General of Customs for Korea, and foreign advisors were introduced into Korea. In 1883, a customs agreement was signed with Japan, and treaties were also negotiated and signed with England and Germany. In July 1885, Mollendorff resigned, and Owen N. Denny, former American consul in Tianjin, replaced him as diplomatic advisor, while Henry F. Merrill took the post of customs inspector. While Mollendorff mediated between Korea and the Qing, with the emergence of the Japanese problem, the situation frequently became intractable. As a result, the duties of customs inspector and diplomatic advisor were subsequently split into two posts. In the interim, however, the Qing attempted to exert diplomatic influence in Korea through a former customs inspector who was appointed and dispatched from China, exploiting his position as diplomatic advisor. In effect, the Qing tried to incorporate the principle of the suzerain–vassal relationship into the maritime customs system and to maintain it through the relationship among treaty ports.

Institutional reform on the Korean side also adapted to this situation, and in 1882 a new Office of State Affairs (*T'ongni kimu amun*) was set up for diplomatic negotiation. Moreover, the Department of Relations with China (*Sadaesa*) and Department of Neighborly Relations (*Kyorinsa*), which had handled relations with the Qing and Japan respectively, were merged and a Foreign Office (*T'ongni kyosop t'ongsang amun*) was established with responsibility for multilateral negotiations. This process also was a response to the organizational changes that followed the opening of the five Chinese ports.

The conditions on the occasion when Merrill took up his post as Maritime Customs Inspector in Korea, were as follows:

- 1 The king of Korea had been informed that Merrill would be appointed by the Superintendent of Trade for the North, that is, by China, with the title Inspector-General of Customs for Korea, and that he was to take charge of all particulars of customs revenue.
- 2 After Merrill took office, maritime customs in Korea were to be conducted on the same principles as the Chinese maritime customs. Merrill was to receive instructions exclusively from the Superintendent of Trade for the North and the Korean Resident-General (*Chaoxian zongshu*), and he was to be subordinate to no other party.
- 3 After taking up his post, Merrill was to devote himself exclusively to maritime customs duties, but if the Korean government requested that he perform other duties, he would do so to the best of his ability. However, he was not to neglect his customs duties.³¹
- 4 Merrill, as Inspector-General of Customs for Korea, was to be well compensated.

- 5 The Inspector-General of Customs could at any time return to his duties in the Chinese maritime customs, and the Superintendent of Trade for the North could at any time recall him. Here Qing China, through the appointment and dispatch of the maritime customs inspector, established a position of strength with respect both to the Inspector-General and the China–Korea relationship. This can be regarded as an attempt to maintain Chinese suzerainty.³²

To support the diplomatic negotiations of Korea, the Qing planned to make a loan to Korea. This was a pre-emptive move designed to counter any Japanese loan. The use of Korean maritime customs revenues as security for the loan clearly went beyond the loan form used by various foreign nations in Qing China and Korea.³³

The Korean maritime customs regulations and tax code

In July 1883, Takezoe Shin'inchiro and Min Yong-mok of Japan and Korea signed trade regulations. This signing took place nearly seven years after the 1876 Treaty of Kanghwa, during which time no maritime customs had been established and no duties collected.

The customs regulations regarding Korean export duties were extremely simple: all exports were taxed at 5 percent *ad valorem*. Duty-free items were currency, gold, and silver, and it was forbidden to export red ginseng. Products were divided into eleven categories: medicines and spices; dyes and pigments; metals and tools; fats; textiles; writing implements and paper; food, beverages, and tobacco; general merchandise; ships; currency, gold, and silver; and contraband (fake medicine and so forth). Import taxes started at 5 percent *ad valorem* and rose to 8, 10, 15, 20, 30, and even taxes 35 percent. Import duties were established for specific Japanese products, such as silk and paper at 8 percent. A protectionist character on the Korean side, although slight, is discernible. The absence of duties on silver and gold was an application of Chinese maritime customs provisions.³⁴

Among the thirty-nine articles that make up the customs regulations, the main difference from Chinese maritime customs regulations concerned Korean inland customs and the fact that no tax was collected on transfers among treaty ports. The regulations basically conformed to the Chinese maritime customs, and no inland customs were stipulated. Although previous research has examined the bilateral relationship by focusing on the Japanese advance into Korea (see Table 1.1), it is also possible to view this process as Japan striving to gain a share of the advantages that Korea already provided to China, or that were constructed on the basis of a Chinese–Korean relationship that retained important elements of suzerainty.³⁵ The era of negotiation in the second half of the

Table 1.1 China's trade with Korea, 1883–1910

Year	Imports	Exports
1883	2,608	2,314
1886	29,643	102,093
1889	120,440	200,096
1892	132,425	464,984
1895	55,741	638,063
1898	952,307	1,086,748
1901	513,516	1,178,608
1904	879,320	1,390,695
1907	1,494,204	2,169,560
1910	2,382,113	2,629,433

Source: Yang Chaochuan and Sun Yumei (1991: 146–7).

Note

Units: maritime customs *taels*.

nineteenth century, and the oppositional relationship between Europe and Asia, can also be regarded as one shaped by the negotiation of internal, multilateral Asian relationships.

Conclusion: treaties between Korea and the United States, France, England, Russia, and Japan

Up to now “Western impact,” “opening” of Asia, and “modernity” have been used more or less synonymously in the literature. Moreover, all have essentially been understood as products of the Western impact on Asia, a challenge–response framework pioneered half a century ago by John Fairbank and Teng Ssu-yu in their classic *China's Response to the West*. In this view, China and Asia are invariably placed in the position not of an actor or initiator but of an object acted upon, and the West is considered to have provided the impulses that transformed Asian tradition. In this view, the treaties concluded with the Western nations become the point of departure for Asia's modernity. What has been attempted above, however, could perhaps be called an effort to rethink the indigenous sources of Asian modernization in the context both of the historic tribute framework and of interaction with the West. Among the East Asian and Southeast Asian relationships that formed around relations with China, the second half of the nineteenth century in Okinawa and Korea poses extremely important historical issues concerning the question of how to interpret the totality of these relationships. The expansion of Korea's trade with China and the growth of Russian influence in North and Northeast China and Korea,³⁶ Japan's encroachment from the South, the approach of the United States from the East, the Chinese maritime customs and the

approach of England, France, and Germany from the West – all turned not just on bilateral relationships with Korea but on complex, multilateral relationships, some of them of long historical vintage, encompassing the entire East Asia region. This is what allows this period in East Asia to be called the era of negotiation.

Korea, under the opposition between the domestic currents of *sadae* and civilization (*kaehwa*), took as its fundamental negotiating stance a position between “equality” in relations with Europe and “semi-autonomy” in its relations with the Qing. In response, the countries of Europe tried to build relationships with Korea, while at the same time deeply involving themselves in negotiations between China and Korea. The United States negotiated the draft of its treaty with Korea with the Chinese Superintendent for Trade with the North, Li Hongzhang, and in the treaty of 1882 the US president even sent a letter to the king of Korea expressing the opinion that as China and Korea had a suzerain–vassal relationship that historically took precedence over treaty relationships, there would be no conflict with the new treaty.³⁷ England, as well, can be considered not to have diverged significantly from a policy of deepening trade relations with Korea in line with, and taking advantage of, the expansion of the maritime customs system to Korea. The European countries and the United States premised many of their actions, so to speak, on the existence of East Asian international relations with the historical Qing tributary relationships of East Asia at the center.

Japan’s negotiating approach with China and Korea differed significantly from that which it took toward other, particularly Western, nations. In a word, rather than negotiation, borrowing a page from the Western colonial powers in their colonizing thrust into large parts of East Asia, Japan opted for open confrontation with both the Qing and Korea in an effort to break the pattern of Chinese suzerainty over Korea in order to bring Korea within the Japanese sphere. In the years 1872 to 1874 Japan severed its historical relationship premised on ties to Korea through Tsushima Island and pressed for Korean “independence” from the Qing, beginning with the 1876 Treaty of Kanghwa and continuing through the 1895 Treaty of Shimonoseki. The pattern of negotiation visible in this process was not predicated on historical East Asian international relations as encapsulated in the tributary-trade system that defined relations throughout the maritime region. From one perspective, Japan was even more aggressive in pursuit of bilateral treaty relations than were America or Europe. From the early Meiji times on, Japan precipitated sharp clashes in peripheral regions of the Qing Empire, including the Liuqiu (Ryukyu) Islands, Taiwan, and Korea. For example, the 1876 Kangwha Treaty left unresolved a problem that had occurred twice (in 1869 and 1875) when Korea refused to recognize the new Meiji government because of conflicts with earlier protocol: specifically, it rejected Japanese attempts to

terminate diplomatic relations mediated through Tsushima. Viewed from the perspective of “negotiation,” it can be said that Japan clearly tried to renegotiate the tributary relationship. Having failed in this, it abandoned negotiation altogether.

The first Article of the Treaty of Kanghwa stated that “Chosen (Korea) being an independent state enjoys the same sovereign rights as does Japan” (*Kyu kankoku joyaku isan gekan*). This constituted an attempt to separate Korea from its suzerain–vassal relation with the Qing on the basis of the principle of equality between nations. At the same time, however, when Japan tried to approach the Qing to secure the special privileges won through the European and American treaties and extended to others through most-favored-nation clauses, the contradictions between the two became clear. When the Qing sharply pointed this out, Japan not only ceased to participate in bilateral negotiations with China, but also faced the problem of choosing between the West and Asia.³⁸

The result of the combination of Japan’s impetuous negotiating strategy and successive military actions was the destabilization of East Asia. A serious re-examination is necessary of how Japan’s pursuit of Westernization in state formation led it to violate core principles of the international order in East Asia. For example, following the collapse of Japanese treaty negotiations with the Qing over the Liuqiu (Ryukyu) Islands in the years 1886 to 1888, Japan abandoned negotiation in favor of “direct action.” The Sino-Japanese War of 1894–5 marked the end of the era of negotiation in East Asia and became a landmark in Japan’s military advance over the next half century.

Although the Chinese world-order conception and the nation-state conception originally differed, in the second half of the nineteenth century, through the intersection between *Zhonghua*, the conception of China as a cultural center, and *Zhongguo* or China as a modern state, Asian nationalism came to take on new forms. Historically, Asian nationalism can be seen as springing from the criticism directed toward Chinese imperial prerogative encapsulated in the tributary-trade system by various countries that shared the concept of suzerainty associated with *Zhonghua*.

By the end of the Qing, many countries on the periphery sought to reduce the grip if not break free entirely of Chinese suzerainty by actively incorporating the West. At that point treaty negotiations took on great importance. For the Qing, facing superior Western power at a time of internal decline, treaty relations always remained subordinated to historic principles of the Chinese world order associated with suzerainty and the tribute-trade order.

Notes

- 1 R.D. Hill, Norman G. Owen and E.V. Roberts (eds), *Fishing in Troubled Waters: Proceedings of an Academic Conference on Territorial Claims in the South China Sea*, Centre of Asian Studies, Hong Kong: University of Hong Kong Press, 1991; Dalchoong Kim, Choon-ho Park, Seo-Hang Lee and Jin-Hyun Paik (eds), *UN Convention on the Law of the Sea and East Asia*, Seoul: Institute of East and West Studies, Yonsei University, 1996; Frederic Lasserre, *Le Dragon et la mer*, Montreal: Harmattan, 1996; Mark J. Valencia, Jon M. Van Dyke, and Noel A. Ludwig, *Sharing the Resources of the South China Sea*, Honolulu: University of Hawai'i Press, 1997; Eric Denece, *Geostratégie de la Mer de chine méridionale*, Paris: L'Harmattan, 1999; Lee Lai To, *China and the South China Sea Dialogue*, London: Praeger, 1999; Hans J. Buchholz, *Law of the Sea Zones in the Pacific Ocean*, Singapore: ISEAS, 1987.
- 2 Takeshi Hamashita, "The Intra-regional System in East Asia in Modern Times," in Peter J. Katzenstein and Takashi Shiraishi (eds), *Network Power: Japan and Asia*, Ithaca, NY: Cornell University Press, 1997; C.R. Boxer, *Dutch Merchants and Mariners in Asia, 1602–1795*, London: Variorum Reprints, 1988; Dianne Lewis, *Jan Compagnie in the Straits of Malacca, 1641–1795*, Athens, OH: Ohio University Press, 1995.
- 3 David E. Sopher, *The Sea Nomads: A Study of the Maritime Boat People of Southeast Asia*, National Museum, 1977; James Francis Warren, *The Sulu Zone 1768–1898*, Singapore: Singapore University Press, 1981; Ng Chin-Keong, *Trade and Society: The Amoy Network on the China Coast 1683–1735*, Singapore: Singapore University Press, 1983; Dian H. Murray, *Pirates of the South China Coast 1790–1810*, Stanford, CA: Stanford University Press, 1987; Jacques Dars "La marine chinoise du X siècle au XIV siècle," *Economica*, 1992; Jennifer Wayne Cushman, *Fields from the Sea: Chinese Junk Trade with Siam during the Late Eighteenth and Early Nineteenth Centuries*, Studies on Southeast Asia, Ithaca, NY: Cornell University Press, 1993; Tony Wells, *Shipwrecks and Sunken Treasure in Southeast Asia*, Singapore: Times Editions, 1995; Yoneo Ishii (ed.), *The Junk Trade from Southeast Asia: Translation from the Tosen Fusetsu-gaki, 1674–1723*, Singapore: Institute of Southeast Asian Studies, 1998.
- 4 Atsushi Kobata and Mitsugu Matsuda, *Ryukyuan Relations with Korea and South Sea Countries: An Annotated Translation of Documents in the Rekidai Hoan*, Kyoto: Kawakita Printing Co., 1969; Gregory Smits, *Visions of Ryukyu: Identity and Ideology in Early Modern Thought and Politics*, Honolulu: University of Hawai'i Press, 1999.
- 5 *Lidai Baoan*, Taipei: Guoli Taiwan daxue, fifteen volumes, 1972.
- 6 Sarasin Viraphol, *Tribute and Profit: Sino-Siamese Trade, 1652–1853*, Cambridge, MA, 1977.
- 7 David Bulbeck, Anthony Reid, Lay Cheng Tan, and Yiqi Wu (eds), *Southeast Asian Exports since the 14th Century: Cloves, Pepper, Coffee, and Sugar*, Singapore: ISEAS, 1998.
- 8 Banno Masataka, *Kindai Chugoku seiji gaiko shi*, Tokyo: Tokyo daigaku shuppankai, 1973.
- 9 Here we find the real historical context of the so-called "Opium War," which has hitherto been viewed as a clash between West and East. Within the framework put forward here, it should be seen as a clash between North and South China with the stakes centered on the expanding rice trade between Southeast Asia and South China, a trade in which western merchants also were deeply involved. See *Lidai Baoan*, second series, vol. 170; James M. Polachek, *The Inner Opium War*, Cambridge, MA: Harvard University Press, 1992.

- 10 Furuta Kazuko's "Shanghai nettowaku no naka no Kobe," in *Nenpo kindai Nihon kenkyu* 14, Yamakawa shuppan, 1992, discusses East Asia in the mid-nineteenth century, as does Kose Hajime's "Jukyu seiki matsu Chugoku kaikojo kan ryutsu no kozo," in *Shakai keizai shingaku* vol. 54, no. 5 (1989).
- 11 Hamashita Takeshi, *Chugoku kindai keizai shi kenkyu*, Kyuko shoin, 1989.
- 12 Ma Jianzhong, one of the negotiators dispatched by the Qing, while on the one hand insisting that Korea was a vassal state, actively sought the conclusion of treaties with foreign nations, taking the position that treaties "harmed neither affairs of state nor the conditions of the people." Ma Jianzhong, *Shinkezhi zhixing*, vol. 4.
- 13 Li Hongzhang, "Yi Qiaoxian tongshang zhangcheng," in *Yi shuhan gao*, vol. 13.
- 14 Kyu Kanmatsu joyaku isan gekan, *Kokkai toshokan rippo chosa kyoku*, 1965.
- 15 Li Hongzhang, "Qiaoxian shijiang Yu Yungzhong jielue," in *Yi shuhan gao*, vol. 13.
- 16 Zhongyang yanjiuyuan jindaishi yanjiuso (ed.), *Qingji Zhong-Ri-Han guanxi shiliao*, Taibei, 1972, pp. 1052–3.
- 17 Li Hongzhang, "Yi Chaoxian tongshang zhangcheng," in *Yi shuhan gao*, vol. 13.
- 18 *Qingji Zhong-Ri-Han guanxi shiliao*, pp. 1114–17.
- 19 *Ibid.*, pp. 1118–19.
- 20 Kyu Kanmatsu joyaku isan gekan, *Kokkai toshokan rippo chosa kyoku*, 1965.
- 21 In 1884, Russia concluded a Treaty of Friendship and Commerce, trade regulations, and a tariff agreement with Korea, thus opening up direct negotiations between the two nations. Furthermore, in 1888 the Regulations for the Frontier Trade on the River Tumen were concluded, and Kyonghung near the border was made an open city. Also, in 1896, military training officers were employed by Korea.
- 22 Kagotani Naoto, "Ajia kara no 'shogeki' to Nihon no kindai," in *Nihon shi kenkyu*, vol. 344 (1991).
- 23 *Qingji Zhong-Ri-Han guanxi shiliao*, p. 1150.
- 24 *Ibid.*, p. 1224.
- 25 Tashiro Kazui, *Kindai Nit-Cho tsuko boeki shi no kenkyu*, Sobunsha, 1981.
- 26 *Hisho ruisan kanko kai*, *Hisho ruisan Chosen kosho shiryō gekan*, 1936; Yang Chao-ch'iao ch'u-pan kung-szu, 1991.
- 27 *Qingji Zhong-Ri-Han guanxi shiliao*, pp. 1204–5.
- 28 *Ibid.*, pp. 1213–15.
- 29 Reflecting these circumstances, the Korean maritime customs returns in the decennial report of the Chinese maritime customs include material for the three ports of Inchon, Pusan, and Wonsan from 1884 as an appendix; see *China, Imperial Maritime Customs, Decennial Report 1882–1891*, Shanghai, 1893.
- 30 Li Hongzhang, *Yi shuhan gao*, vol. 19.
- 31 See Ko Pyong-ik, "Choson haegwan kwa Ch'ongguk haegwan kwa ui kwan'gye" (*Tonga munhwa* number 4), and Pu Chong'ae, "Choson heagwan ui ch'ongsol kyongwi" (*Han'guk saron*, vol. 1, 1973).
- 32 Li Hongzhang, *Yi shuhan gao*, vol. 19.
- 33 *Ibid.*
- 34 "Chaoxian haiguan zhangcheng ji shuize," in *Qingji Zhong-Ri-Han guanxi shiliao*, pp. 1270–87.
- 35 Table 1.1 shows the expansion of Sino-Korean trade from 1883 through 1910. In Sino-Korean trade there was a fundamental export surplus from China. Comparing China and Japan in Korean trade, while Japan dominated exports, China accounted for 20–45 percent of imports; Yang Zhaochuan and Sun Yumei, *Chaoxian huaqiao shi*, Zhongguo huaqiao chuban gongsi 1991, pp. 140–1.

- 36 Concerning Russia, see Forestry Bureau, Agriculture and Commerce Ministry, *Kankoku shi* (1906) and Sasaki Yo, trans. and ed., *Jukyū seiki matsu ni okeru Roshia to Chugoku*, Tokyo: Gaikokugo daigaku Ajia-Afurika gengo bunka kenkyūjo, 1993.
- 37 Okudaira Takehiko, *Chosen kaikoku kosho shimatsu*. Toko shoin, 1969; Yi Pu, “Shufeldt 1880 nyon ui Cho-Mi kyosop.” On the occasion of the signing in May 1882 of the United States–Korea Treaty of Amity and Commerce the letter addressed to the king of Korea by the president of the United States makes clear that Korea was a vassal nation of China and states that the United States would not interfere with the relationship with China. This appears to imply a restrictive treatment of the Korean–American treaty. *Kyū kanmatsu joyaku isan gekan*, *Kokkai toshokan rippō chosa kyoku*, 1965.
- 38 Kasuya Ken’ichi, “Kindaiteki gaiko taisei no soshutsu – Chosen no baai o chushin ni,” in Arano Yasunori, Ishii Masatoshi, and Murai Shosuke (eds), *Ajia no naka no Nihon shi II: Gaiko to senso*, Tokyo: Daigaku shuppankai, 1992.