

THE MEDIATING ROLE OF CHINESE MERCHANTS IN VIETNAM TRADE RELATIONS IN XVII-XIX CENTURIES

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Abstract. As one of the civilized centers of the Eastern world, with comprehensive economic, political, and cultural power, China soon spread strong influences outside but directly with the neighboring nations, including Vietnam. One of the ways to spread China's power is based on the business of its own merchants. Due to the changes in historical context, especially the decline of feudal production relations, the risk of invasion of Western colonialism, especially the official invasion of French colonialism since 1858 in Vietnam, the commercial activities of Chinese merchants according to the same characteristics as many previous historical periods have appeared new features bearing the marks of the era. Therefore, researching the mediating role of Chinese merchants in Vietnam during the XVII-XIX centuries will help us to have a more comprehensive view of Vietnam's history generally and the economic picture of Vietnam, particularly within a fierce historical period.

Keywords: merchant, China, XVII-XIX century, commerce, mediating role.

1. Introduction

The issue of Chinese merchants' activities in Vietnam during this period, especially in the 19th century, was mentioned to different degrees in historical texts. Those are the Imperial Archives of Nguyen Dynasty, Imperially commissioned collected statues and precedents of Dai Nam, Veritable Records of Dai Nam (Châu bản triều Nguyễn, Khâm Định Đại Nam hội điển sự lệ, Đại Nam thực lục) compiled by the National History of the Nguyen Dynasty. These works were all recorded in chronological order events related to the Nguyen Dynasty, including mentioning the activities of Chinese merchants or the edicts, regulations, and policies of the Nguyen Dynasty towards trade with Chinese merchants at that time.

In addition, several research which are studied by domestic scholars over the past century have also contributed to the necessary premise for historical studies of the Chinese people in general, and Chinese merchants in particular. There are many books, doctoral theses and articles in scientific conferences, specialized journals which have reconstructed the imprints of economic, political, cultural, and social activities of the community.

Received September 4, 2021. Revised October 14, 2021. Accepted November 3, 2021.

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Chinese community in Vietnam throughout history, from when the Chinese merchant forces came to Vietnam to open streets, have established villages and done business.

Indeed, the content of the historical books, research studies and articles mentioned above did not directly discuss the role of Chinese merchants in the seventeenth and nineteenth centuries but laid the basis for the process of perceiving China when the author made this article on the very first step. On the basis of numbers and individual events scattered in the historical books and previous works, the article, on the one hand, systematically reconstructs the direct trading activities between traders. China and the Vietnamese, on the other hand, developed deeply into the intermediary role of Chinese merchants in promoting trade relations between Vietnam and Northeast Asian countries (Japan, China), with several countries in Southeast Asia and Western countries during these centuries. From there, it draws its salient features as well as its multi-dimensional impact on the economic picture of Vietnam at that time as well as in the later periods. These are also the outstanding goals that the article focuses on.

In fact, wherever there are Chinese, their trade flourishes. In the 17th-19th centuries, from Thang Long - Ke Cho to Quang Na, Gia Dinh, and Ha Tien, there were imprints of Chinese merchants everywhere in trading and exchanging goods. Thereby, we can see the picture of Vietnam's economy in general and Vietnam's foreign trade in particular, during the historical period with many fluctuations of feudal society. Those are the main issues that this article focuses on.

2. Content

2.1. The mediating role of Chinese merchants in trade relations between Vietnam and East Asian countries

Chinese people came to do business in Vietnam very early. For Dang Trong, business establishments were established based on continuing the relationship between the Chinese and Champa people in the past. That relationship became more and more prominent under the Nguyen lords. The Chinese trade with Dang Trong became official when Minh Muc Tong removed the ban on trading with Southeast Asian countries in 1567 [1]. The Chinese came to Hoi An in 1577 and that was the first official step between the Chinese people and Dang Trong. This process developed continuously, and Chinese people became increasingly important partners of Dang Trong. However, in addition to mainland China being involved in trade in Dang Trong, Taiwan was also included. According to Dutch sources, “in 1665, the Taiwanese government sent 24 merchant ships to Southeast Asia, four of them to Quang Nam. Ken Hen Tai also said that in 1683 there were 3 boats from Taiwan to purchase rice in Dang Trong and sell in Taiwan” [2; 102].

From the XVII, XVIII century to the XIX century, Chinese merchants in Vietnam in general and Hoi An have become particularly involved in the trade relationship between Vietnam and the fatherland country market in *China*. According to Truong's family genealogy (Hoi An, the native of Minh Huong), it says: ‘Hiên Khảo’ (the deceased father) purchased goods to trade in Fujian many times [3]. In the XIX century, Chinese merchants had almost all trade of Vietnam from small to large in hand. From the alleys and secluded forests to shopping malls ports ranging from small to large, the

figures of Chinese merchants and Chinese shops or even small Chinese merchants peddling everywhere were found. They were the first merchants who did business with Vietnam and later when Western merchants failed to trade with Vietnam, they became the ones who manipulated all the important clues in doing business. At Hoi An commercial port, Chinese merchants purchased all of Vietnam's domestic goods to sell to China. On the other hand, they brought Chinese goods to sell everywhere in Vietnam. In addition, Chinese merchants in Hoi An were also in charge of transporting goods from China, from then on, they shipped them to other trading ports of Southeast Asia and Japan or sold them to Western merchant ships at the fair [4].

At the same time with the connection between Vietnam and China market, Chinese merchants also become intermediaries in the trade relationship between Vietnam and *Japan* market.

In the XIX century, diplomatic relations between Vietnam and Japan were formed and developed in many ways. In particular, the factor affecting the diplomatic relationship between the two countries was China's mediating role. At that time, Chinese merchants became a catalyst for Vietnam – Japan trade activities, making economic relations between the two countries flourish continuously, despite experiencing many barriers and obstacles due to political upheavals from both sides, especially Japan's Sakoku (Closure of Country) policy which lasted from 1639 to 1853.

In the second half of the XIX century, Japanese merchants came to Vietnam, mainly concentrated on the trading port of Hoi An (Quang Nam) - which was considered as one of the trading centers of Northeast Asia - Southeast Asia at that time. Commodity exchanges here were mainly silver, coins for sugar and other products [5; 379-380]. Besides purchasing Vietnamese goods, mainly in the Vietnamese market, Japanese merchants also had the opportunity to purchase Chinese goods. Particularly, Hoi An had now become an important transshipment station for international trade activities between Vietnam and Japan [6; 98-116].

Through these large merchant ships (with a capacity of 150-200 tons), China carried cargo from Dai Viet ports to Japan, especially in Nagasaki, and vice versa. Vietnamese goods purchased by Chinese merchants for sale to Japan were usually ceramics, raw silk, silk goods, flavorings such as agarwood, cinnamon, areca nuts, and pepper; carvings, carpentry, paper, molasses, sugar, rock sugar, molasses [7; 3-17]. Specifically, during the period when the Japanese Closure of Country policy was still in effect (this policy was enforced until 1853), Vietnamese pottery, chinaware and many other products were still brought by Chinese merchants and shipped to Japan. Therefore, at present, many Vietnamese ceramic relics are still preserved in Japan, especially in Sakai, Osaka, Nagasaki and many other cities and towns [8; 81]. Vietnamese pottery at that time were not merely containers, but also valuable decorative products favored by the Japanese (especially rich families) and used in everyday flower arrangements and ornaments (*Ikebana*), tea ceremony (*Chado*).

Not only purchasing goods in Vietnam to sell to Japan, but Chinese merchants also purchased goods in Japan to sell in Vietnam. Therefore, even when the Japanese Closure of Country policy was in effect, Japanese merchants did not set foot to trade in Vietnam in the first half of the 19th century, but the typical products of this country

were still present in Vietnam such as types of ceramics, pieces of silver, lead, white zinc, sulfur, weapon, bronze and so on. In fact, Hizen porcelain with high quality and beautiful design met the demand of Overseas Japanese in Vietnam as well as a part of Vietnamese officials and people at that time.

Although it cannot be denied the positive contributions of Chinese merchants in the role of intermediaries in maintaining and promoting trade relations between Vietnam and Japan in the XIX century, it was clear that their intermediary activities are primarily beneficial for themselves, helping them increase their profits from trading activities, reselling products of Vietnam as well as Japan. However, in an objective point of view, in this period, it was Chinese merchant that was the essential factor in connecting the Vietnam-Japan trade relationship so that the relationship would not be broken despite undergoing many obstacles considering the dominance of historical context.

2.2. The mediating role of Chinese merchants in trade relations between Vietnam and Southeast Asian countries

In the first half of the XIX century, Chinese merchants were most active in the Southern region with the commercial center of Saigon. Small Chinese merchant ships spread out the centers and small commercial centers around Gia Dinh and then concentrated goods into large boats and then exported back to China or to other countries in Southeast Asia. Therefore, Chinese merchants have gradually played an intermediate role in economic relations between Vietnam and other countries in Southeast Asia. Since the 20s of the XIX century, Chinese merchant boats had a strong performance in the trade triangle of Saigon - Singapore - Bangkok, especially during the period of strong development of rice trading in this area from 1841 to 1845. [9; 86]

In Quy Nhon port town, Chinese merchants had close trading relations with merchants in Kim Bong (Hoi An), An Thai (Hung Yen) and so on. At that time, domestic trade was carried out by Vietnamese people, on the other hand, Chinese merchants took responsible for purchasing goods inside and outside the province, even further away such as Saigon and the South and selling them in Singapore and Malaysia [10; 147-148].

If the French merchants usually started from France to Da Nang before going to Guangzhou, then the trade between the Vietnamese and the British was connected through Singapore. Every year, Chinese merchant boats often travelled between Vietnam and Singapore, bringing to Vietnam cotton, and felt cloth, cloves, nutmeg, gunpowder, and weapons. The Vietnamese government constantly repeated the ban on the trade of rice and opium, proving that Chinese merchants often sneaked rice from Vietnam ports to Singapore and then brought opium from Singapore to Vietnam for sale. However, the commercial value between Vietnam and Singapore is not great. Specifically, in 1820-1830, the value of trade with Singapore was very limited; in 1824, that trade relationship was only worth 93,781 dollars, and in 1826-1827 it was 134,698 dollars [11; 270]. This is because the Vietnamese market has long been a traditional Chinese market, while luxury goods from the UK via Singapore to Vietnam served only the upper class along with the military. However, to achieve this commercial value, which was also the beginning of the foreign relations between Vietnam and Singapore, we cannot deny the role of the connection of Chinese merchants at that time. Since then,

especially since 1825, Minh Menh King had sent a delegation with two boats to Singapore to purchase fabric and glassware; hence every year Vietnamese officials were allowed to go to Singapore and other trade centers in Southeast Asian countries for trade. Particularly from 1835 to 1840, up to 21 boats were dispatched by the Vietnamese government to the following centers in the Table 1:

Table 1. Statistics of ships trading between Vietnam and some commercial centers in Southeast Asia (1835 - 1840) [11; 224]

Year	Envoy	Brand boat	Destination
1835	Tran Hung Hoa Nguyen Luong Huy	Phan Bang	Ha Chau (Singapore)
1836	Nguyen Tri Phuong Vu Van Giai Tran Danh Buu Hoang Cong Tai	Thuy Long Linh Phuong Van Bang Thanh Loan	Ha Chau Penang
1837	Le Ba Tu Nguyen Tri Phuong Vu Van Tri	Phan Bang Thuy Long Linh Phuong	Borneo Djakarta Ha Chau
1838	Dao Tri Phu - Pham Phu Quang Nguyen Tri Phuong-Nguyen Van To Le Ba Tu – Le Viet Tri Ly Van Phuc-Phan Tinh Le Van Phu-Tran Dai Ban	Thuy Long Phan Bang An Duong Linh Phuong Tien Ly	Djakarta Djakarta Ha Chau Ha Chau Ha Chau
1839	Dao Tri Phu-Tran Tu Dinh Tran Huu Chanh-Cao Huu Tan Nguyen Duc Long-Le Ba Tu Tran Dai Ban-Nguyen Du Le Van Thu-Do Mau Thuong	Thuy Long Phan Bang Linh Phuong Tien Ly Tuong Hac	Djakarta Tambelan Tieu Tay Duong Ha Chau
1840	Nguyen Tien Song-Tran Tu Dinh Dao Tri Phu-Phan Hien Dat Le Van Thu	Thanh Duong Thanh Loan Thuy Long	Ha Chau Djakarta Tambelan

From the above statistics table, we can see that the Vietnamese trade in the XIX century was not a closed-door policy. The trade with Singapore, Jakarta (Indonesia), Penang (Malaysia), Tambelan (Malaysia) and so on took place quite smoothly and often occurred with the means of large state boats, envoys were the officials of Vien Thuong Bac (the Institute of Commerce and Silver) who were responsible for purchasing and selling; and especially the role of the Chinese merchants as an intermediary has accelerated this exchange and purchase process.

From the above statistics, the goods that Vietnam brings to the ports in Southeast Asia are still local forest products such as refined sugar, ivory, lac, raw mineral (copper

in bullion) and what the government needs purchasing is fabrics of all kinds, weapons, and metals such as zinc, lead... mainly for consumption needs of kings and military. This trade activity is monopolized by the state, but in fact, Chinese merchants have participated in this trade very actively and significantly contributed to boosting trade value between Vietnam and East countries. The South Asia in general and Singapore in particular developed significantly, in particular: In the year 1829-1830, the commercial value of Vietnam-Singapore was 383,273 dollars; by 1845 this had increased to 467,521 dollars [11; 274].

2.3. The mediating role of China merchants in trade relations between Viet Nam and Western countries

On the rise of capitalism, the search for market is still an urgent need of Western capitalist countries. After the failures in Viet Nam, into the 19th century, English and French merchants continued to come back to search for business relationships here. However, if the Western merchants only pursued the profits in the previous centuries, they expected to establish solid, long-term foreign trade, with clear trade agreements in the 19th century. This was also the beginning of the attempts to invade Western colonialism in Vietnamese territory.

At this time, the self-defense instinct dominated the attitude and actions of the Nguyen court toward the Western colonialists. Therefore, the Nguyen dynasty, in turn, rejected the aspiration to establish official trade relations from Western countries such as France, America and so on. In April 1802, the British asked to stay and trade in Da Nang, but King Gia Long did not allow them to do. By June 1802, the British came to offer their regional belongings and asked to establish a trading street in Tra Son (Quang Nam), King Gia Long returned the offering and turned down their proposal [11; 259]. In the following times such as in September 1807, June 1812, and June 1822, British merchants came to negotiate with the court, but could not solve anything. In November 1832, American merchants offered a national letter asking for trade. The Nguyen court sent people to answer and then dismiss them in a subtle way [11; 264-265].

Even the French, who were somewhat favored by the Nguyen dynasty than the British, were welcome or tax-free (as in 1817, the La Praise ship which was exempted from tax by Gia Long King when it moored in Viet Nam because the goods could not be sold due to incompatibility of Vietnamese at that time), and signed a contract to sell guns to the Nguyen Dynasty, but in the end, they could not gain an official trade agreement with this Dynasty [12; 84]. Particularly, when the French asked for consular placement, the Nguyen refused to communicate as they did to the British and the Americans. Moreover, without any exception of a single country, all Western merchant vessels were not allowed to enter and exit Vietnam's ports except for one port - Da Nang, which was not only a port for normal purposes but also the military port which was the closest to the court Nguyen so that they could control the all the activities easily. Therefore, at that time, the West in general and the French in particular, almost all had to go through an intermediary role of Chinese merchants to conduct the business in Vietnam. In addition, many Chinese merchants also bought Western goods in Vietnam to resell in China and other countries, and vice versa, many items of Vietnam, China and so on were traded to Western merchant ships by Chinese merchants.

It was possible to imagine the intermediary role of Chinese merchants in Vietnam's trade with Western countries based on the Dai Nam historic record (a record written in the Nguyen Dynasty about their history ordered chronologically). For example: "The 7th Gia Long year (1808), (the 13th Gia Khanh), in March, captain Hong Mao, To Lo Xuy La Mon, carried over five hundred Chinese traffickers. On the way, there was a storm and they had to moor at Da Nang harbour. The servant of Nguyen King in Quang Nam palace wrote a letter to notice of the incident to the court. The court ordered to provide money and rice for merchants in distress and then sent them back to Qing country by road. Seeing To Lo Xuy La Mon to help the victims, the King rewarded 300 bowls of rice and then told them to go [13; 723]. Or a detail of the conflict caused by transactions between British merchants and Chinese merchants showed the intermediary hand, proving the connection of the Chinese merchants in Vietnam's trading network with the UK at that time: "The Phuc made a disservice to talk about the Hong Mao merchant ship aggression against the Qing people. The king summoned Truong Dang Que and Nguyen Tri Phuong and said: "I considered the Hong Mao to exchange with the Qing and Siamese, the words were much arrogant; Only to our country, they still respected for us, because the Hong Mao country already knew that the Qing and Siamese could lure their profits, so they were disdainful; Also like our country, things were traded at reasonable prices, not greedy, and when we entertained them, we did not lose credit, so they only respected and trusted us. Needless to say, a gentleman treats greasy pudge-bunny, should not be too much, only two words 'faithfulness and uprightness' can make barbarians fear" [14; 372].

Chinese merchants also rented boats out to British merchants so that the British merchants were able to access the port in Ha Tien, because the Nguyen Dynasty did not allow Western merchant boats to enter the Vietnamese port to trade except for the Da Nang port for easy manipulation "In October of the At Mui (the 15th Dao Quang, Thanh Dynasty), there was a bronze boat of the Qing businessman mooring in Nam Du Island, Ha Tien Province. On the boat, Hong Mao carried goods in Tan Chau, pistol and short spear guns, and offered permission to sell goods and pay all necessary taxes. The King knew then told the provincial authorities to understand that: "Now the enemy have not attacked, we do not need to fear, but there is a rule: Western ships are only allowed to be moored at Da Nang port, and they are banned to come to other ports in our country for trading. National rules are strict, should we let them break! So, hurry out, do not enter the seaport! From now on, whenever the Qing people come, they had to land on the Qing boat to give the forbidden passport. After that, the Cha Va sea invaders appeared sneakily at the head of Tam Giang, which was the central province, and took 2 over-painted guns and left. The authorities of Doan Khiem Quang, Ho Cong Huy and Hoang Van Ly all had to be demoted 1 level" [14; 779].

Because of the policy of restricting trade with the West, the Western goods that the court needs, must be through intermediaries that Chinese merchants buy and resell. Through trade like this, Chinese merchants were more favored by the Nguyen, such as exempting import duty for merchant boats supplying this item: "In June, the year of Binh Thin (the 6th Ham Phong, Thanh dynasty): Merchant boats of the Qing people

looking to buy Western goods (copper nails, copper leaves, tar oil, females) came to offer goods and grant import tax exemption” [14; 452].

In short, the Nguyen Dynasty advocated refusing official trade relations with Western countries for the sake of alienation to protect themselves, but Chinese merchants quickly took the role of intermediaries providing merchants in the west the objects and native products of the Vietnamese, then Chinese intermediaries bought goods originated from Western countries to resell them to the court or mandarins. Chinese merchants also rented merchant boats out to Western merchants to trick the Nguyen law against Western boats. Although these activities were discovered and punished by the court, the Nguyen did not fully control this trick of Chinese merchants. Thanks to these activities, Chinese merchants pocket profits that were not small.

3. Conclusion

Due to geographical and historical conditions, Vietnam and China have had long-standing trading relationships. Along with the development of economic and trade relations between the two countries, the commercial activities of Chinese merchants in the 17th and 19th centuries also progressed continuously without break. Commercial activities of Chinese merchants in Vietnam at that time were conducted according to three routes: land, sea and the Red river to Yunnan (China). Trading on the ground has the “Silver trade market”; On the sea routes, Chinese merchant boats travelled usually and easily; the river route plays a supporting role and complements both land and sea trade.

Corresponding to the trade routes between Vietnam and China, Chinese merchants have had many forms of trade: official trade, unofficial trade, mandarin trade, non-mandarin trade, looting trade, cross-border trade, long-distance trade at sea, small retail trade, trade by a wholesaler, trade by trade union and so on. Various forms of trade and many types of goods are interwoven, making the management and delimitation of each component very difficult and complicated. This was also a challenge for the Dai Viet feudal government from the 17th century to the Nguyen dynasty at that time in managing Chinese merchants.

Along the length of the country from north to south, Chinese merchants were present in all cities, big and small towns, up to caves and alleys in remote rural areas or remote mountainous border areas. and conducting busy sales activities. From Ke Cho (Thang Long - Hanoi) to Cam Giang (Hai Duong), down to Hue, Quy Nhon and Gia Dinh, Ha Tien, Chinese merchants are everywhere with large and small merchant boats. Through market understanding, the long-standing trading experience and the loving attitude of the Nguyen court, Chinese merchants were increasingly taking over businesses in Vietnam. They held important businesses, held local dealers, and were also assigned by the feudal government to supply goods to the court as well as take charge of special businesses such as market tax bidding, opening casinos, mining and so on, capital activities that require proficiency in management and business experience.

Chinese merchants held important clues to buy and sell goods in Vietnam. They could buy at the original price, buy, buy a big amount of goods, and then became intermediaries in Vietnam's trade activities with East Asian countries, Southeast Asia and Western countries. Since then, they had contributed to connecting the domestic

market from the ports to the regions of the country of Vietnam, connecting the Vietnamese market with China, Japan, Singapore, Malaysia and so on, even linking the Vietnamese market with the West.

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