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CHAPTER TWO

ECONOMIC BACKGROUND

1. *Handicraft industries and export commodities*

*Gái thì giữ việc trong nhà
Khi vào canh cấy khi ra thuê thửa.¹*

The sixteenth-century political crisis caused severe devastation of Vietnam's agriculture and conscriptions required by the incessant military campaigns, compounded by natural disasters, largely contributed to regular crop failures. More critically, large tracts of the state-owned land were gradually privatized by local rulers, diminishing the area of public land, the most crucial means of production on which Vietnamese peasants relied. Consequently, the number of landless farmers grew quickly, causing a disproportionate surplus of unemployed labourers in northern Vietnamese villages.²

In contrast to the overcrowded Hồng River delta of Đông Kinh, Thuận Hoá and Quảng Nam were less densely populated. Here unfailing opportunities were available for northern migrants to acquire and exploit plenty of land once they ventured into these southern prefectures. This was not a new demographical development. Since the late 1400s, the Vietnamese-speaking people had been constantly migrating, either voluntarily or forcibly made to do so, to Thuận Hoá and Quảng Nam. The flow of migrants continued throughout the 1500s in response to the increasing pressure from the population boom and the subsequent land shortage in Đông Kinh. After Nguyễn Hoàng was appointed Governor of Thuận Hóa in 1558, then of Thuận Hoá and Quảng Nam jointly in 1572, the social composition of Vietnamese immigration to the southern regions changed completely, including not only landless farmers and exiles but also wealthy people, the majority of them relatives and dependents of the Nguyễn family. Hence, the population of these southern prefectures artificially peaked in the latter half of the 1500s.³

¹ *Lasses take care of all work at home*

Now spinning and then embroidering (Vietnamese ditty).

² Nguyễn Danh Phiệt, "Việt Nam thời Mạc-Cuộc chiến không khoan nhượng giữa hai tập đoàn phong kiến Lê-Trịnh và Mạc" [Vietnam in the Mac Period – The Remorseless Struggle between the Lê/Trịnh and the Mạc Feudal Clan], *NCLS* 9 (2004): 3-13.

³ Li Tana, *Nguyễn Cochinchina*, 18-31.

While a large number of landless peasants resolved to leave their northern hamlets to look for a new life in the southern frontier region, those who remained behind looked for an instant income from traditional handicrafts. The excess of labourers fortuitously coincided with the increasing demand for local export handicraft products from the late sixteenth century, fuelled by the regular arrival of foreign merchants in search of such items. These factors stimulated the development of the country handicrafts and temporarily helped solve the problem of an excess workforce.⁴

Raw silk and piece-goods

There is an abundance of silk in Tonkin. The natives, both the rich and the poor, all wear silk. The Dutch trade to every corner where they could yield profit. Every year they ship away a great quantity of Tonkin's silk. They are the largest exporter of Tonkin's silk to the Japan market.

J.B. Tavernier (1679)⁵

The chief riches, and indeed the only staple commodity, is silk, raw and wrought: of the raw the Portuguese and Castilians in former days, the Hollanders lately, and at present the Chinese, export good quantity to Japan, etc.: of their wrought silks the English and the Dutch expand the most.

Samuel Baron (1685)⁶

Silk had been woven by the Vietnamese for centuries and some sorts of Vietnamese silk piece-goods had become internationally famous. By the mid-1200s, fully aware of the high quality of Vietnamese silk, King Thái Tông of the Lý dynasty decided henceforth to dress the court in local silks instead of Chinese products. Although featuring prominently among the tributary items sent to China, Vietnamese silk was also exported to various regional markets on board of foreign ships. In his famous *Suma Oriental* the early sixteenth-century Portuguese traveller Tomé Pires noted that the Vietnamese kingdom of Cochinchina, (synonymous at the time with Đại Việt) produced, amongst other valuable items, "...bigger and wider and finer taffeta of all kinds than there is anywhere else here and in our [countries]. They have the best raw silks in colours,

⁴ Phan Huy Lê, "Chế độ ban cấp ruộng đất thời Lê sơ và tính chất sở hữu của loại ruộng đất thế nghiệp" [The Land-Conferring Regulation in the Early Period of the Lê Dynasty and the Nature of the Possession of Ancestral Land], in Idem, *Tìm Về Cội Nguồn*, Vol. 1 (Hanoi: The Gioi Publishers, 1998), 576-590; Nguyen Thanh Nha, *Tableau Économique du Vietnam*; Li Tana, *Nguyễn Cochinchina*, 24-28; Trương Hữu Quỳnh et al., *Lịch sử Việt Nam*, 354-370.

⁵ J.B. Tavernier, "Relation nouvelle et singulière du Royaume du Tonkin", *Revue Indochinoise* 1908: 514.

⁶ Samuel Baron, "A Description of the Kingdom of Tonqueen", in John Pinkerton (ed.), *A Collection of the Best and Most Interesting Voyages and Travels in All Parts of the World*, Vol. 9 (London, 1811), 663.

which are in great abundance here, and all that they have in this way is fine and perfect, without the falseness that things from other places have”.⁷

By the early seventeenth century, Vietnamese silk had become so popular on the regional market that the French priest Alexandre de Rhodes, who first arrived in northern Vietnam in 1627, noted that this product, together with aloes wood, was among the most important of the merchandise which lured Chinese and Japanese merchants to trade with Tonkin.⁸ Silk was undoubtedly the key item which encouraged the annual arrival of Japanese and Chinese junks in Tonkin in the first decades of the 1600s. As the Japanese consumer became used to the Vietnamese product, the volume of Vietnamese silk exported to Japan by the Chinese, Japanese, and Portuguese increased from the early 1630s. In 1634, the Dutch factors at Hirado recorded that in this year Chinese junks brought in total 2,500 piculs of both Chinese and Vietnamese silk to Japan.⁹ The prospect of a profitable silk trade with the Trịnh lands encouraged the VOC to establish political and commercial relations with northern Vietnam. Two years later, the Dutch chief factor in Japan, Nicolaas Couckebacker, compiled a promising report on the current production and trade of Tonkinese silk.¹⁰ In the following year, the Dutch made their inaugural voyage to Tonkin and began to export Vietnamese silk, alongside that from China, to Japan. In the second half of the seventeenth century, the Dutch also exported Vietnamese silk to the Netherlands. The English, who began to trade with Tonkin from 1672, also exported Vietnamese silk to London from the late 1670s. Despite an auspicious beginning, the annual quantity of Vietnamese silk exported to Europe by the Dutch and the English was neither regular nor substantial.¹¹

In the early seventeenth century silk was produced in virtually every Tonkinese village. Silk weaving was a traditional household handicraft. There were, however, several manufacturing centres where silk textiles were produced in great quantities. Most of these places were located either within the capital Thăng Long itself or in the surrounding prefectures in the present-day provinces of Hà Tây, Sơn Tây, Bắc Ninh, Hải Dương, and Sơn Nam, where orchards of mulberry trees were watered and fertilized by the Hồng River. Besides the silk textiles made by ordinary people, a considerable quantity of silk was manufactured by state-owned factories, whose products were confined not only to court dresses and the tributary trade but were also delivered to

⁷ Tomé Pires, *The Suma Oriental of Tomé Pires: An Account of the East, From the Red Sea to Japan, Written in Malacca and India in 1512-1515*, translated and edited by Armando Cortesão (London: Hakluyt Society, 1944), 115.

⁸ Rhodes, *Histoire du royaume de Tonkin*, 56-57.

⁹ *Dagh-register Batavia* 1634, 249-250.

¹⁰ *Dagh-register Batavia* 1636, 69-74.

¹¹ On descriptions of Tonkinese silk production and trade: Valentyn, *Oud en Nieuw Oost Indiën*, Vol. 3, 6-11; Pieter van Dam, *Beschryvinge van de Oostindische Compagnie*, Vol. 2-I, edited by F.W. Stapel (The Hague: Martinus Nijhoff, 1931), 363-364. Detailed accounts of the VOC's export of Tonkinese silk will be analysed in Chapter Six.

foreign merchants from whom in return the royal families received silver, copper, and curiosities.¹²

In the actual process of silk production, there were two major crops per year. The “summer” crop harvested between April and May was the largest crop. In the 1630s, the Dutch estimated that the summer crop yielded around 1,500-1,600 piculs of raw silk and roughly 5,000-6,000 silk piece-goods. Whereas, the “winter” crop harvested between October and November provided around half of the amount yielded by the summer harvest. Consequently, foreign merchants involved in the Tonkin-Japan silk trade often arrived in Tonkin before the summer to buy silk and departed for Japan before the southern monsoon ended in July or August. Shortly after the summer harvest, a silk auction was organized by the court in the capital Thăng Long. The delivery price varied according to the privileges which foreign merchants enjoyed but was always higher than on the free market. Afterwards local weavers and brokers sold and delivered their products to the foreigners according to what they had purchased. The winter yarn was either kept for Japan-bound shipments in the summer or shipped to Europe. From the second half of the seventeenth century, the Dutch mainly exported Tonkinese winter silks to the Netherlands. These winter cargoes were first shipped to Batavia in the spring and transhipped in vessels leaving for Europe. The English, who failed to re-open their trade with Japan in the 1673, also exported Tonkinese silk to London during the last quarter of the seventeenth century.¹³

Despite the large amounts produced annually, the quality of Tonkinese export silk was generally lower than that of its Chinese and Bengal counterparts, which were also exported regularly to Japan in the seventeenth century. The reason for this lay in the characteristics of the local mulberries, the silkworms, and the tropical climate of Tonkin. Mulberry trees planted in northern Vietnam, according to an eighteenth-century European traveller, were “...small shrubs, which are every year cut down to the ground in the winter and the plant of which must be renewed from time to time, if they would obtain fine silk, [...], the old plants, as well as the large trees, give but indifferent silk”.¹⁴

The silkworm was another decisive factor. The silkworm bred in Tonkin adapted well to the tropical climate and even spun cocoons during the hot summer, but the bulk of these were yellow, hence, the yarn was yellow (*bogy*), which was neither esteemed nor marketable on the Japanese market. The Vietnamese therefore tried to import Chinese silkworms which spun white yarn. Unused to the tropical climate, the imported silkworms were only able to spin cocoons in the cool weather of autumn and spring. By

¹² A. Richard, “History of Tonquin”, in J. Pinkerton (ed.), *A Collection*, 716, 736, 738-741; Nguyen Thanh Nha, *Tableau Économique du Vietnam*, 117; Nguyễn Thừa Hỷ, *Economic History of Hanoi in the 17th, 18th and 19th Centuries* (Hanoi: ST Publisher, 2002), 155-169.

¹³ In the VOC records the Dutch called the summer crop *somertijt* and the winter crop *wintertijt*. *Dagh-register Batavia* 1636, 69-74; William Dampier, *Voyages and Discoveries* (London: The Argonaut Press, 1931), 49-50; Valentyn, *Oud en Nieuw Oost Indiën*, Vol. 3, 6.

¹⁴ Richard, “History of Tonquin”, 740.

this time most of the mulberry trees had been chopped down. The amount of this sort of silk was therefore small, contributing to the fact that the winter silk crop was quantitatively inconsiderable.

Despite the small amount of the winter silk, there were often not enough buyers because foreign merchants were well aware of the very fact that the Japanese “...make a great difference between the new silk and the old”.¹⁵ The “new silk” here referred partly to the summer product to distinguish from the “old” which was harvested during the winter. During the 1660s, for instance, silks were often so abundant in the winter sales that the prices dropped rapidly. A high-ranking local mandarin of Tonkin therefore requested Batavia to send ships to Tonkin during the New Year season to buy all winter silks which were sold at relatively low prices.¹⁶

Ceramics

They [the Vietnamese] have porcelain and pottery – some of great value – and these go from there to China to be sold.

Tomé Pires (1515)¹⁷

Pottery was used by the Vietnamese from the Neolithic age, c. 5,000 years before the Christian era. During the Chinese millenarian rule (BC 179-AD 905), Vietnamese pottery techniques, especially that for producing glazed ceramics, steadily advanced under the influence of Chinese ceramic technology. The independent era from the early tenth century then provided good conditions for the development of the Vietnamese ceramic industry. Đại Việt’s Yuan-style brown underglaze wares and the glassy-green celadons of the Trần dynasty (1226-1400) were not only produced in sufficient quantities for domestic use, they also found good prices on the international market. Siamese and Javanese merchants trading to Đại Việt purchased, among other local merchandise, ceramics and exported them mainly to insular South-East Asian markets in modern Indonesia and the Philippines.

Although the Vietnamese ceramic industry suffered a slight set-back during the brief Ming invasion and occupation (1407-1428), the diffusion of advanced Chinese ceramic technology to northern Vietnam during this period helped improve the quality of Vietnamese ceramics, especially the Vietnamese blue and white wares. Hence, various types of ceramics in conjunction with the overglaze-enamelled wares were exported to regional and international markets in the early reigns of the Lê dynasty (1428-1788), especially when the Ming reinforced its ban on the foreign trade of China. Profiting

¹⁵ BL OIOC G/12/17-2: 133, Journal Register of the English factory in Tonkin, 11-12 May, 1675.

¹⁶ Nara, “Silk Trade”, 167; *Dagh-register Batavia* 1663, 71 and passim.

¹⁷ Dampier, *Voyages and Discoveries*, 48.

from this embargo, Vietnamese ceramics were now exported to places as far away as Egypt and Turkey in the west, South-East Asian insular markets in the south, and Japan in the East. After the Ming lifted its ban on foreign trade in 1567, high-quality Chinese porcelain and ceramics again flooded the international market. Consequently, Vietnamese wares had to cede their predominant position but briefly rebounded in the early 1670s, when the Chinese Qing dynasty again curbed its foreign trade in a concerted effort to eliminate the Zheng clan in Formosa.¹⁸

Prior to the sixteenth century, most of the Vietnamese ceramics exported to the international market were manufactured at the Chu Đậu kilns in modern Hải Dương Province. This production centre, however, declined rapidly throughout the sixteenth century, falling victim to the vast devastation caused by the Lê-Mạc wars. By the early seventeenth century, Bát Tràng ceramic village, which was located relatively close to the capital Thăng Long, emerged as the major ceramic centre in Đại Việt. Consequently, most of the ceramics which the Chinese, Dutch, and the English exported to the South-East Asian market in the late seventeenth century were manufactured there.¹⁹

The quality of Vietnamese export ceramics varied according to the demand on different markets. The fifteenth- and sixteenth-century export ceramics were mainly fine wares, probably because the international demand for such high-quality products was facing a severe shortage of fine Chinese porcelain. Such Vietnamese ceramics exported to Western Asia as the octagonal bottles with underglaze-cobalt decoration or the dishes with peony sprays painted in underglaze-cobalt were as fine as Chinese products. By contrast, the quality of the late seventeenth-century Vietnamese wares exported to the insular South-East Asian countries was of much lower quality. The Dutch and Chinese shipments of Vietnamese wares consisted mainly of coarse wares for daily use such as plates, cups, and rice bowls. The demand for this sort of ware was also largely attributable to the current shortage of Chinese coarse wares in the regional markets after the Qing banned its people from sailing abroad in order to isolate and suppress its Zheng rivals in Formosa. If fine Chinese porcelain could be substituted by the Japanese high-quality Hizen porcelain, the Chinese coarse wares were then supplemented by Vietnamese coarse ceramics.²⁰ After successfully pacifying Formosa in 1683, the Qing

¹⁸ John Stevenson, "The Evolution of Vietnamese Ceramics" (23-45) and John Guy, "Vietnamese Ceramics in International Trade" (47-61) in Stevenson and Guy, *Vietnamese Ceramics*; Phan Huy Lê *et al.*, *Bát Tràng Ceramic, 14th-19th Centuries* (Hanoi: The Gioi Publishers, 1994); Kerry Nguyen Long, "Vietnamese Ceramic Trade to the Philippines in the Seventeenth Century", *Journal of Southeast Asian Studies* 30-1 (1999): 1-21.

¹⁹ Hán Văn Khẩn & Hà Văn Cẩn, "Gốm Chu Đậu Việt Nam" [Chu Đậu Ceramics]. Paper presented at the workshop: *Vietnamese-Japanese Relations from the Fifteenth to the Seventeenth Centuries as Seen from the Ceramic Trade* (Hanoi, Dec. 1999); Kerry Nguyen Long, "Bát Tràng and the Ceramic Trade in Southeast Asian Archipelagos", in Phan Huy Lê *et al.*, *Bát Tràng Ceramic*, 84-90; Nguyen Thua Hy, *Economic History of Hanoi*, 185-195.

²⁰ Bennet Bronson, "Export Porcelain in Economic Perspective: The Asian Ceramic Trade in the 17th Century", in Chumei Ho (ed.), *Ancient Ceramic Kiln Technology in Asia* (Hong Kong: University of Hong Kong, 1990), 126-150; Chumei Ho, "The Ceramic Trade in Asia, 1602-1682", in A.J.H. Latham and Heita Kawakatsu (eds), *Japanese Industrialization and the Asian Economy* (London and New York:

lifted its ban on foreign trade. Chinese porcelain of all qualities again flooded the international market. Vietnamese ceramics, repeating the sixteenth-century story, again failed to compete with coarse Chinese porcelain in the regional markets.²¹

Other miscellaneous exports

The lacquerware made in Tonkin was, according to a seventeenth-century European traveller, "...not inferior to any but that of *Japan* only, which is esteemed the best in the world; probably because the Japan wood is much better than this at Tonquin, for there seems not any considerable difference in the paint or varnish".²² The most popular objects of Tonkin lacquerware were drawers, cabinets, desks, frames, and trays. These were chiefly made of "fir" and lacquered white. One seemingly insurmountable problem was that local joiners were reportedly so careless that they often damaged objects. Besides, Vietnamese lacquerers were generally not innovative or inventive in their craft. They failed to produce new objects and fashion decorative motifs to meet the discerning demand of the international market. As a consequence in an effort to improve Tonkinese lacquerware contracted for London, during the 1680s the English East India Company planned to send one English carpenter to Tonkin to instruct local lacquerers in preparing objects. Occasionally, the English Company also sent undecorated objects from London to Tonkin to be lacquered there.²³ The English trade in Tonkinese lacquerware was rather short-lived. From the late 1680s, the English directors in London frequently complained about the low-quality lacquerwares which the English factory in Thăng Long had sent home. Disgruntled they ordered that only fine objects should be purchased for London from then on.²⁴ The Dutch, on the other hand, were not interested in trading in Tonkinese lacquerware as they could always obtain Japanese products.

Tonkinese copperware was occasionally exported by foreign merchants. In 1688, for instance, in Thăng Long the English bought two great bronze bells for Constantine Phaulkon, a Greek adventurer who rose to power at the Siamese court of King Narai, in Siam. These bells were confiscated by the local mandarins when the English were retreating via the Hồng River to their ship at Doméa.²⁵

Routledge, 1994), 35-70; Gunder A. Frank, *Reorient: Global Economy in the Asian Age* (Berkley: University of California Press, 1998), 97.

²¹ Aoyagi Yoji, "Vietnamese Ceramic", 72-76; Stevenson and Guy, *Vietnamese Ceramics*, 47-61, 63-83.

²² Dampier, *Voyages and Discoveries*, 47.

²³ BL OIOC E/3/90: 40-41, 214-215, and 296-298, London General to Tonkin, 1682, 1684 and 1685; BL OIOC E/3/91: 225-228, London General to Tonkin, 1687; Dampier, *Voyages and Discoveries*, 47-48; Nguyen Thua Hy, *Economic History of Hanoi*, 197-199.

²⁴ BL OIOC E/3/92: 68, London General to Fort St. George, 1691; BL OIOC E/3/92: 75, 102-103, 179-180, 193, London General to Tonkin, 1691; 1692, 1695.

²⁵ Dampier, *Voyages and Discoveries*, 72-73.

The refining of silver was another important craft. It was generally more profitable for foreign merchants to have their silver refined before putting it into circulation.²⁶

Cinnamon was another highly sought-after item. However, the court strictly monopolized the production of and trade in this product and severely punished the smuggling of cinnamon. This monopoly was reinforced until the early eighteenth century, when the local people were finally allowed to peel and trade cinnamon provided that they paid tax to the Government.²⁷ Despite the strict court monopoly during the seventeenth century, the contraband trade in cinnamon continued. Nevertheless, the annual quantity of cinnamon was far from substantial. In 1643, for instance, acting on Batavia's demand for cinnamon for the Netherlands, the Dutch factors in Thăng Long purchased 635 catties at the general price of 5 taels per picul. Considering the poor quality of that year's cinnamon which may not have fetched good prices on the home market, the Dutch chief resolved to send this portion of cinnamon to Japan, where it yielded 17 taels per picul on average.²⁸

Musk and gold were also desirable items which foreign merchants, the Dutch in particular, exerted themselves to procure in Tonkin. While gold was important to the Dutch Coromandel trade, musk was in great demand in the Netherlands. The bulk of these two products was not actually produced locally but came from the Chinese provinces of Yunnan and Guangxi and, to a lesser extent, the Kingdom of Laos.²⁹ The Dutch demand for these products increased in the 1650s as their Zeelandia Castle (Formosa) failed to purchase enough Chinese gold to meet requirements on the Coromandel Coast. Batavia therefore urged its factors in Tonkin to import both Chinese and Vietnamese gold for the Coast factories. Unfortunately, political chaos in southern China not only disrupted the flow of Chinese goods to Formosa, it also impeded the export of Chinese gold and musk to northern Vietnam, preventing the Dutch factory in Thăng Long from fulfilling Batavia's demand. The depression in the VOC's Tonkin gold and musk trade did not come to an end until the early 1670s when the Tonkin-China border trade was revived. By this time the Dutch Company was no longer keen on pursuing Chinese gold in Tonkin as from the mid-1660s the Japanese government had granted the Dutch permission to export Japanese gold. The Dutch factory in Thăng Long therefore mainly bought up musk for the Netherlands.³⁰

²⁶ Nguyen Thua Hy, *Economic History of Hanoi*, 175-177.

²⁷ *Lịch triều*, Vol. 3: *Section of National Resources*, 74-75.

²⁸ NA VOC 1145: 647-650, Antonio van Brouckhorst to Batavia, Oct. 1643.

²⁹ Dampier, *Voyages and Discoveries*, 49; Van Dam, *Beschryvinge*, Vol. 2-I, 364-366.

³⁰ *Dagh-register Batavia* 1661, 49-55, 87, 89-91; 1663, 71 and passim; *Generale Missiven* II, 451-452, 781; III, 69, 386-389. On the VOC's demand for gold and musk: Tapan Raychaudhuri, *Jan Company in Coromandel 1605-1690: A Study in the Interrelations of European Commerce and Traditional Economy* (The Hague: Martinus Nijhoff, 1962); Peter Borschberg, "The European Musk Trade with Asia in the Early Modern Period", *The Heritage Journal* 1 (2004): 1-12; See also Chapter Seven for further analyses of the Company's exportation of gold and musk from Tonkin in the latter half of the seventeenth century.

2. *New trends in foreign trade*

And though the Chova [*Chúa*] values foreign trade so little, yet he receives from it, embarrassed as it is, considerable annual incomes into his coffers, as tax, head-money, impositions, customs, &c. But though these amount to vast sums, yet very little remains in the treasury, by reason of the great army he maintains, together with other unnecessary expenses.

Samuel Baron (1685)³¹

A more open trend in foreign trade, the 1500s

The Vietnamese feudal dynasties never sought to encourage trade, especially overseas trade. While domestic trade was limited to the most basic level at which ordinary people could exchange their surplus goods for other daily necessities, foreign trade was strictly monopolized by the court and mainly confined to the tributary trade with China and, to a much lesser extent, with southern vassals such as Laos and Champa. The feudal dynasties neither dispatched ships to other countries for commercial purposes nor did they encourage ordinary people to do so.³² Foreign merchants arriving in Đại Việt were also restricted to living and trading in some coastal market-places only. This certainly contributed to making the Vietnamese, as Tomé Pires accurately portrayed them in the early sixteenth century, "...a very weak people on the sea".³³

Sixteenth- and seventeenth-century political unrest transformed Đại Việt's foreign trade. After supplanting the decaying Lê in 1527, the Mạc dynasty sought to reform the country's economy which had been plunged into a rapid decline. Not only were rural agriculture and handicrafts revived, foreign trade was also stimulated in response to the Mạc's flexible, more liberal outlook on this economic branch. The Đại Việt's internal economic revival in the early years of the Mạc dynasty fortuitously paralleled the expansion of the South China Sea trade networks throughout the sixteenth century which, in turn, considerably stimulated the country's foreign trade. Huge quantities of Vietnamese handicraft products such as silks and ceramics were exported to the international market throughout this century.³⁴

The Mạc's open-minded policy towards foreign trade was scrupulously maintained even after they had been driven out of Thăng Long in 1592 by the Lê/Trịnh, who

³¹ Baron, "Description of Tonqueen", 664.

³² Hồng Thái, "Vài nét về quan hệ giữa Việt Nam và các nước Đông Nam Á trong lịch sử" (Some Features on the Relationship between Vietnam and South-East Asian Countries in History), *NCLS* 3 (1986): 63-69.

³³ Pires, *Suma Oriental*, 114. On Đại Việt regulations on the foreign residence, see, for instance: Riichiro Fujiwara, "The Regulation of the Chinese under the Trịnh Regime and Pho Hien", in *Phổ Hiến*, 95-98; Momoki Shiro, "Đại Việt": 1-34.

³⁴ Guy, "Vietnamese Ceramics in International Trade", 47-61.

undoubtedly realized the tremendous advantage of having foreign merchants in their land for at least two reasons. First and foremost, since handicrafts were following a steady upwards trend in production and offered a substantial quantity of goods for export, the presence of foreign merchants to export these surplus products was extremely important. Therefore, the regular arrival of the Japanese *shuin-sen* between 1604 and 1635 was crucial to the steady development of Tonkinese handicrafts and foreign trade. Hence, what has become known as the Tonkinese silk for Japanese silver trade was embryonically shaped during the early decades of the 1600s. The Tonkin-Japan trading link was fuelled by the Portuguese participation from 1626. In order to cut the heavy losses caused by the *itowappu* (the yarn allotment) on the exportation of Chinese raw silk to Nagasaki, the Portuguese resolved instead to export Tonkinese raw silk.³⁵ This explains the large amount of 965 piculs of Tonkinese yarn the Portuguese procured for their Japan trade in 1636.³⁶ This coincided with the promulgation of the Japanese maritime prohibition (*kaikin*), which not only encouraged the Portuguese but also prompted the Dutch to replace the Japanese at several trading-places in South-East Asia, including northern Vietnam. With active Dutch participation from the late 1630s, the Tonkin-Japan trading orbit continued to grow and this period of florescence lasted until the middle of the 1650s. It was this lucrative trade which lured the English back to the East Asian markets in the early 1670s.³⁷

The second reason for the welcome afforded foreign traders by the Vietnamese rulers, especially the Lê/Trịnh authorities from the early 1600s, was that they were aware of the dual contribution of foreign trade. Besides money in the form of precious metals, the Lê/Trịnh rulers also hoped to procure modern weapons from foreign merchants in order to balance the disparity in armament in their rivalry with the Nguyễn. Prior to the outbreak of the Trịnh-Nguyễn wars in 1627, the Trịnh troops had mainly been armed with China-derived firearms which were evidently far inferior to the modern Western-style weapons employed by the Nguyễn.³⁸ The superiority of the Nguyễn's Western-style weapons offered their troops an advantage over the Trịnh armies. By their second consecutive defeat in 1633, the Trịnh must have realized the superiority of the Nguyễn defensive walls which were defended by Western-style

³⁵ *Itowappu* (Japanese) or *pancado* (Portuguese) was a system in which Chinese silk imported into Japan was purchased by Japanese merchants at prices fixed by the Japanese authorities, namely the heads of the five shogunal cities (Miyako, Edo, Osaka, Sakai, and Nagasaki) in order to prevent rising prices as a result of competition. This system was first applied to the Portuguese in 1604, to the Chinese in 1633, and then to the Dutch in 1641. It was annulled in 1654 and was re-applied from 1685. Innes, *The Door Ajar*, 248-249, 264; Om Prakash, *The Dutch East India Company*, 120-121; Cynthia Viallé and Leonard Blussé, *The Deshima Dagregisters*, Vol. 11 (1641-1650) (Leiden: Intercontinenta, No. 23, 2001), 412.

³⁶ Innes, *The Door Ajar*, 264; George B. Souza, *The Survival of Empire, Portuguese Trade and Society in China and the South China Sea 1630-1754* (Cambridge: Cambridge University Press, 1986), 114.

³⁷ Anthony Farrington, "The English East India Company Documents Relating Pho Hien and Tonkin", in *Phố Hiến*, 148-161; Hoang Anh Tuan, "From Japan to Manila and Back to Europe: The Abortive English Trade with Tonkin in the 1670s", *Itinerario* 29-3 (2005): 73-92.

³⁸ Sun Laichen, "Chinese Military Technologies".

ordnance and piled with high-quality ammunition. The pre-eminence of the Western cannon and pistols the Portuguese presented the Trịnh rulers on their arrival in the late 1620s prompted the latter to seek out an alliance with a European power for the purpose of obtaining Western-style weapons. This explains why Portuguese merchants were warmly welcomed and Portuguese priests were allowed to preach with considerable freedom in northern Vietnam during the first few years after their first arrival in 1626.³⁹ But after they found out about the continuing Portuguese intimacy with their Nguyễn rivals, the Trịnh began to lure the Dutch into an alliance with them by offering the Dutch Company many attractive trading privileges. At this point it must be said that before making any alliance with European powers, the Trịnh had endeavoured to buy foreign weapons from Asian merchants trading to their land.⁴⁰

In short, the Mạc's policies of opening up foreign trade was assiduously cultivated and slightly modified in the early reigns of the Lê/Trịnh Government to tie in with their weapon-seeking strategy. This was the key factor which transformed the seventeenth-century foreign trade of Tonkin into a "golden era" and, more significantly, gave birth to an unprecedented commercial system which is briefly discussed in the following section.

The birth of the seventeenth-century commercial system

As far as the transformation of Đại Việt's foreign trade is concerned, the Mạc's more open outlook on foreign trade and the Lê/Trịnh's continuation and modification of these flexible policies gave birth to an inter-related commercial system which prevailed in the foreign trade of Tonkin throughout the seventeenth century. This was stimulated by a new element: the presence of foreign merchants in the capital Thăng Long and other inland commercial centres. It seemed that by the dawn of the 1600s, foreign merchants were allowed to reside and trade in Thăng Long and Phố Hiến. The presence of foreigners in various inland cities was the key factor in the emergence of an unprecedented commercial system which consisted of three places located along the "River of Tonkin": Doméa, Phố Hiến, and Thăng Long.⁴¹ These three places were functionally different to but organically interrelated with each other.

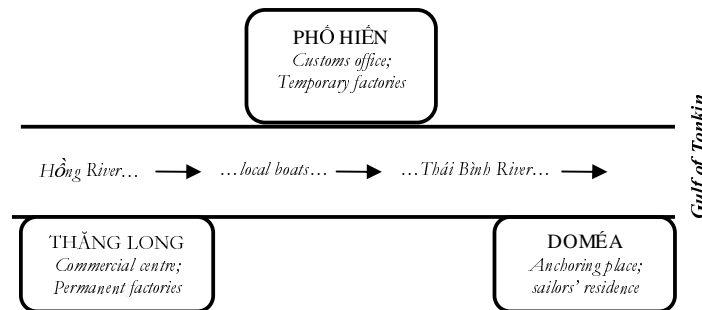
³⁹ Rhodes, *Histoire du Royaume de Tunquin*, 135.

⁴⁰ Japanese passengers on vessels visiting northern Vietnam in the 1630s reportedly sold weapons to the Vietnamese. Innes, *The Door Ajar*, 149-150.

⁴¹ The "River of Tonkin" in the Western documents was actually a complex of several rivers which linked the capital Thăng Long with the sea. The Hồng River rises from China and flows to the Gulf of Tonkin passing the capital Thăng Long. In the province of Hưng Yên, it splits into two main river systems: the Hồng River system flows past the modern city of Nam Định and the Thái Bình River system flows past present-day Hải Phòng city. The "River of Tonkin" in the Dutch and English texts includes the Hồng River from Hanoi to Hưng Yên and the Thái Bình River system from Hưng Yên to the sea.

Doméa (today Tiên Lãng district of Hải Phòng City) was no more than an anchorage and temporary residence for foreign sailors according to the Dutch and English documents. After having navigated safely through the channel of the sandbar, foreign ships sailed up to Doméa, a riverine village which in those days was located five or six leagues from the sea. Here, cargoes were unloaded and conveyed to Phố Hiến and Thăng Long on river barges. When the trading season ended and export cargoes were ready, local boats again shipped these cargoes down to Doméa to be loaded on board ships. During the trading season, crews rested at Doméa for about two months to repair their ships and prepare provisions for their departures. Should one ship have to wait for a longer time, the crew could reside in riverside houses which were erected specifically for foreign sailors. There were no large-scale business transactions at Doméa, beyond daily services and the supply of provisions.⁴²

Figure 1 The commercial system of seventeenth-century Tonkin



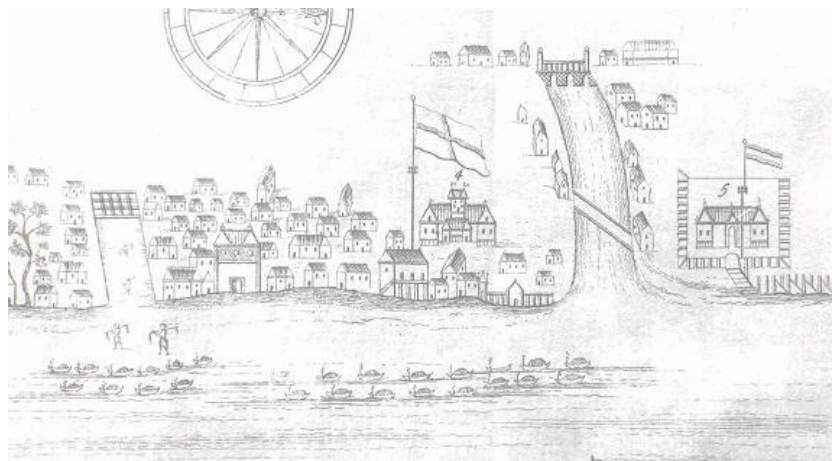
Phố Hiến was a customs town lying between the anchorage Doméa and the political and commercial centre Thăng Long. Phố Hiến, with the seat of the governor, controlled all river traffic passing the town. In certain periods, foreign merchants had to establish their temporary factories and residence here. The Dutch had a short residence at Phố Hiến between 1637 and 1640, as did the English during the 1672-1683 period.⁴³ The development of Phố Hiến must have been stimulated by the presence of foreign merchants, though often only for short times. As soon as these foreigners moved up to

⁴² Because of the dearth of written sources, Vietnamese researchers used to consider Doméa a port-city or a commercial centre with large-scale business transactions. (Nguyễn Thừa Hỷ, “Sông Đàng Ngoài và Doméa: Một đô thị cổ đã biến mất” [The Tonkin River and Doméa: A Vanished Town?], *XN* 4 (1994): 24-25; Đỗ Thị Thuỳ Lan, “Vùng cửa sông Đàng Ngoài thế kỷ XVII-XVIII và dấu tích hoạt động của thương nhân phương Tây” [The Area of the Estuary of the Tonkin River in the Seventeenth and Eighteenth Centuries and the Remains of the Commercial Activities of Western Merchants] (BA Thesis, Vietnam National University, Hanoi, 2003), 57-82. This hypothesis is not supported by the Dutch and English documents which depict Doméa as nothing more than an anchorage at which sailors awaited business transactions which were carried out in the capital Thăng Long.

⁴³ C.B. Maybon, “Une Factorerie anglaise au Tonkin au XVII^e siècle (1672-1697)”, *BEFEO* 10 (1910): 169-204; Farrington, “The English East India Company”, 148-161; Nguyễn Quang Ngọc, “Some Features on the Dutch East India Company and Its Trade Office at Pho Hien”, in *Phố Hiến*, 132-141.

Thăng Long, the commercial life of Phố Hiến declined.⁴⁴ On their arrival in the summer of 1672, the English disappointedly depicted Phố Hiến in the following way: "...it is so farr from all commerce, we can doe noething, noe merchants come to us". Therefore, the English thought of ways to escape Phố Hiến for Thăng Long, but they did not get permission to reside and trade in the capital by the court until 1683. The English always visited Thăng Long, where they rented houses for several months while they carried out their business and they returned to their factory at Phố Hiến when the trading season had ended. By the late 1680s, Phố Hiến had grown so commercially desolate that, although it was still a sizeable town with around 2,000 houses, "...the Inhabitants are most poor people and soldiers".⁴⁵ After a brief period of commercial successes, from the middle of the seventeenth century, Phố Hiến mainly functioned as a customs town. Foreign merchants sailing between Doméa and Thăng Long often called here to report their passage and offer presents to the Governor.⁴⁶

Illustration 8 A part of Thăng Long, the capital of Tonkin, showing the Dutch and English factories. The Dutch held a factory throughout the 1640-1700 period, while the English had a brief residence here between 1683 and 1697



⁴⁴ Indigenous literature and poems praised the prosperity of Phố Hiến throughout the seventeenth century, setting up contradictions to the information derived from Dutch and English records. For research on Phố Hiến using indigenous sources, see, for example, Trương Hữu Quỳnh, "The Birth of Pho Hien", in *Phố Hiến*, 29-38; Nguyen Tuan Thinh, "Stele of Chuong Pogoda and the Past Appearance of Phố Hiến", in *Phố Hiến*, 142-144.

However, quantitative analyses of data from two local stelae at Phố Hiến reveal not such prestigious a picture of Phố Hiến, indicating an agrarian instead of a commodity-economy town. Detailed information on this research can be found in Vu Minh Giang, "Contribution to Identifying Pho Hien through two Stelae", in *Phố Hiến*, 116-124.

⁴⁵ Dampier, *Voyages and Discoveries*, 17-18.

⁴⁶ This duty seemed to be slack by the last quarter of the century. In 1672, for instance, the English on their way to Thăng Long bypassed the audience with the governor as they were informed that he could not entertain them until they had paid their respects to the prince in the capital. BL OIOC G/12/17-1: 11, English factory records, 13 Jul. 1672.

Thăng Long, the forerunner of modern Hanoi, was not only the political headquarters but also the biggest commercial centre of Đại Việt and Tonkin until the late eighteenth century. The prosperity of Thăng Long probably reached its peak during the seventeenth century thanks to the planned development of handicraft industries, the expansion of the foreign trade, and, remarkably, the presence of foreign merchants in the city. During the seventeenth century, most of the export products of Tonkin were manufactured either within or in the vicinity of Thăng Long, which ensured that the capital was an important economic centre.⁴⁷ Foreign products were sold there and local export merchandise gathered in Thăng Long was then shipped down to Doméa to be loaded on board foreign ships.

Because Thăng Long was the biggest rendezvous in Tonkin, foreign merchants preferred to settle there to other places. Consequently, the number of foreigners residing in the capital grew steadily and this growth was of great concern to the Lê/Trịnh rulers who, from the middle of the century, issued a series of decrees to restrict and gradually reduce the number of foreigners dwelling in the capital to transact their business. After the half-hearted court policies in the 1650s and 1660s, the Chinese were finally forced to leave the capital for other places in the 1680s. Despite their eviction, they still tried in one way or the other to visit Thăng Long during the trading season. After that, the Dutch (and the English from 1683 onwards) were the only foreigners who were allowed to dwell and conduct business in Thăng Long. From this time, however, commercial activities in Thăng Long fell into a rapid decline. Shortly after the court had banished the Chinese, one after another European merchant abandoned the trade with Tonkin, mainly because it had become unprofitable, although the draconian measures of the court against foreign merchants may have played a role as well. As a result, the commercial function of Thăng Long was considerably reduced.

In short, the seventeenth-century commercial system of Tonkin burgeoned from the constant enlargement of its foreign trade. In turn, this commercial system facilitated the development of the overseas trade of the country. As court policies on foreign merchants were tightened and their trade with Tonkin simultaneously became less profitable, foreign merchants gradually left northern Vietnam. The commercial system lying along the “Tonkin River” consequently faded. In addition to the draconian measures of the court hampering foreign merchants, deteriorating trading conditions also discouraged them as their trade with this country was less lucrative. The following part discusses the major hindrances which obstructed foreign merchants once they arrived in Tonkin to trade.

⁴⁷ Nguyen Thua Hy, *Economic History of Hanoi*, 154-220; Reid, *Southeast Asia in the Age of Commerce*, Vol. 2, 63.

Complicated trading conditions

As for foreign traders, a new comer suffers, besides hard usage in his buying and selling, a thousand inconveniences, and no certain rates on merchandizes imported or exported being imposed, the insatiable mandareens caused the ships to be rummaged, and take what commodities may likely yield a price at their own rates, using the King's name to cloak their griping and villainous extortions, and for all this there is no remedy but patience.

Samuel Baron (1685)⁴⁸

The complication of the transportation system was the first challenge which faced foreign merchants trading with Tonkin. The main estuary of the “River of Tonkin”, that is the modern Thái Bình estuary, was naturally barricaded by a long, large sandbar which offered a relatively large but shallow channel for ships to sail through. In order to navigate this channel safely, ships needed a combination of favourable wind, high tide, and, more crucially, the skilled assistance of local pilots who were mainly fishermen living in a coastal village called Batscha, probably present-day Phương Đồi village of Tiên Lãng district, Hải Phòng city. In the early 1630s, the Dutch described the channel through the sandbar as “...very dangerous [...], a Japanese junk had been shipwrecked a few years earlier after having touched the hard-sand seabed”.⁴⁹ The channel silted up year by year because of the annual alluvium deposited in it. By 1648, only a decade after their first arrival, the Dutch factors in Tonkin became so anxious about the rapid silting up of the Thái Bình estuary that they appealed to the High Government from then on to send only shallow-draught flute ships which could carry relatively large cargoes to Tonkin and Formosa. They should not draw more than twelve feet of water.⁵⁰ In the same year, Philip Schillemans, the Dutch chief in Thăng Long, applied to the Lê/Trịnh court for permission to enter Doméa through the Văn Úc estuary, which was located farther north of the mouth of the Thái Bình River. This petition was granted. Any sense of relief was short-lived as the Dutch soon realized that the Văn Úc River was neither deeper nor safer than the Thái Bình estuary. The request for shallow-draught flute ships was again sent to Batavia.⁵¹

By the time the English arrived in Tonkin in 1672, the hazard presented when sailing through the channel had become a great challenge for foreign ships, especially Western vessels. The English crossed over “the barr with much hazard and danger but

⁴⁸ Baron, “Description of Tonqueen”, 663.

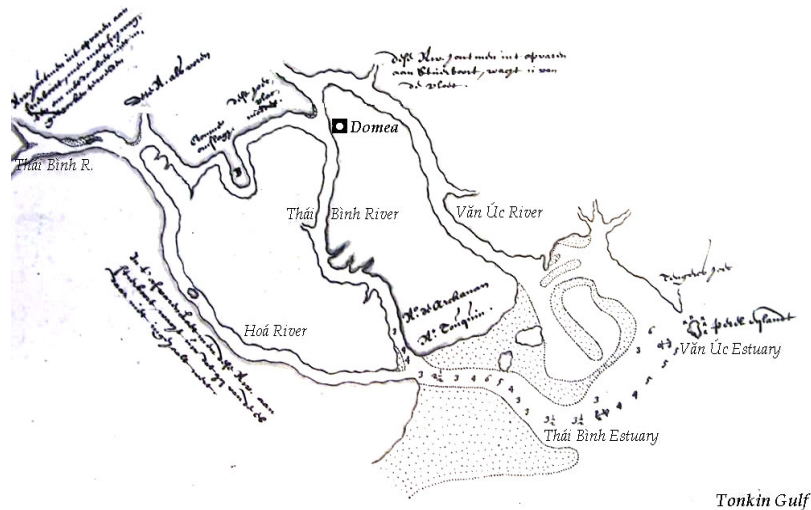
⁴⁹ *Dagh-register Batavia* 1636, 69-70.

⁵⁰ NA VOC 1172: 495-513, Schillemans and Van Brouckhorst to Batavia, 19 Nov. 1648; *Generale Missiven* II, 356-357.

⁵¹ *Generale Missiven* II, 389-391, 465. On the natural characteristics of the river systems in northern Vietnam, see Lê Bá Thảo, *Thiên nhiên Việt Nam* (Nature of Vietnam) (Hanoi: KHK, 1977).

(blessed be God) in safety, onely lost a boate and an anchor”.⁵² Sixteen years later, an Englishman accounted this hazardous entrance in the following words: “...the channel of the bar is hard sand, which makes it the more dangerous; and the tides whirling among the sands, set divers ways in a tides time; which makes it the more dangerous still”.⁵³ The depth of the channel varied from season to season, standing as low as sixteen feet during the spring tide (May-July) and reaching twenty-seven feet on average during the neap tide season (November-January). Because most European ships, with the exception of some Dutch and Chinese vessels from Japan making port there in the winter time, arrived in Tonkin from southern quarters around the summer, the ebb-tide season, they needed assistance from local pilots.⁵⁴

Illustration 9 The Thái Bình estuary or the main entrance of the “River of Tonkin”



Having safely crossed the sandbar, ships entered the Thái Bình River and sailed about six leagues up to their anchorage at Doméa. Shortly after ships had anchored at Doméa, *capados* (local mandarins, often eunuchs, representing the *Chúa* and the Crown Prince in dealing with foreign merchants) went down to Doméa to register the people on board, list merchandise and money, receive presents, and purchase desirable merchandise for the royal families. Only after the mandarins had visited and inspected the ships, could the cargoes be discharged and the ships repaired and provisioned for their departure. Unloaded cargoes would be conveyed to Thăng Long or/and Phố Hiến on board local boats which were chartered at reasonable prices. Local rowing boats were the major

⁵² BL OIOC G/12/17-1: 4, English factory records, 25 Jun. 1672.

⁵³ Dampier, *Voyages and Discoveries*, 15.

⁵⁴ Classical descriptions of river transportation in Tonkin can be found in *Dagh-register Batavia* 1636, 69-74; Valentyn, *Oud en Nieuw Oost Indiën*, Vol. 3, 1-6; Van Dam, *Beschryvinge*, Vol. 2-I, 363-363; Dampier, *Voyages and Discoveries*, 14-16; Baron, “Description of Tonqueen”, 658-659; Richard, “History of Tonquin”, 712. An interesting analysis of the tides of the Gulf of Tonkin during the seventeenth century can be found in David E. Cartwright, “The Tonkin Tides Revisited”, *The Royal Society* 57-2 (2003): 135-142.

vehicles to ferry merchants and merchandise between Doméa and Phố Hiến/Thăng Long.

Besides presents and goods for the *Chúa*, princes, and high-ranking mandarins, foreign merchants were obliged to deliver a certain amount of their money, mainly silver and copper, to these noblemen in exchange for raw silk and piece-goods. The amount of precious metal handed over differed from nation to nation. While the Chinese were generally exempted from this obligation, every trading season the Dutch had to advance on average 25,000 taels of silver to the *Chúa*, around 10,000 taels to the Crown Prince, and approximately 1,000 taels to each high-ranking *capado*. These amounts could occasionally be decreased if the Dutch had little silver that particular year. Because the local rulers often supplied bad silk and at much higher prices, the Dutch and other foreigners always tried to conceal part of their money so that they could spend more on goods on the free markets. In 1644, for instance, the Dutch brought as many as 100,000 taels to Tonkin but they pretended to have no more than 20,000. After many arguments, the *Chúa* reluctantly accepted 12,500 taels, reminding the Dutch to advance the full amount of 25,000 taels the next year.⁵⁵ There were also occasions when the Dutch failed to buy silk from local producers, hence, willingly offered more silver to the local authorities. In 1649, for instance, the Dutch offered the *Chúa* and the Crown Prince 46,735 taels in total in order to receive 355 piculs of raw silk from them. The reason for this acquiescence was that the powerful, high-ranking mandarin, Ongiatule, had falsely accused the Dutch of attacking and destroying the Japanese Resimon's junk in which Ongiatule had shares. The *Chúa* said that if the accusation was proved, he would kill all Dutch people currently living in his country. Local people, fearing the consequences, did not dare to deal with the Dutch.⁵⁶

With the exception of presents and the money advanced to local rulers for the delivery of silk, foreign merchants were exempted from all import and export taxes.⁵⁷ This was said to be more advantageous to the foreigners than having them pay taxes, considering the high customs duties they had to pay for every arrival at and departure from Quinam. According to the Nguyễn scales of taxation, each European-rigged ship had to pay 8,000 and 800 *quan* (one *quan* varied between 0.5 and 1.0 guilder) respectively for its arrival and departure, while an Asian vessel paid approximately 3,000 for its arrival and 300 *quan* for its departure.⁵⁸

⁵⁵ NA VOC 1156: 147-148, Antonio van Brouckhorst to Batavia, 26 Jan. 1644; Buch, "La Compagnie" (1937): 121.

⁵⁶ Buch, "La Compagnie" (1936): 130.

⁵⁷ Idem: 153; A. Lamb, *The Mandarin Road to Old Huế: Narratives of Anglo-Vietnamese Diplomacy from the 17th Century to the Eve of the French Conquest* (London: Chatto & Windus, 1970), 50.

⁵⁸ The duty on Asian vessels varied between 300 and 4,000 *quan* for each arrival and between 30 and 400 *quan* for each departure. Lê Quý Đôn, *Phủ biên tạp lục* [A Compilation of the Miscellaneous Records When the Southern Border Was Pacified] (Hanoi: KHXH, 1977), 231-232. See also Li Tana, *Nguyễn Cochinchina*, 83.

Because the *Chúa* often bought foreign goods at very low prices, sometimes lower even than the purchase prices, the mandarins preferred to take foreign goods in his name so that they could also benefit from the low prices. Out of their depth, foreign merchants preferred to avoid dealing with local rulers. There was a general regulation that mandarins were obliged to pay foreigners once the *Chúa* had paid. But it was a false security as the mandarins in charge of the royal family's business often delayed payments. To collect overdue and long-standing debts, foreigners had to submit petitions to the *Chúa*, who then ordered their debtors to honour these within a certain time.⁵⁹

Only after the local rulers had bought what they wanted, could foreign merchants commence the sale of the remaining part of their cargoes, mainly to local brokers. In order to commence their business transactions, they needed to have a *chop*, a trading licence from the court, which would permit them to trade freely. Each licence was valid for one trading season only, hence, foreigners needed to apply for a new *chop* on their arrival. With a *chop* in hand, they were supposed to trade freely with the local traders, but in reality, this licence could be obstructed by local mandarins. In order to manipulate the sale of foreign merchandise on the local market as well as the supply of local goods to foreign merchants, some influential eunuchs did their best to prevent foreigners from trading directly with local people. Besides high-level obstruction, foreign traders also faced strong competition from both local brokers, foreign speculators living permanently in Tonkin, and fierce rivals among themselves. On their first arrival in 1637, for instance, the Dutch, despite the trading privileges offered by the *Chúa*, faced harmful obstruction from local mandarins who wanted to monopolize the supply of local silk to the VOC.⁶⁰ This kind of obstacle not only remained unresolved, it even worsened as the *Trịnh* rulers gradually revoked the trading privileges, the baits that they had originally used to lure the Dutch into a military alliance with them between 1637 and 1643. In 1649 the Dutch factory in Thăng Long was virtually isolated. The eunuchs who had long been endeavouring to monopolize the silk supply to the Company sent their servants prowling around the Dutch residence armed with bamboo sticks to beat off any local people coming to the Dutch factory to sell silk. The Dutch complained about this to the *Chúa*, who offered them no remedy but a frigid answer: "I have not summoned you to my country".⁶¹ As Tonkin's wars with Quinam eventually ended in 1672, the former's need of foreign weapons also eased off, hence and consequently the *Trịnh*'s interests in foreign trade declined. In 1672, when the English arrived in Tonkin for the first time, they were put in their place by a local mandarin, who made it clear to them that "...while wee [the English] were out wee might have

⁵⁹ *Generale Missiven II*, 389; Dampier, *Voyages and Discoveries*, 49-50.

⁶⁰ NA VOC 1124: 53-79, Log of the voyage of the ship *Grol* to Tonkin in 1637; J.M. Dixon, "Voyage of the Dutch Ship 'Groll' from Hirado to Tongking", *Transactions of the Asiatic Society of Japan* 9 (1883): 180-215.

⁶¹ *Generale Missiven II*, 389-390.

kept out. The king was king of Tonkin before wee came and would be after we were gone, and that this country hath noe neede of any forreigne thing”.⁶²

What worried foreign merchants most was that the legal system did not provide any surety for the conduct of trade. The mandarins in charge of dealing with foreign merchants handled matters in a way which pleased them and from which they could obtain profits.⁶³ If the foreigners ran into difficulties, they had to address themselves to the mandarins whose benevolence depended on the copiousness of the gratuity they received. In the spring of 1644, for instance, the Dutch in Thăng Long had to bribe the Minister of Justice when petitioning him to secure a stay of execution for some drunken Dutchmen who had badly injured court servants in a blazing row in which a Dutchman had been killed.⁶⁴ The only channel of communication was through the interpreter, who himself also operated as a trader or broker. Consequently, his loyalty to his foreign employers was often doubtful as he was also subjected to the mandarins’ pressure. Aware of this predicament, foreigners always tried to find non-native interpreters in order to lessen their dependence on the people of Tonkin.⁶⁵

Despite all the difficulties and setbacks, foreign merchants doggedly pursued their trade with Tonkin throughout the seventeenth century. The reason, needless to argue, lay in the handsome profits, as the English senior merchant himself confessed in 1673, after sadly bemoaning the virtually unbearable trading conditions in northern Vietnam. “The Dutch have long experienced these things and very many affronts”, wrote the English chief, “but because they have noe way to revenge themselves of them and finding good profit upon their silk for Japan, they suffer patiently, as we must doe if we contynue here”.⁶⁶ The following section briefly introduces the principal foreign merchants trading with Tonkin throughout the seventeenth century, whose presence was unquestionably the central abutment which bridged the isolated Gulf of Tonkin to connect the kingdom of Tonkin to the outside world during this commercial century.

⁶² BL OIOC G/12/17-1: 6-7, English factory records, 3 Jul. 1672. See also Hoang Anh Tuan, “From Japan to Manila and Back to Europe”: 73-92.

⁶³ BL OIOC G/12/17-8: 304-308, English factory in Tonkin to London and Banten, 29 Dec. 1682.

⁶⁴ Buch, “La Compagnie” (1937): 122.

⁶⁵ BL OIOC G/12/17-2: 100-105, English factory in Tonkin to London, 2 Feb. 1674.

⁶⁶ BL OIOC G/12/17-2: 88-92, English factory in Tonkin to Banten, 5 Oct. 1673.

3. *Foreign merchants*

With all these rich Commodities, one would expect the People [of Tonkin] to be rich; but the Generality are very poor, considering what a Trade is driven here. For they have little or no Trade by Sea themselves, except for Eatables, as Rice and Fish, which is spent in the Country. But the main Trade of the Country is maintained by the *Chinese*, *English*, *Dutch*, and other Merchant Strangers, who either reside here constantly, or make their annual Returns hither.

William Dampier (1688)⁶⁷

The Chinese

China remained the main trading partner of Đại Việt even after it became independent in the early tenth century. Although the Chinese Song dynasty banned its subjects from trading with several “barbarous” lands, including Vietnam, until the early twelfth century, Chinese trading vessels sometimes “drifted” to the southern neighbour of Đại Việt, where they were warmly welcomed by local people. Upon their return, they carried home valuable cargoes of textiles and cash.⁶⁸ The thirteenth-century Mongol conquest of China severely affected the opportunity of Chinese merchants to trade with Vietnam. It also forced Đại Việt to reduce its foreign trade and impose a strict control on foreign traders to its country to prevent the infiltration of Chinese spies. After successfully expelling the Ming occupation and restoring the independence of the country in 1428, the Lê dynasty relaxed the state vigilance on Chinese merchants a little. Even so, foreign merchants were allowed to reside and trade at nine appointed trading-places only. In the southern provinces of Nghệ An and Hà Tĩnh, Chinese merchants could also trade at three market-places.⁶⁹ In general, despite its relaxation of policies towards foreign trade, the Lê dynasty continued to exert vigilance in dealing with foreign trade as well as with foreign merchants trading in its territories. The Lê Code which was in force at the end of the fifteenth century, for instance, included several articles strictly regulating foreign merchants, especially the Chinese.⁷⁰

Despite the Vietnamese rulers’ harsh measures against them, Chinese merchants were not deterred from regularly visiting Vietnam. It is presumed that they were the major carriers of Vietnamese ceramics to the international market during the first half of the sixteenth century. In his *Summa Oriental* written in the early 1500s, Tomé Pires noted that the Vietnamese “...rarely come to Malacca in their junks. They go to China, to Canton [...] to join up with the Chinese; then they come for merchandise with the

⁶⁷ Dampier, *Voyages and Discoveries*, 49.

⁶⁸ Momoki Shiro, “Dai Viet”: 1-34.

⁶⁹ Idem.

⁷⁰ See Articles 612-616 of the Lê Code of *Quốc Triều hình luật*, 221-223.

Chinese in their junks”.⁷¹ After the Ming lifted its ban on foreign trade in 1567, the number of Chinese junks trading to Đại Việt presumably increased, despite the fact that the number of *wenyin*, the licence granted by Chinese authorities to junks sailing abroad, issued for northern Vietnam was relatively small. This official figure is contradicted by a late sixteenth-century account which states there was a great number of Chinese vessels leaving Chinese ports for neighbouring countries either with or without a licence issued clandestinely by governors of China’s southern seaports.⁷² These “neighbouring countries” certainly included Đại Việt, considering the shortness of the voyage as well as the long-standing trading relationship between the two countries. Another Chinese document written in 1593 reveals the fact that despite the Ming prohibition on Chinese people from trading with the Japanese, “...villainous merchants recklessly send goods to Giao-chi and other places where Japanese come to trade with them.” “Giao-chi” (Jiaozhi) here obviously refers to Đại Việt or northern Vietnam.⁷³ The statement contained in this document is strongly supported by the fact that by the early 1590s, Japanese *shuin-sen* began to visit northern Vietnam.⁷⁴

The more open attitude of the Vietnamese Mạc dynasty (1527-1592) towards foreign trade encouraged Chinese merchants who wished to trade with Đại Việt. The number of overseas Chinese residing in northern Vietnam seemed to grow constantly throughout the sixteenth and seventeenth centuries. Since Đại Việt needed to exchange surplus handicraft products for precious metals and other necessities, the Vietnamese feudal rulers had to thaw their frigid attitude towards the expansion of foreign trade. The Chinese and other foreigners reportedly resided and traded in inland commercial centres such as Phố Hiến and Thăng Long.⁷⁵

The Chinese community in the capital grew so quickly that in 1650, the court, mindful of the ongoing political turmoil in China after the collapse of the Ming dynasty in 1644, ordered all foreigners, but with the Chinese especially in mind, to be moved to the southern quarters of Thanh Trì and Khuyến Lương, which were about five kilometres from the capital.⁷⁶ Although the implementation of this plan was delayed and foreign merchants continued to live in the capital, the concern of the court about the Chinese did not diminish. During the 1663 nationwide survey on foreigners residing in Tonkin, the Chinese were split into two categories: permanent and temporary residents. Three years later, the court ordered that Chinese who wanted to live permanently in

⁷¹ Pires, *Summa Oriental*, 115.

⁷² Juan Gonzalez de Mendoza, *The History of the Great and Mighty Kingdom of China*, reprinted from the translation of R. Parke and edited by Sir George T. Staunton (London: Hakluyt Society, 1853), 95. Details on the *wenyin* licences issued for various destinations between 1589 and 1592 can be found in Innes, *The Door Ajar*, 53.

⁷³ “Giao-chi” was a Chinese name for northern Vietnam. Innes (*The Door Ajar*, 54), however, believed that the “Giao-chi” mentioned in this record referred to Hội An (Faifo) in central Vietnam.

⁷⁴ Innes, *The Door Ajar*, 56.

⁷⁵ Chau Hai, “The Chinese in Pho Hien and Their Relations with Other Chinese in other Urban Areas of Vietnam”, in *Pho Hien*, 211.

⁷⁶ *Generale Missiven II*, 450-452; Fujiwara, “The Regulation of the Chinese”, 97-98.

Tonkin had to register as a member of Vietnamese families and adopt Vietnamese customs which would involve changing their hairstyle, the way of dress, and the like. In 1687, the Government stepped up its control of the overseas Chinese, forcing them to leave the capital Thăng Long for surrounding areas. After this ukase, the Chinese could only visit the capital with a written permission granted by local authorities. Smarting from these harsh regulations, with the exception of those who were content to move to Phố Hiến, most of the Chinese left Tonkin for other countries.⁷⁷

In order to compete with other foreign merchants trading in Tonkin, the overseas Chinese established a solid trading network to promote mutual assistance. Wealthy Chinese owned silk workshops and willingly offered their products to their countrymen at reasonable prices. Chinese middlemen gathered local goods during the off season and sold them to Chinese merchants during the trading season. There is abundant evidence that most of the Chinese junks arriving annually in Tonkin were involved in the export of Tonkinese silk to Japan. Utilizing their well-established trading networks, these Chinese wasted no time in buying cargoes of silk and left for Japan before the Dutch were in a position to do so. After the autumn sale in Nagasaki, these Chinese merchants returned to Tonkin with sufficient quantities of Japanese silver to purchase more Vietnamese silks.

Besides relying on their solid trading networks, the Chinese sometimes received financial support from Japanese officials who secretly invested money in the Tonkin-Japan silk trade. In the 1646-1647 trading season, for instance, a part of the 80,000 taels which the Chinese brought to Tonkin was contributed by Japanese officials in Nagasaki. In Tonkin, by offering higher prices to local silk-producers, the Chinese had no problem acquiring 400 piculs of raw silk and a large number of silk piece-goods and departed for Japan in early July. Only after the Chinese had sailed away could the Dutch begin their transactions and then leave for Japan in August.⁷⁸ Although the Tonkin-Japan silk trade showed a steady decline from the mid-1650s, a considerable number of Chinese merchants were still involved in this trade route. As revealed from the journal registers of the English factory in Tonkin, the English failure to export local silk to London was often caused by the fierce Chinese competition. In 1676, for instance, the English factory could not purchase enough silk piece-goods for Europe because five Chinese junks had "...swept the country of what silk was made".⁷⁹

Besides the Chinese involved in the Tonkin-Japan silk trade, there was a small number of overseas Chinese trading between Tonkin and other South-East Asian ports, but the volume of this trade was relatively small. Another community of overseas Chinese in northern Vietnam was involved in the Tonkin-China border trade. These Chinese, co-operating with Vietnamese merchants, re-exported such foreign

⁷⁷ *Cương mục*, 300; Fujiwara, "The Regulation of the Chinese", 97; Chau Hai, "The Chinese in Pho Hien", 210-216.

⁷⁸ Buch, "La Compagnie" (1937): 124.

⁷⁹ BL OIOC G/12/17-4: 216-220, English factory in Tonkin to Banten, 30 Nov. 1677.

merchandise as South-East Asian spices and European textiles from northern Vietnam to southern China. The return trade consisted of, among other miscellaneous items, Chinese gold and musk which were in great demand among European merchants in Tonkin. This border trade seemed to flourish from the early 1650s, profiting from the stagnation of the mainland China-Formosa trade which diverted the flow of Chinese gold and musk to northern Vietnam at the expense of Formosa. After a little more than a decade, from the early 1660s, the Tonkin-China border trade was very adversely affected by the political chaos in southern China.⁸⁰

Commercial setbacks in conjunction with the measures taken by the court from the mid-seventeenth century which damaged the Chinese, discouraged Chinese merchants from maintaining their trade with the Lê/Trịnh domain. After having been expelled from the capital Thăng Long in the late 1680s, a large number of overseas Chinese decided to leave Tonkin for other countries. Those who were content to move to Phố Hiến and the border town of Quảng Yên in the present-day north-eastern province of Quảng Ninh continued to trade, albeit on a lesser scale. By the late seventeenth century, the Dutch, who had vainly tried to establish a permanent factory at Quảng Yên in the early 1660s, noted that this town had been transformed into a commercial hub in the wake of the removal of the Chinese to this place. Although such inland commercial places as Thăng Long and Phố Hiến rapidly declined from the late 1680s, profiting from the presence of the Chinese, Quảng Yên continued to thrive in the next century.⁸¹

The Japanese

The relationship between Vietnam and Japan presents a fascinating picture. The initial contact between the two countries may have commenced in 1509, when a Ryukyuan delegation visited Đại Việt.⁸² For a very long while after that brief encounter nothing more was heard, probably because of the chaotic situation in the island empire which was the theatre of civil war. In 1592, of the nine licences which *Kampaku* Toyotomi Hideyoshi, the military ruler of Japan, issued to junks trading abroad, one was granted to a vessel which sailed to northern Vietnam.⁸³ This does not exclude the possibility that the Japanese already visited the Vietnamese coast earlier than the issue of this 1592 licence. An entry in the Vietnamese annal *Đại Việt sử ký toàn thư* vaguely implies the presence of Japanese merchants and pirates along the Vietnamese coast in the 1550s.⁸⁴

⁸⁰ *Dagh-register Batavia* 1657; 1659; 1661.

⁸¹ NA VOC 8364: 1-3, Sibens to Batavia, 10 Jan. 1692. See also Buch, "La Compagnie" (1937): 186.

⁸² Takara Kurayoshi, "The Kingdom of Ryukyu and Its Overseas Trade", in J. Kreiner (ed.) *Sources of Ryukyuan History and Culture in European Collections* (Munich: Ludiclan Verlag, 1996), 49.

⁸³ Innes, *The Door Ajar*, 54.

⁸⁴ The *Toàn thư* (III, 132) records that in the tenth lunar month of 1558, Chancellor Trịnh Kiểm requested the Lê Emperor that Duke Nguyễn Hoàng be promoted Governor of Thuận Hoá to guard against the "eastern pirates". Historians largely believed that these vaguely mentioned "eastern pirates"

This is endorsed by a Chinese document written in the early 1590s which confirms that the Japanese regularly visited Chao Chi (a Chinese term which was synonymous with Đại Việt or northern Vietnam) to buy silks from Chinese merchants.⁸⁵

Cogently, northern Vietnam was far from important to the Japanese in their hunt for Chinese silk. Since the late sixteenth century, the seaport of Hội An in Quinam had enjoyed a reputation among foreign traders as an important rendezvous, where Chinese ships carrying valuable cargoes of silk arrived annually.⁸⁶ Most of the Japanese *shuin-sen* which traded with Vietnam made port at Hội An. The reason was not only the fame of Quinam as a rendezvous but its reputation as a producer of several key export items such as aloes wood and calambac. In this it surpassed Tonkin which offered merely local products, most notably silks and textiles. Unsurprisingly, and in marked contrast, the Nguyễn's international outlook and flexible policies towards the foreign trade of Quinam also encouraged foreign merchants to make use of Hội An and turned it into an international entrepôt throughout the seventeenth century.⁸⁷

In contrast to the Nguyễn's successful dealing with the Japanese, the Trịnh were not only incapable of utilizing the *shuin-sen* system, they even irritated the Japanese rulers with their half-hearted attempts at diplomacy. While the Nguyễn had contacted the Japanese *bakufu* through Japanese *shuin-sen* merchants as early as 1600, the Trịnh only sent their first diplomatic letter to Edo nearly a quarter of a century later in 1624 in rather indifferent terms expressing their wishes to create a good relationship with the Japanese Government.⁸⁸ It seemed that increased hostilities with the Nguyễn prompted the Trịnh to consider widening their international relationships in order to support their military campaigns. There is also a sound possibility that some Japanese merchants trading between Japan and Tonkin, who also acted as diplomatic agents for the Shogun in dealing with northern Vietnam, may have influenced the Trịnh rulers to promote the bilateral relationship between Tonkin and Japan. In 1628, one year after the official outbreak of the Trịnh-Nguyễn wars, *Chúa* Trịnh Tráng dispatched a second letter to the Shogun Iemitsu. The style of this letter, however, was so arrogant that the Japanese Shogun, annoyed by the Trịnh's haughtiness and bearing in mind his favourable

were Japanese pirates who were raiding along the Vietnamese coast. See: Taylor, "Nguyễn Hoàng", 45-46; Nguyễn Văn Kim, "Quan hệ Việt Nam-Nhật Bản thế kỷ XVI-XVII: Góp thêm một số tư liệu và nhận thức mới" [Vietnam-Japan Relations in the Sixteenth and Seventeenth Centuries: New Documents and Reassessments], in Idem, *Nhật Bản với Châu Á*, 121.

⁸⁵ Cited from Peri Noel, "Essai sur les relations du Japon et de l'Indochine aux XVI^e et XVII^e siècles", *BEFEO* 23 (1923): 2-3, 15.

⁸⁶ Innes, *The Door Ajar*, 53.

⁸⁷ Kawamoto Kuniye, "The International Outlook of the Quang Nam (Nguyen) Regime as Revealed in Gaiban Tsuusho", in *Ancient Town of Hội An*, 109-116; Li Tana, *Nguyễn Cochinchina*; Wheeler, *Cross-Cultural Trade*; Ishizawa Yoshiaki, "Les quartiers japonais dans l'Asie du Sud-Est au XVII^e siècle", in Nguyễn Thế Anh and Alain Forest (eds), *Guerre et paix*, 85-94.

⁸⁸ According to Hayashi Akira's *Tsuko ichiran* [A Collection of Letters Exchanged between the Japanese Government and Foreign Countries in the Seventeenth and Eighteenth Centuries], there were eight letters sent to the Tokugawa Government between 1601 and 1606 by Nguyễn Hoàng. In return, the Japanese *bakufu* replied to the Nguyễn six times. Cited from Li Tana, *Nguyễn Cochinchina*, 61.

relationship with the Nguyễn rulers of Quinam, immediately issued a ban on shipping to northern Vietnam, prohibiting Japanese merchants to sail to the Trịnh domain.⁸⁹ No *shuin-sen* arrived in Tonkin in the next two years but in 1631, the Japan-Tonkin trade was resumed. It was short-lived as the maritime prohibition decreed by the Japanese government in 1635 abolished the *shuin-sen* system and the Japanese trade with Tonkin consequently ended. Some Japanese merchants remained in Tonkin and acted either as brokers or interpreters for foreign merchants.⁹⁰

Patchy source materials prevent a proper documentation of a quantitative account on the Japanese trade with Tonkin during the 1604-1635 period. A record of the 1634 trading season which has survived reveals that a *shuin-sen* heading for northern Vietnam that year was allotted the relatively large capital of 800 *kanme* or 80,000 taels of silver. If we are to accept Seiichi Iwao's estimate that the average capital per *shuin-sen* stood at 500 *kanme* or 50,000 taels, around 2,000,000 taels or 7.5 tons of Japanese silver were shipped to northern Vietnam by the Japanese *shuin-sen* in the first three decades to be exchanged for Tonkinese silk and other local products.⁹¹ That amount of money, combined with that brought to Tonkin by the Chinese and Portuguese, contributed to the rapid development of Tonkinese handicraft industries and foreign trade at that time.

The Portuguese

Beginning to sail regularly between Malacca and China after 1511, the Portuguese must have become gradually acquainted with the Vietnamese coast. Around 1524, the Portuguese had reportedly erected a stele in the Chàm Islands, off Hội An coast, to mark their presence at that place. In 1533, a Portuguese priest even visited the Hồng River delta but was forced to leave shortly afterwards because of political turmoil and fierce fighting.⁹² As the Portuguese had commercially and religiously set their sights on both China and Japan, they paid little attention to Vietnam. But after having successfully settled in Macao in 1557, and carrying on the profitable Macao-Japan trade, the Portuguese also became interested in trading with Hội An. By the early 1580s, there

⁸⁹ Innes, *The Door Ajar*, 139; Li Tana, *Nguyễn Cochinchina*, 61.

⁹⁰ Nguyễn Thừa Hỷ and Phan Hải Linh, "Quan hệ thương mại giữa Nhật Bản và Việt Nam thế kỷ XVI-XVII" [Japan-Vietnam Commercial Relations in the Sixteenth and Seventeenth Centuries]. Paper presented at the workshop: *Vietnamese-Japanese Relations from the Fifteenth to the Seventeenth Centuries as Seen from the Ceramic Trade* (Hanoi, Dec. 1999).

⁹¹ Iwao Seiichi, *Shuin-sen Boeki-Shi no Kenkyu* [A Study of the Trade of Red Seal Ships] (Tokyo: Kobundo, 1958), 49, 269.

⁹² P.Y. Manguin, *Les Portugais sur les côtes du Viêt-Nam et du Campá* (Paris: École Française d'Extrême-Orient, 1973), 48-49; Nguyễn Thừa Hỷ, "Quần đảo Paracels và các nhà hàng hải Bồ Đào Nha trong thế kỷ XVI" [The Paracels and the Portuguese navigators in the sixteenth century], *TCKH* 3 (1998): 30-42; R. Jacques, *Les missionnaires portugais et les débuts de l'Église catholique au Viêt-nam*, Vol. 1 (Reichstett-France: Định Hướng Tùng Thư, 2004), 46-51.

were reportedly some Portuguese residing in central Vietnam.⁹³ Besides Portuguese merchants, Portuguese missionaries also endeavoured to preach in central Vietnam from the late sixteenth century. So modest was their achievement in proportion to the excessive expenses that the Portuguese missionaries resolved to abandon their religious propagation after just a few years. No further attempt to preach in Vietnam was made until the early 1600s when Portuguese missionaries in China and Japan found themselves facing increasing difficulties arising from State policies against the Christian religion. Because of this, the Portuguese looked further afield and again turned their attention towards Vietnam. Subsequently, the Portuguese established their mission in Quinam in 1615 and went on to set up another mission in Tonkin twelve years later.⁹⁴

In contrast to their commercial and religious activity in Quinam, no significant attempt was made with respect to Tonkin until 1626. In this year, the Portuguese in Macao sent their first delegates, missionaries rather than merchants, to the Trịnh realm.⁹⁵ The Trịnh rulers, under the pressure from the conflict with their Nguyễn rivals, warmly welcomed the Portuguese, allowing them to trade and preach freely in their territory. It seemed that northern rulers were hoping to enter into an alliance or at least to receive military support. It proved a vain hope as Portuguese merchants in Macao were hesitant about conducting trade with Tonkin in the following years, held back by the current unprofitable trade compounded by the high risk of piracy and shipwreck. The non-appearance of the Portuguese in 1628 and 1629 coupled with their continuing intimacy with the Nguyễn, angered the Trịnh ruler who decreed a ban on the propagation of the Christian religion in his land in 1630 and deported all missionaries from Tonkin. Portuguese merchants were exempted from this ban.⁹⁶

The Portuguese trade with Tonkin gathered momentum in the early 1630s because of the stagnation of the trade with Japan. The *itowappu* (the yarn allotment) system which was expressly devised to gain a tighter grip on the sale of Chinese yarn in Japan seriously reduced the annual Portuguese profits. As a result, the Lusitanian merchants resolved to cut down the import volume of Chinese silk.⁹⁷ In 1634, the Portuguese brought a mere two hundred piculs of Chinese silk to Japan, but simultaneously increased their annual import of Chinese piece-goods and Tonkinese raw silk which were exempted from the *itowappu* restrictions. This explains the steep increase in the import volume of Tonkinese silk by the Portuguese. In 1636, three Portuguese vessels arrived in northern Vietnam from Macao and bought 965 piculs of Tonkinese raw silk in total for the Japan. It was at a cost as one *galiota* was shipwrecked off the Island of

⁹³ Lamb, *The Mandarin Road*, 19; Manguin, *Les Portugais*, 186.

⁹⁴ Jacques, *Les missionnaires portugais*, Vol. 1, 53-55, 67-69.

⁹⁵ P. Baldinotti, "La Relation sur le Tonkin de P. Baldinotti", *BEFEO* 3 (1903): 71-77.

⁹⁶ Alexandre de Rhodes, *Divers voyages et missions* (Vietnamese edition) (Ho Chi Minh City: Ủy ban Đoàn kết Công giáo, 1994), 69-84; Souza, *The Survival of Empire*, 113.

⁹⁷ Innes, *The Door Ajar*, 248-249, 264; Om Prakash, *The Dutch East India Company*, 120-121.

Hainan.⁹⁸ In 1635, when the Japanese Government abolished the *shuin-sen* system and banned its subjects from trading abroad, the Portuguese hoped to replace the Japanese trading network in northern Vietnam. This strategy was doomed to be short-lived as they were expelled from Japan in 1639. Despite all their commercial setbacks, the Portuguese in Macao maintained a regular trade with Tonkin until the late 1660s.⁹⁹

There is no doubt that in the Portuguese trade with Tonkin, silver and copper cash constituted the staple items imported into Tonkin. There was a steady demand for copper cash because, although the Vietnamese had been using this sort of currency for centuries, the feudal dynasties could not mint sufficient coins to meet the domestic demand. To make up the deficiency, a large part of this currency circulating in northern Vietnam was imported from China.¹⁰⁰ Since there was a great amount of unused copper coins in Japan, prior to 1639, the Portuguese occasionally shipped these copper coins from Japan to Tonkin. After losing their Japan connection, the Portuguese imported Chinese coins minted in Macao into Tonkin.¹⁰¹ Their trade in copper coins yielded spectacular profits. In 1651, for instance, the Dutch glowered jealously as their Portuguese competitor enjoyed a net profit of 20,000 taels from the cargo of copper coins they had shipped to Tonkin. The Dutch also learnt that in 1650 the Portuguese had even earned as much as 180,000 taels from the copper cash cargo valued at 120,000 taels sent to Quinam.¹⁰² After a decade or so, from the early 1660s the Portuguese copper cash trade with northern Vietnam faced fierce competition from the Chinese and the Dutch, who also imported Japanese copper coins into Tonkin in great quantities as will be discussed in details in Chapter Five.¹⁰³

The Dutch

The first Dutch contact with Vietnam occurred in 1601 under embarrassing circumstances: some twenty sailors from a Dutch ship were killed by Vietnamese people in central Vietnam.¹⁰⁴ The Dutch none the less resolved to trade at Hội An, which was famous among foreign merchants as an important South-East Asian

⁹⁸ Dixon, "Voyage of the Dutch Ship 'Groll'", 180-216; Manguin, *Les Portugais*; Innes, *The Door Ajar*, 264.

⁹⁹ Souza, *The Survival of Empire*, 114.

¹⁰⁰ For a brief history of Vietnamese coinage and currency, see: Đỗ Văn Ninh, *Tiền cổ Việt Nam* [Ancient Vietnamese Coinage] (Hanoi: KHXH, 1992); Robert S. Wick, *Money, Markets, and Trade in Early Southeast Asia, The Development of Indigenous Monetary Systems to AD 1400* (Ithaca: Cornell Southeast Asia Program, 1992), 19-65; Whitmore, "Vietnam and the Monetary Flow", 363-396.

¹⁰¹ Souza, *The Survival of Empire*, 115-120.

¹⁰² NA VOC 1184: 1-11, Pieter Boons to Batavia, 2 Nov. 1651; *Generale Missiven* II, 651-652.

¹⁰³ On the Portuguese trade in copper coins with Tonkin: Souza, *The Survival of Empire*, 115-120; Shimada, *The Intra-Asian Trade in Japanese Copper*, 23-25.

¹⁰⁴ Details of the first arrival of the Dutch and their abortive trade with Nguyễn Quinam in the years leading to 1638 will be analysed in detail in Chapter Three.

emporium where such valuable export merchandise as Chinese silks could be procured. All the Dutch efforts to establish regular trade links with Quinam between 1601 and 1638 produced nothing but hatred and grievous losses. By the middle of the 1630s, the Dutch antipathy towards the Nguyễn had probably reached its boiling point. In the meantime, Batavia was also considering turning its Vietnamese trade to Trĩnh Tonkin.¹⁰⁵

The resolve of the VOC to trade with Tonkin was stimulated even more by the seclusion policy imposed by the Japanese Government in 1635. As Tonkinese silk now became fairly profitable on the Japanese market, the Dutch at Hirado lost no time in replacing the *shuin-sen* and prepared an inaugural voyage to the Trĩnh realm.¹⁰⁶ In the spring of 1637, the *Grol* left Japan for Tonkin. The official relationship between the Dutch East India Company and the Kingdom of Tonkin was established in the same year and lasted until 1700. During the course of sixty-three years, the VOC imported mainly Japanese silver and copper cash (*kasjes* in seventeenth-century Dutch) into Tonkin in order to buy, among a selection of local products, Tonkinese silk for Japan, ceramics for South-East Asian insular markets, and silk piece-goods and musk for the Netherlands.¹⁰⁷

The English

The expectation of founding a profitable intra-Asian trading network with Japan serving as a headquarters was the motive spurring the English on to open their trade with Quinam as early as they established their Japan trade in 1613. In this year, the English factory in Japan entrusted this task to two English merchants who were subsequently sent to Hối An on board a Japanese junk. The mission proved ill-fated: one Englishman was murdered alongside with one Dutchman and one Japanese merchant, and the other one mysteriously disappeared.¹⁰⁸ This misfortune degenerated into acrimonious

¹⁰⁵ A general account on the Dutch trade with Quinam during the first four decades of the 1600s can be found in Buch, *De Oost-Indische Compagnie*; Idem, "La Compagnie" (1936): (Chapters 2 and 3).

¹⁰⁶ Buch, "La Compagnie" (1936): 136-162.

¹⁰⁷ See the following chapter for the inaugural Dutch voyage to the Trĩnh land. A concise account on the Dutch silk trade with Tonkin can be found in Klein, "De Tonkinees-Japanse zijdehandel", 152-177. Political and commercial relations between the Dutch Company and Tonkin will be highlighted in the following chapters.

¹⁰⁸ The English accused the Dutch of being troublemakers causing the death and abduction of the English merchants. They claimed that the Nguyễn rulers had actually planned to murder the Dutch to avenge the murder of the Quinamese by the Dutch in previous years (Richard Cocks, *Diary of Richard Cocks, Cape-merchant in the English factory in Japan, 1615-1622: with Correspondence*, edited by Edward Maunde Thompson, Vol. 2 (London: Hakluyt Society, 1883), 268). The Dutch, on the other hand, blamed the English servants, claiming that the rude behaviour of the English merchants towards the Nguyễn rulers had cost them their lives. However, while killing these rude English, the Nguyễn rulers had accidentally murdered one Dutchman as they failed to distinguish between the European merchants (Buch, "La Compagnie" (1936): 117). Similar judgements can be found in C.B Maybon, *Histoire*

recrimination as the Dutch and the English blamed each other for the catastrophic murder of their men. Despite the fact that the English in Japan later sent two other merchants to Hôï An to investigate this murder, no final conclusion was reached.¹⁰⁹ After the 1613 incident, the English made no further attempt to enter into a relationship with the Vietnamese as their factory in Japan was eventually closed down in 1623 after only ten years of unsuccessful trade. Enjoying greater flexibility of movement, English free merchants did sporadically visit both Tonkin and Quinam.¹¹⁰

The reconstitution of the English East India Company in the 1660s caused a significant shift in its Asian trade.¹¹¹ The Company attempted to expand its trade to East Asian countries, using Banten, its only base in South-East Asia, as a springboard for launching this strategy. Around 1668, the Court of Committees in London was looking for an appropriate opportunity to re-open relations with Japan using Cambodia as a channel.¹¹² The plan to re-enter the Japan trade – in this the directors in London may have been influenced by their officials in Banten or they themselves may have overestimated its prospects – was then put into practice at the end of 1671.¹¹³ The directors of the English Company entertained no doubts that trading with Japan would be profitable, as they had observed at first hand the considerable success of the VOC in the preceding decades. They also grew convinced that the regional trade between Japan and other areas would reap extra profits for their Company.¹¹⁴ Among the selected targets was Tonkin, whose silks and other textiles were highly valued and could fetch good prices in Japan. Traders who took Tonkinese silks to Nagasaki were in turn able to

moderne du pays d'Annam, 1592-1820 (Paris: Librairie Plon, 1920), 65; Hall, *A History of South-East Asia*, 358; Lamb, *The Mandarin Road*, 12-15.

¹⁰⁹ There was a similar assassination, though undated, recorded in the account of the Italian priest Christopher Borri, who lived in Hôï An between 1618 and 1622, just a few years after the said murder. According to Borri's explanation, the assassination was openly carried out by the Nguyễn rulers in order to please the Portuguese. The victims of this assassination, Borri's says, were only Dutch merchants. See Borri, "An Account of Cochin-China", in John Pinkerton (ed.), *A Collection*, 796-797. See also Chapter Three for further discussions of this incident.

¹¹⁰ Innes, *The Door Ajar*, 99-100.

¹¹¹ On the English East India Company: K.N. Chaudhuri, *The Trading World of Asia and the English East India Company 1660-1760* (Cambridge: Cambridge University Press, 1978); J. Black, *The British Seaborne Empire* (New Haven: Yale University Press, 2004).

¹¹² In the late 1660s, the Banten Agent's proposal for opening trading relations with Japan, Formosa, Tonkin, and Cambodia was approved by the Court of Committees in London. The Banten Agent planned to initiate trading relations with Cambodia, from where the English factors would try to penetrate Japan with a letter of recommendation plus ambassadors from the Cambodian King (BL OIOC E/3/87: 106-107, General of the Court of Committees to Banten, Jan. 1668). The plan to penetrate Japan via Cambodia was, however, finally abandoned and the English decided to sail to Nagasaki from Formosa on their own account in June 1673 (Ts'ao Yung-ho, "The English East India Company and the Cheng Regime on Taiwan", in Chang Hsiu-jung *et al.*, *The English Factory in Taiwan, 1670-1685* (Taipei: Taiwan National University, 1995), 1-19.

¹¹³ C.R. Boxer, *Jan Compagnie in Japan 1672-1674 or Anglo-Dutch Rivalry in Japan and Formosa* (Transactions of the Asiatic Society of Japan, S.I.: s.n., 1931), 139-146, 161-167; Ts'ao Yung-ho, "The English East India Company", 1-19.

¹¹⁴ Femme Gastra, "The Shifting Balance of Trade of the Dutch East India Company", in Leonard Blussé and Femme Gastra (eds), *Companies and Trade, Essays on Overseas Trading Companies during Ancien Régime* (Leiden: Leiden University Press, 1981), 47-69, 47-69.

purchase Japanese silver and copper. These valuable metals would be brought back to invest in local merchandise at other factories to keep up the flow of goods in the Japan trade and to supply goods marketable in Europe. The ultimate aim of the English in trading with Tonkin was, therefore, to create the so-called Tonkinese-silk-for-Japanese-silver trade, as had successfully been undertaken by the Dutch since 1637. The search for new markets for English manufactured goods was another reason which spurred the Company on to carry out this plan.¹¹⁵

As this strategy was approved by the Court of Committees in London, in 1671 a fleet of three ships was sent to open trading relations with Tonkin, Formosa, and Japan. In the summer of 1672, the *Zant* arrived in Tonkin, where the English were allowed to reside in and trade at Phố Hiến, a small town which was circa 50 kilometres from the capital Thăng Long. After such a promising beginning in Tonkin, the English found themselves in a precarious situation in East Asia because the Japanese Government refused to grant the English a trading licence.¹¹⁶ The Japan misadventure placed the English factory in Tonkin in a dilemma since, from the outset, the English considered their factory in northern Vietnam a mere supplier of silk for the Japan trade. Now the hope for the Japan trade proved to be Dead Sea fruit, was it necessary to maintain the Tonkin factory? In the meantime, the Anglo-Dutch war in Europe (1672-1674) severely affected the English trade in Asia. Because of the Dutch hostilities, English shipping in the South-East Asian waters was forced to stop. Consequently, the English in Tonkin were isolated from the rest of the Company trading factories in the East until the summer of 1676, when the first English ship since 1672 arrived in Tonkin. The combination of these negative developments put the Company trade with northern Vietnam in an almost untenable situation in the first decade of its expansion strategy.¹¹⁷

Despite the ban on trade with Japan and the unprofitable local operations, the Court of Committees in London decided to continue its trade with Tonkin. From a strategic perspective, the Company held the long-term view that the East Asian markets offered great potential despite current difficulties and setbacks. At the same time, the English factors in northern Vietnam were also endeavouring to find alternative outlets for Tonkinese products to justify the continuation of the Tonkin factory. In fact, shortly after their arrival in 1672 the English had been aware of the fact that Tonkinese silk found a ready market in Manila. Consequently, in their reports to Banten and London, the English in Tonkin urged their masters to negotiate with the Spanish so that they

¹¹⁵ D.K. Basett, "The Trade of the English East India Company in the Far East, 1623-1684", *Journal of the Royal Asiatic Society* 1-4 (1960): 32-47, 145-57; Chaudhuri, *The Trading World of Asia*, 54, 215-220.

¹¹⁶ On the English mission to Japan: BL OIOC G/12/17-2: 110-116, English factory in Tonkin to Banten, 24 Jul. 1674; Boxer, *Jan Compagnie in Japan*, 139-146, 161-167. See also Leonard Blussé, "From Inclusion to Exclusiveness, the Early Years at Hirado, 1600-1640", in Blussé *et al.* (eds), *Bridging the Divide: 400 Years the Netherlands-Japan* (Leiden: Hotei Publishing, 2000), 42; Derek Massarella, *A World Elsewhere: Europe's Encounter with Japan in the Sixteenth and Seventeenth Centuries* (New Haven: Yale University Press, 1990), 359-363.

¹¹⁷ Hoang Anh Tuan, "From Japan to Manila and Back to Europe": 73-92.

could exchange Tonkinese silk for Spanish silver.¹¹⁸ Nor was Manila the only market. Several sorts of Vietnamese high-quality silk piece-goods were thought likely to yield profit on the London market. These optimistic proposals may have influenced the Company directors in their deliberations about the continuation of the Tonkin trade in the mid-1670s.¹¹⁹

As the Manila project finally turned out to be nothing but an illusion, the English factory turned to exporting Tonkinese lacquerware and various sorts of silk piece-goods such as *baas*, *loas*, *pelings*, *hockiens*, and the like to London. This trade proved successful for nearly a decade thanks to high sale prices and a quick turnover on the home market. The rub was the small cargoes which the English factory in Tonkin could afford to send home. From the middle of the 1680s, the directors in London often complained about the poor quality of the products which the Tonkin factory dispatched. The situation in the Tonkin factory was dire as it was afflicted by constant losses, the upshot of private trading, embezzlement, and contradictory decisions made by the factors. Disappointed by the negligible quantity of local products which the English factors in Tonkin could manage to send to England, as the deficit increased and uncollected debts rose to more than 30,000 pounds sterling, the Court of Committees finally decreed the Tonkin factory be abandoned in 1693. The Tonkin malaise, however, dragged on until 1697 when Fort St. George was able to send one ship to bring the Company servants and property back to the safe haven of Madras.¹²⁰

Other foreign merchants

Although the Spanish in Manila never made any overtures to open official relations with the Lê/Trịnh Government, they occasionally sent ships to Tonkin to purchase local goods, particularly silk and musk. According to a Dutch observation in 1651, the Spanish in Manila sent a junk to Tonkin to explore the possibility of creating a triangular trading network between Manila, Tonkin, and Cambodia. In order to facilitate this mission, the Governor of Manila had even given the owner of this junk, a Spanish Brabander, the title of “ambassador” of Spanish Manila. In the following year, this junk returned to Tonkin with a capital of 30,000 taels in which the Governor of Manila reportedly had a share of 20,000 rials. Every penny of this capital was exchanged for Tonkinese raw silk and various sorts of musk. In Cambodia this cargo yielded a handsome profit. The appearance of this Spanish “interloper” in Tonkin worried the

¹¹⁸ BL OIOC G/12/17-2: 41-55, English factory in Tonkin to Banten, 7 Dec. 1672.

¹¹⁹ BL OIOC G/12/17-2: 110-116, English factory in Tonkin to Banten, 24 Jul. 1674.

¹²⁰ A full account of political and commercial relations between the English East India Company and Tonkin between 1672 and 1697 can be found in the complete set of the Journal Registers of the English Factory in Tonkin (from BL OIOC G/12/17-1 to G/12/17-10).

Dutch factors, who then suggested to their masters in Batavia that this junk “be diverted” to other places.¹²¹

While the Dutch sought vainly for a ruse to stop the Spanish intrusion into the Indo-Chinese markets, the latter geared up their commercial strategy to penetrate the Tonkin trade by co-operating with the Japanese free merchant Resimon, who had been living and trading in northern Vietnam for many years, in order to strengthen the Tonkin-Manila trade route. In 1654, Resimon bought a junk and hired a Dutch pilot to manage the regular voyage between Tonkin and Manila. The Dutch factors protested about the interference of Resimon but to no avail.¹²² It seemed that the Spanish involvement in the Tonkin-Manila trade did not end until the late 1660s, after suffering several disastrous losses. In 1666, the Castilian vessel operating regularly between Manila and Tonkin foundered in the Gulf of Tonkin. Although the crew survived, their cargo was a complete loss. In the following year, the afore-mentioned Resimon, who had been actively involved in the Tonkin-Manila trade since the mid-1650s, died leaving this trade route deserted. Two fatal misfortunes within two years were a severe blow to the Tonkin-Manila trade route in which the Spaniards had been active participants, and ended the brief Spanish commercial relations with northern Vietnam.¹²³

The first French delegates, priests masquerading as merchants, arrived in Tonkin in 1669 but were neither permitted to trade nor allowed to preach in this country. The reason for the French failure, as recounted by the Dutch factors in Thăng Long, was their fairly worthless presents for the *Chúa* and other high-ranking courtiers.¹²⁴ Although the French mission sailed away with its tails between its legs, the two French priests who had arrived in Tonkin a few years earlier continued to preach secretly in the littoral village of Doméa. When the court discovered the nature of their work, these Frenchmen and three Vietnamese Christians were imprisoned. After their release, the two priests were ordered to remain at Doméa and were forbidden to propagate their faith in the country. Despite being restricted, these Frenchmen continued to convert the Vietnamese clandestinely.¹²⁵ In 1674, the French in Siam sent another delegation to Tonkin. The junk which carried the French mission was caught up in a tempest and drifted to Manila, where the priest by the name of Pallu and the English merchant Nicolas Waite, who had taken his passage from Siam to Tonkin, were immediately imprisoned by the Spanish.¹²⁶

In 1680, the French made their third effort to establish themselves in northern Vietnam when another mission left Banten for Tonkin. The Lê/Trịnh rulers gave the French mission a fairly warm welcome and granted its members permission to live and

¹²¹ *Generale Missiven* II, 652.

¹²² *Ibid.*, 702, 779.

¹²³ *Generale Missiven* III, 613.

¹²⁴ Buch, “La Compagnie” (1637): 166.

¹²⁵ *Generale Missiven* III, 882, 903; IV, 3.

¹²⁶ BL OIOC G/12/17-2: 139-141, Thomas James to William Gyfford, 25 Dec. 1674.

trade at Phố Hiến. Although the French did maintain a factory at this town, the volume of their trade with Tonkin was disappointingly low.¹²⁷ In 1682, the fourth French mission arrived in Tonkin with presents and a letter from King Louis XIV to the Lê/Trịnh rulers, soliciting free trade and propagation of the Christian religion in northern Vietnam. The Lê/Trịnh rulers granted free trade but adamantly refused to allow religious propagation in Tonkin.¹²⁸ The French therefore had no option but to continue their meagre trade and pursue their religious mission clandestinely in northern Vietnam in the years thereafter.

Siamese merchants arrived to trade with Đại Việt as early as the twelfth century but their trade with Vietnam in the following centuries was irregular. As an offshoot of their active participation in regional trade in the early modern period, Siamese merchants sporadically visited the central Vietnamese coast.¹²⁹ As a dispute raged between Quinam and Siam over the Nguyễn invasion of Cambodia in the 1650s, the Siamese rulers contacted the Trịnh in Tonkin asking them to challenge the Nguyễn in Quinam. Hence, in 1659 and 1660, a Siamese ambassador spent time travelling back and forth on board Resimon's junk as it traded between Tonkin and Siam to negotiate with the Trịnh rulers about an embargo on the Nguyễn import of Siamese rice in retaliation for their invasion of Cambodia. The negotiations seemed to have ended unsatisfactorily. No trading relationship between Tonkin and Siam was engendered by these diplomatic activities.¹³⁰

A decade later, the Siamese trade with Tonkin seemed to revive as the Siamese King dispatched two junks to trade with Tonkin in 1670 and 1671 consecutively. Strangely enough, the sailors on one of these two junks did not return. This incident embarrassed the Siamese ruler who later sought help from the VOC in order to bring the junk and its sailors back to Ayutthaya.¹³¹ Acting on the Siamese King's request, Batavia ordered its servants in Tonkin to force these Siamese to return home. In 1675, six out of the seven Siamese expatriates were brought home on board a Dutch ship. The Siamese captain managed to stay in Tonkin after having married a Vietnamese lady, who was later detained by the English for owing overdue debts.¹³² This incident must have discouraged the Siamese rulers, for the Siamese trade with Tonkin ended, despite sporadic visits by Siamese merchants to northern Vietnam on board foreign junks.

¹²⁷ Maybon, *Histoire moderne du pays d'Annam*, 82.

¹²⁸ Taboulet, *La geste française en Indochine, Histoire par les textes de la France en Indochine des origines à 1914* (Paris: Maisonneuve, 1955), 85.

¹²⁹ Li Tana, *Nguyễn Cochinchina*, 88; Li Tana and Reid (eds), *Southern Vietnam under the Nguyen*, 31; C.E. Goscha, "La présence vietnamienne au royaume du Siam du XVII^e siècle: vers une perspective péninsulaire", in Nguyễn Thế Anh and Alain Forest (eds), *Guerre et paix*, 211-244; Breazeale Kennon, "Thai Maritime Trade and the Ministry Responsible", in Idem (ed.), *From Japan to Arabia: Ayutthaya's Maritime Relations with Asia* (Bangkok: The Foundation for the Promotion of Social Sciences and Humanities Textbook Project, 1999), 29-32.

¹³⁰ *Dagh-register Batavia* 1661, 49-55; Buch, "La Compagnie" (1937): 142.

¹³¹ *Dagh-register Batavia* 1672, 358-359.

¹³² BL OIOC G/12/17-2: 127-128, English factors in Tonkin to the Governor of Phố Hiến, 5 Mar. 1675.

Concluding remarks

Using the area of what is nowadays the Hồng River delta in northern Vietnam as a solid base, the Vietnamese-speaking people constantly expanded their living space towards the south throughout the second millennium AD. By the eighteenth century the southwards movement had generally been completed; the Vietnamese inhabited the entire Eastern shoreline of the Indo-Chinese coast. Strangely enough, they did not utilize this watery and maritime environment to turn their country into a maritime power in the region, despite the fact that the country did provide several key items for export and international maritime trade routes ran just along the Vietnamese coast for many centuries.

During the sixteenth and seventeenth centuries the state policies towards foreign trade underwent a severe transformation. Political crises forced the feudal dynasties to reduce their strictness towards trade, overseas trade in particular, to seek weapons and military support from the Western trading companies. The expansion of handicraft industries offered Tonkin annually a large amount of products (silk and ceramics) for export to regional and international markets. Foreign merchants such as the Chinese, Japanese, Portuguese, Dutch, English, and French regularly arrived to trade there.