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Silk for silver: Dutch-Vietnamese relations, 1637-1700

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CHAPTER FIVE

THE IMPORT TRADE

't Geene wy daar komen aan te brengen en den handel dryven, bestaat meest in silver; oock kopere kasjes, die in Japan gegoten off gemaect worden [...] voort eenige specereyen, saltpeter, cattoene lynwaten, dog alles, buyten het voorsch. silver ende kopere kasjes, in geen groote quantiteyt, alsoo het vertier daarvan seer kleyn is.

Pieter van Dam¹

1. *Silver*

Of all the merchandise imported into Tonkin by the Company, silver constituted the staple commodity. Notwithstanding the relatively high demand for Japanese copper *zeni* during the 1660s and 1670s, silver was absolutely indispensable to the Dutch Tonkin trade. The English who arrived early in 1672 to trade with Tonkin for the first time lamented the partiality for silver, admitting that "...the life of this trade is money [silver]".² Most of the silver which the Dutch and the Chinese imported into Tonkin originated from Japan. It is a well-known fact that, after the re-opening of their Japan trade in the early 1630s, the Dutch trading position in Japan had been consolidated and was stronger than ever before. Buttressed by this expansion and security, they were able to export a considerable amount of Japanese silver every year. Therefore, when the Dutch were presented with the opportunity to replace the Japanese in exporting Tonkinese silk to Japan from 1637, they also used Japanese silver to exchange for Tonkinese silk – the most popular trading method which the Japanese and Chinese had followed thus far. In Japan, silver could be readily procured by the Dutch factors so that the Tonkin-bound ships could depart with the required amount of silver before the end of the north-east monsoon.

In Tonkin, the Dutch factors advanced this silver to local rulers, brokers, and silk-weavers in order to acquire silks during the summer sale. Although silver could be advanced for big silk contracts, small business transactions in the local market were normally required to be paid in copper cash. The Dutch therefore had to exchange part of their silver for local coins for both the peddling trade and daily expenses.

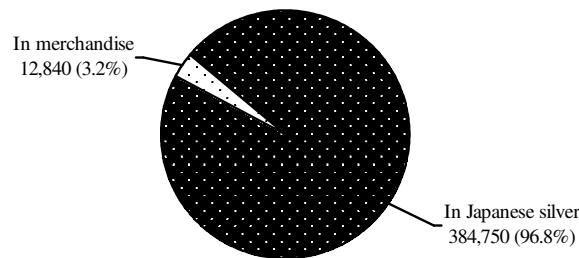
¹ "That which we import and trade there [Tonkin] consisted mainly of silver, also copper cash, which are cast or made in Japan [...] Furthermore some spices, saltpetre, cotton textiles, but, apart from the afore-mentioned silver and copper cash, all goods in small quantity, because their consumption is very scant". Van Dam, *Beschryvinge*, Vol. 2-I, 361-362.

² BL OIOC G/12/17-1: 36-37, English factory in Tonkin to Banten and London, 10 Oct. 1672.

After Japan banned the export of its silver in 1668, most of the silver the VOC imported into Tonkin was either from the Netherlands or other Asian countries. Coincidentally, from this year, the annual import volume of this precious metal to Tonkin by the Company decreased not only because silver was in short supply but also because of the current general decline in its trade with northern Vietnam.

Figure 3 Division of the capital sent to Tonkin for the 1644/5 trading season

(Dutch guilders)



Source: Calculated from NA NFJ 57, 22 Oct. 1644.

In the early years of their trade with Tonkin, the Dutch often had their imported silver refined by the local refiner in order to acquire purer bullion.³ The so-called refining of the Japanese and “*Mallacx*” silver was a regular occurrence throughout the first half of the seventeenth century, but afterwards it seems to have been abandoned when losses were incurred. The 1656 refining of various silver imported into Tonkin reportedly encountered all-round grievous losses as the *kronen* or *leeuwendaalders* lost 24 per cent, the Japanese *schuytzilver* 16 per cent, the *rijksdaalder* and *provinciëndaalder* 8, and the Spanish rials 4 per cent, respectively. Consequently, the silver valued around 180,000 guilders which the Company sent to Tonkin that year incurred a general loss of 4¾ per cent after being refined. From that year, it seems that silver imported into Tonkin from which the purchase price of silks would be judged was tested only for its purity content.⁴

As the Company’s Tonkinese silk trade yielded high profits in Japan in the 1637-1654 period, Japanese silver was sent directly to northern Vietnam on board the Dutch ships which sailed annually between these two places. Every year the amount of silver supplied to Tonkin was relatively stable, valued at around 100,000 taels. In the heyday of the Dutch Tonkinese silk trade (1644-1652), the quantity of silver sent to northern Vietnam rose to around 130,000 taels per year. Table 1 shows how, until the mid-1650s,

³ *Dagh-register Batavia* 1636, 69-74.

⁴ *Generale Missiven* III, 109-110. A detailed account on the refining of the “*Mallacx*” silver can be found in NA VOC 1140: 158-160, Specification of the Mallacx silver refined in Tonkin in 1641.

silver always occupied approximately 95 per cent of the annual imports; other import products shared around 5 per cent only.

Table 1 The VOC's import of silver into Tonkin, 1637-1668

(silver in taels; total capital in Dutch guilders)

Year	Silver	Total capital	Year	Silver	Total capital
1637	60,000	188,166	1653	-	-
1638	130,000	298,609	1654	40,000?	149,750
1639	25,000	382,458	1655	-	25,773
1640	80,000	439,861	1656	50,000	184,215
1641	-	202,703	1657	*c. 90,000	276,077
1642	60,000	297,529	1658	-	-
1643	100,000	299,835	1659	*100,000	317,500
1644	135,000	397,590	1660	*5,000	64,773
1645	150,000	454,606	1661	*32,000	164,703
1646	130,000	352,544	1662	*50,000	405,686
1647	130,000	377,637	1663	*100,000	394,670
				65,000	
1648	130,000	457,928	1664	100,000	347,989
				*35,000	
1649	100,000	334,105	1665	80,000	420,245
1650	70,000	372,827	1666	-	419,779
1651	110,000	552,336?	1667	-	137,181
1652	230,000	680,294	1668	*40,000	254,219

Sources: NA VOC 1123, 1124, 1140, 1141, 1144, 1145, 1146, 1149, 1156, 1158, 1161, 1163, 1166, 1169, 1172, 1175, 1184, 1194, 1197, 1206, 1213, 1216, 1219, 1220, 1230, 1233, 1236, 1240, 1241, 1243/4, 1252, 1253, 1259, 1264, 1265, 1267/8; *Dagh-register Batavia* 1637-1668-9; *Generale Missiven* I-IV.

Note: *: Silver from Batavia, the rest directly from Japan.

After this relatively regular and stable phase, the annual import of Japanese silver into Tonkin by the Company decreased – a fall which can be attributed to various factors. From the viewpoint of the Tonkin-Japan bilateral commerce of the Company, the decrease in the Japanese silver flow to northern Vietnam was a reaction to the rapid drop in the annual profit margins which Tonkinese silk could yield in the early 1650s. As a matter of fact, at this point the Dutch decided to switch to Bengali silk which was becoming marketable and profitable on the Japanese market. The annual amount of capital, silver in particular, which Batavia assigned to the Tonkin trade was

subsequently reduced, a logical move as it was highly dependent upon two factors: the demand for Tonkinese silk and the quantity of Bengali silk intended for Japan.

From the perspective of the exchange rate, the reduction in the silver import into Tonkin by the Company was perhaps an indirect consequence of the fall of the silver/cash ratio caused by a serious shortage of local coins. In 1652, the Dutch in the capital Thăng Long had already lamented the grievous losses incurred when exchanging silver for copper coins. In the following year, within three months, this ratio slumped from 1,600 to 1,700 cash down to less than 800 cash per tael of silver. At the current falling rate, the Dutch factors reported to Batavia, the ratio was likely to reach as low as 700 to 500 coins per tael within a short time.⁵ No doubt as part of the same economic process the purchase prices had increased generally 20 per cent, causing a huge loss to the export trade of the Company. In 1654, for instance, the purchase price of Tonkinese raw silk was 5.15 guilders per catty, while in the 1636-1649 period it had been on average 3.5 guilders. This silk was sold in Nagasaki at 6.92 guilders per catty, offering a roughly calculated profit margin of around 34 per cent only.⁶ This meagre yield was so discouraging that Batavia resolved to suspend the export of Tonkinese silk to Japan for a while in 1655. Hence, the Dutch factory in Thăng Long was provided with only 25,773 guilders to buy piece-goods for the Netherlands.⁷ From this year, the Company began to reduce the annual capital it invested in the Tonkin trade and the silver imports were reduced as well. After 1655, the annual silver capital remitted for the Tonkin trade hardly ever reached the former level of 100,000 taels. In the 1656-1668 period, with the exception of a few particular years when the Company attempted to revive its export of Tonkinese silk to Japan, the annual amount of silver the Company sent to Thăng Long stood at around 60,000 taels.

As soon as the Company's direct trade route between Tonkin and Japan was seriously affected by the diminution in the annual profit margin, the silver needed for the Tonkin trade was provided from Batavia *in lieu* of Japan. The reason for this change is unclear. It can, however, be confidently assumed that this had nothing to do with the capacity of the Company to export Japanese silver, since this export was relatively stable until the Japanese Government's ban on the export of silver in 1668. It may therefore be hypothesized that this was another attempt by the High Government to acquire tighter control of this trading route, or at least to reduce as much as it could the private trade between these two places which was said to have been pursued on a rather large scale.⁸

⁵ *Generale Missiven* II, 697-702.

⁶ Calculated from Klein, "De Tonkinees-Japanse zijdehandel", 170 (Table 2).

⁷ NA VOC 677, Batavia Resolution, 27 Apr. 1655. See also: Buch, "La Compagnie" 1937 (121-237): 140.

⁸ *Generale Missiven* II, 485. See Chapters Three and Four for an account on the private undertakings of the Dutch factors in Tonkin and the investigation of Commissioner Versteegen in the early 1650s.

This hypothesis is based on the fact that 77,000 taels of Japanese silver were exported to Batavia for the first time in 1656. In the years leading up to 1662, the Deshima factory sent a total of 632,648 taels of Japanese silver to Batavia, of which 375,000 taels were earmarked for the Tonkin trade.

Table 2 Re-export of Japanese silver from Batavia to Tonkin, 1656-1663

Year	Japan to Batavia	Batavia to Tonkin
1656	77,000	0
1657	100,000	c. 90,000
1658	83,500	0
1659	43,700	100,000
1660	132,000	5,000
1661	76,448	32,000
1662	120,000	50,000
1663	0	100,000
1664	-	*35,000
1665	0	0
1666	40,000	0
1667	80,000	0

Sources: NA VOC 1213, 1216, 1219, 1220, 1230, 1233, 1236, 1240, 1241, 1243/4, 1252, 1253, 1259, 1264, 1265, 1267/8; *Dagh-register Batavia 1656/7-1666/7*; *Generale Missiven III-IV*.

Note: *: Silver from the Netherlands, the rest is Japanese silver from Batavia.

After the loss of Formosa in 1662, the Company continued to foster the hope of approaching China from its Tonkin foothold, manoeuvring to obtain a licence from the Lê/Trịnh rulers to establish another factory in Tinnam in the north-eastern province of Quảng Ninh, from which to trade with China (see Chapter Four). As this expectation soon proved to be a piped dream, in April 1663 Batavia repromoted the Tonkin factory to the status of a permanent trading station with the intention of attracting Chinese traders to Tonkin in order to facilitate the procurement of Chinese gold for Coromandel, as well as Chinese musk and Tonkinese silk piece-goods for the Netherlands. In this situation the Company's supply of silver to its factory in Thăng Long in 1663 and 1664 revived, reaching 100,000 and 135,000 taels respectively. Since the Tonkin factory could not spend all this money on the items which the Company had ordered, and the cargoes purchased yielded too meagre a profit in Japan, Batavia again reduced the annual capital, including silver, for the Tonkin factory in the following years.

Although the Japanese Government's ban on the export of silver in 1668 did not cause the Dutch Company any serious problems since it quickly turned to exporting

gold and copper instead,⁹ it did slightly affect the Dutch Tonkin trade. Having been deprived of the traditional flow of Japanese silver, Batavia now had to look for this precious metal in other places. In 1664, when the sending of Japanese silver to Batavia was temporarily suspended, Batavia had already switched over to supplying Tonkin with silver from the Netherlands. Out of approximately 55,000 taels which the Tonkin factory had demanded for the 1664 trading season, Batavia could afford only 35,000 taels as little silver had arrived from Holland.¹⁰ During the so-called “*zeni* period”, which covered the years between 1663 and 1677, the annual quantities of silver imported into Tonkin by the Dutch Company were particularly low compared to the quantity of *zeni*, except for the first three years when the Tonkin factory was newly repromoted to a permanent office and hence supplied with a relatively large amount of capital. Between 1666 and 1677, silver shipped to Tonkin barely accounted for one-fifth of the Company’s annual investment.

The form of the silver for Tonkin also changed from bullion to coins, consisting of both Western and Asian species such as *provintiëndaalder*, *kruisdaalder*, Mexican rials, Surat rupees and so forth. In Tonkin, most of these coins were melted down to make silver ingots before being circulated. After the “*zeni* period”, these silver coins constituted the staple of the Company’s silver investment in Tonkin until 1700. In 1672, for instance, a total of 1,761 marks and another five chests (c. 5,000 taels) of silver bars were sent to Tonkin.¹¹ Silver bars appear quite often in the list of cargoes consigned to Tonkin until the mid-1670s, before being replaced by *provintiëndaalders*, Surat rupees, and Mexican rials. When it proved to have been profitable to have sent some 52,016 Surat rupees to Tonkin in 1675, this Indian coin was then regularly imported there not only by the Dutch but also by the English. In 1677, for example, Batavia shipped a total of 152,000 Surat rupees to Tonkin.¹² In the next year, the Dutch observed that their English competitors had also procured a considerable quantity of silver from Surat and shipped this to Tonkin on the *Formosa*.¹³ The Dutch import of these silver coins into northern Vietnam remained stable until they eventually abandoned the Tonkin trade in 1700.

⁹ Gaastra, “The Exports of Precious Metal”, 453.

¹⁰ NA VOC 1241: 356-366, Tonkin factory to Batavia, 6 Nov. 1663; *Dagh-register Batavia* 1664, 298.

¹¹ *Dagh-register Batavia* 1672, 160, 193-194.

¹² *Dagh-register Batavia* 1675, 186; 1677, 140, 177.

¹³ NA VOC 1339: 500-509, Jan Besselman and the Tonkin factory to Batavia, 17 Sep. 1678; *Dagh-register Batavia* 1678, 224.

2. Japanese copper “zeni”

As the scarcity of local copper coins led to the fall in the exchange ratio (see Figure 4) of silver/cash,¹⁴ causing a great devaluation in the silver imported into Tonkin, foreign traders quickly switched from silver to copper, especially to copper coins, in order to cut the losses which would have been incurred by silver imports. Utilizing their advantageous foothold of Macao, where Chinese copper coins could be either newly minted or existing specie procured, in 1652, the Portuguese sent a *navet* to Tonkin carrying a goodly sum in copper coins minted by the Chinese residing in Macao. Despite the Tonkinese rulers' attempts to devalue this specie, the Portuguese still profited around 20,000 fine taels from this special cargo and, more importantly, relieved their dependence on copper coins in business transactions. The scarcity of cash afflicted not only Tonkin, it also caused upsets in Quinam, hence the import of copper coins offered an even more spectacular profit in the southern kingdom. In 1651 the Portuguese had reportedly earned an impressive profit margin of 150 per cent from this copper coin, enjoying a net profit of 180,000 taels from 120,000 taels' worth of *zeni* imported into Quinam.¹⁵

Having no access to the supply of Chinese copper coins at that moment, the Dutch factors in Thăng Long managed to reduce the loss indirectly by shrewdly eschewing any straight competition with the Chinese in purchasing local goods. Realizing that copper coins often became dear when foreign ships arrived, the Dutch factors in Tonkin proposed to their masters that from now on the Company ships should be sent to Tonkin a little earlier. This would allow them to commence their business transactions before the Chinese; should this scheme go awry they should keep their silver unspent until the Chinese had left for Japan.¹⁶ This was obviously a passive and, hence, ineffectual solution. The cash shortage continued to ravage the Dutch import and export trade. In April 1654, the Tonkin factors lamented that the exchange rate, which had been 1 tael of silver for 1,600-1,700 cash in the last few months, had fallen to only 1/800. At this rate of fall, predicted the factors, it would likely plummet to the rate of 1/700 to 600 to 500 within a short time.

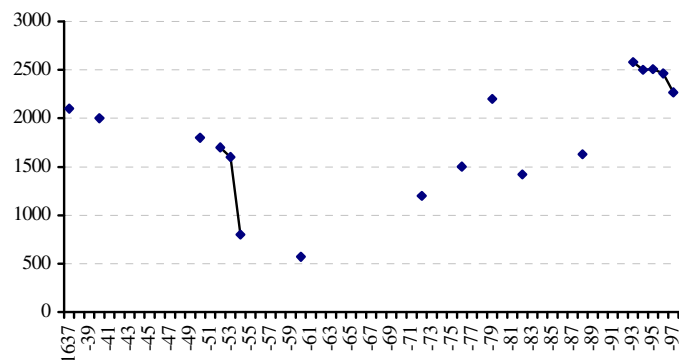
¹⁴ See Chapter Eight for details on the Vietnamese money system. See also: Whitmore, “Vietnam and the Monetary Flow”, 183-184; Đỗ Văn Ninh, *Tiền cổ Việt Nam*.

¹⁵ *Generale Missiven II*, 651-652. On the Portuguese import of copper coins into Tonkin: Souza, *The Survival of Empire*, 115-120. A general account on foreigners' import of coins into Quinam can be found in Li Tana, *Nguyễn Cochinchina*, 90-93.

¹⁶ NA VOC 1197: 598-611, Tonkin factory to Batavia, Nov. 1653; *Generale Missiven II*, 697-702.

Figure 4 The fluctuation of the silver/cash ratio in Tonkin, 1637-1697

(cash per tael silver)



Sources: Sporadic numbers given in the VOC records (*Overgekomen Brieven en Papieren*) on Tonkin; *Generale Missiven* I-VI; *Dagh-register Batavia* 1637-1682; BL OIOC G/12/17-1 to G/12/17-10.

In the same year, the High Government made its first effort towards alleviating the Company's drawback in this copper cash equation, having some copper *zeni* minted in Batavia and shipped to Tonkin for a trial. This attempt failed because the Lê/Trịnh rulers accepted only the big coins and devalued the small ones.¹⁷ The cash plague showed no sign of abating and after 1660 was more detrimental to the Company. This year, the silver/cash ratio fell to 1/570 to 850 only, setting a new record of a silver devaluation up to 30 per cent. The low exchange rate was perhaps one of the reasons the Trịnh rulers refused to accept any of the silver the Dutch offered them for the delivery of silk. And, perhaps to reduce to some extent the scarcity of copper coins which seemed to have reached an alarming level, the Trịnh rulers had a great quantity of copper coins minted by the State mint. The court's efforts to control the shortage of copper coins meant that the embryonic plan of the Japanese entrepreneur Resimon to import Japanese copper *zeni*, as the Dutch chose to describe it figuratively, "vanished into thin air".¹⁸

Batavia was doubly disadvantaged as it had no means to dissipate the sluggishness of its factors in their grappling with the shortage of copper coins which compared badly with the dynamism of other foreign merchants trading to Tonkin. Having thought long and deep, in 1660 Batavia ordered the Deshima factory to purchase some Japanese copper *zeni* as samples for Tonkin. The next year, 400,000 coins were sent to the Dutch factory in Thăng Long and this proved to be a success, yielding a profit of 40 per cent.¹⁹

¹⁷ NA VOC 1206: 65-90, Tonkin factory to Batavia, 18 Nov. 1654; Buch, "La Compagnie" (1937): 139.

¹⁸ *Dagh-register Batavia* 1661, 49-55.

¹⁹ NA VOC 1236: 829-855, Hendrick Baron to Batavia, 12 Nov. 1661; *Dagh-register Batavia* 1661, 89; *Generale Missiven* III, 450-451.

But the most successful aspect of this trial was that besides silver, from now on the Company could send Japanese copper *zeni* to Thăng Long compensating, at least partly, the loss in the silver trade the Company had had to endure thus far in Tonkin. Having hit upon a good solution, from 1663 the Dutch regularly imported Japanese copper *zeni* into Tonkin and, as soon as this specie became popular and profitable in northern Vietnam, they reduced silver down to a remarkably small quantity.

Table 3 The VOC's import of Japanese copper *zeni* into Tonkin, 1660-1679

(pieces, otherwise stated)

Year	Total	Year	Total
1660	0	1670	7,750,000
1661	400,000	1671	c. 21,400,000
1662	0	1672	6,360,000
1663	9,230,000	1673	8,520,000
1664	c. 15,762,184	1674	23,809,523
1665	31,524,369	1675	17,568,000
1666	800,000	1676	c. 39,400,000
1667	10,080 lb.	1677	c. 5,000,000
1668	10,540,000	1678	0
1669	15,748,300	1679	0

Sources: NA VOC 1233, 1236, 1240, 1241, 1243/4, 1252, 1253, 1259, 1264, 1265, 1267/8, 1272, 1278, 1283, 1290, 1294, 1302, 1304, 1307, 1311, 1314, 1320, 1322, 1330, 1339; *Dagh-register Batavia* 1661-1679.

This naturally prompts the question: what were these Japanese copper *zeni* and how did they fit into the Vietnamese market? Generally speaking, the export of Japanese copper coins to Vietnam can be divided into two major phases; each phase marked by different sorts of coins. The first period was the early seventeenth century when, in an attempt to standardize the monetary system of Japan, the Japanese Government decided that only good coins minted in Japan could be circulated on the Japanese market. Coins imported from China (*toraisen*) or minted privately in Japan in the earlier years (*shichusen*) were banned from domestic circulation. The Japanese *shuin-sen* merchants and the Dutch, Chinese, and Portuguese therefore exported these banned and hence devalued coins in great quantities, mainly to central Vietnam, where the Nguyễn rulers, having neither a source of copper nor a coin supply, either used them as money or melted them to cast guns and utensils for daily use.²⁰ Consequently, these coins circulated in Tonkin

²⁰ Luc Duc Thuan, "Japan Early Trade Coins and the Commercial Trade between Vietnam and Japan in the 17th Century", *www.VietAntique.com*; Whitmore, "Vietnam and the Monetary Flow", 363-396. On the

alongside other sorts of cash. The French priest Alexandre de Rhodes, who arrived in northern Vietnam in the late 1620s, observed two sorts of coins in use on the Tonkin market: the “great coins” imported into Tonkin by the Chinese and Japanese and accepted throughout the whole country, and the “small coins” minted locally and circulating only inside the capital and four surrounding provinces.²¹

The second phase took place between 1659 and 1685. During this period, the Japanese in Nagasaki were allowed to mint Nagasaki trade coins for export. Besides the coins which were minted for the Nan Ming in southern China and the Zheng family in Formosa in the later period (*eiryakusen*), the bulk of the Nagasaki trade coins was shipped to both central and northern Vietnam. Most of these coins bore the Chinese Song reign title of Yuanfeng (Viet. Nguyễn Phong) and were called *genho tsuho* by the Japanese.²²

Illustration 10 The Japanese genho tsuho minted for export during the 1659-1685 period



The *genho tsuho* coins were not only crucial to the economy of Quinam, whose severe need of all sorts of coins to meet the great demand of the local market virtually never abated throughout the seventeenth century, they also played an indispensable role in balancing the monetary system of Tonkin during the third quarter of the 1600s. As already mentioned in passing, in the early 1650s, Tonkin suffered a severe shortage of coins probably because of the disruption of the regular cash flow from China owing to political chaos on the border. The Portuguese therefore switched over to importing coins minted by the Chinese in Macao into Tonkin. This trade yielded high profits.²³ In order to cut the losses on the silver import as well as to reduce their dependence on foreign copper cash, the VOC introduced copper coins minted in Batavia into Tonkin in 1654. This experiment failed and from this year to 1661, when it shipped some 400,000

export of *Toraissen* and *Shichusen* to Quinam: A. van Aelst, “Japanese coins in southern Vietnam and the Dutch East India Company, 1633-1638”, *Newsletter* (The Oriental Numismatic Society, 109, Nov.-Dec. 1987), (n.p); Li Tana, *Nguyễn Cochinchina*, 90-93.

²¹ Rhodes, *Histoire du royaume de Tonkin*, 59-60.

²² Innes, *The Door Ajar*, 587; Luc Duc Thuan, “Japan Early Trade Coins”; Shimada, *The Intra-Asian Trade in Japanese Copper*, 95.

²³ *Generale Missiven II*, 651-652; Souza, *The Survival of Empire*, 115-120.

Japanese copper *zeni* to Tonkin as an experiment, the Dutch Company made no effort to profit from the cash shortage in Tonkin.²⁴ As the Japanese copper coins were accepted and proved to be profitable in Tonkin, they were increasingly imported by the Dutch as well as the Chinese until the late 1670s. Thanks largely to the sufficiency of these coins, the shortage of copper coins in Tonkin was basically solved; the silver/cash ratio subsequently revived.

The revelation of the profitability of the Japanese copper *zeni* in the Tonkin trade assumed even greater significance after the 1668 ban on the export of silver by the Japanese Government. If silver still accounted for roughly 40 per cent of the investment capital in 1668, the last year of the dispatch of a consignment of silver bullion to Tonkin by the Company, it was almost none in the following year, but simultaneously 15,748,300 Japanese copper *zeni* accounted for approximately 40 per cent of that year's capital. In 1674, 23,809,000 *zeni* sent to Tonkin by the Dutch accounted for around 66 per cent of the total capital and two years later, the share of this specie had even increased to around 73 per cent. Taking the entire "*zeni* period" into account, these Japanese copper coins provided around 22 per cent of the annual capital sent to Tonkin by the Company.²⁵

It may well be that proven Dutch capacity for importing Japanese *zeni* into his kingdom was the reason for the *Chúa* to grant the Dutch the monopoly of this specie in Tonkin in 1675. The Company, however, could not enjoy this privilege for long because, in the following year, *zeni* became cheap in northern Vietnam. Reporting trading conditions at the factory in 1675, the chief of the Tonkin factory, Albert Brevinck, unhappily informed his masters in Batavia that the Japanese copper *zeni* had been losing profit by the day.²⁶ The next year, copper ingots were said to be preferred to *zeni* though the latter were still indispensable to the purchasing of local goods, particularly low-quality silk. Armed with these figures, for the import of metals to Tonkin this year, Batavia ordered the Deshima factory to lessen the number of *zeni*, while expecting a good quantity of copper. In obedience to this order, only 5,000,000 *zeni* were conveyed to Tonkin in 1677. The year after, it was widely reported that from now on the Tonkin factory no longer required the Japanese copper *zeni*.²⁷ The Company once again switched back to importing silver into Tonkin as it had done regularly before the *zeni* period.

The reasons of this sudden end are a bit of a mystery. Seiichi Iwao has suggested that the circulation of Japanese *zeni* in Tonkin had been reduced after 1661 when an embassy from Qing China arrived in Thăng Long and ordered the Lê/Trịnh rulers to

²⁴ NA VOC 1206: 65-90, Tonkin factory to Batavia, 18 Nov. 1654; Buch, "La Compagnie" (1937): 139.

²⁵ These percentages are calculated from figures shown in Table 3.

²⁶ NA VOC 1314: 19-22, Albert Brevinck and the Tonkin factory to Batavia, 19 Nov. 1675; *Generale Missiven IV*, 88.

²⁷ *Generale Missiven IV*, 88, 111, 174.

strike Chinese copper coins for circulation in Tonkin themselves.²⁸ It is true that the Qing decrees and presents arrived in Thăng Long in 1662 and, in the following year, Tonkin sent its first tribute to Peking.²⁹ Nevertheless, this seems to have had no effect at all on the import into or the circulation of the Japanese *zeni* in Tonkin since these coins were imported in growing quantities by the Dutch and the Chinese until 1677. It could well be that the VOC stopped importing Japanese *zeni* into Tonkin after 1677 because of the growing availability of Chinese coins allied with the attempts of the Tonkinese court to mint good copper coins in the State minting houses.

3. *The arms trade and the import of other miscellaneous items*

With the exception of silver and copper which constituted the most distinguishable trends in the VOC's import trade with Tonkin during the 1637-1700 period, the importation of all other commodities was small by comparison. While Western items such as cloth and textiles were too expensive for a relatively poor consumer market like Tonkin, other Asian trade goods such as spices were largely imported into northern Vietnam by Chinese and other Asian merchants. This conspired to make the VOC's importation of miscellaneous commodities into northern Vietnam peripheral to that of silver and copper *zeni*, and any such items were often a clear reflection of the Trịnh rulers' demands.

Since the Trịnh's ultimate aim in creating a relationship with the Dutch was to obtain military support, understandably their regular demand for goods, besides silver and copper and several sorts of curiosities, from the Dutch Company consisted of weapons and such military paraphernalia as pieces of ordnance and cannon balls and bullets of various sizes, other ammunition, saltpetre, sulphur, and Arabian horses. Most of the pieces of ordnance and the cannon balls which the VOC sold to the Trịnh rulers were those which were currently used by the Company itself in Asia.³⁰ In 1649, for instance, *Chúa* Trịnh Tráng informed Dutch chief factor, Philip Schillemans that he wanted ten iron ordnance pieces for himself and two more for his eldest son when the Company ships arrived in Tonkin next time. In order to please this "barbarous king", the Dutch had to remove two cannon from their establishment in Formosa to present to the *Chúa* in 1650. These pieces satisfied the Trịnh ruler so much he again asked for two more cannon which shot balls with a larger diameter than those which the Company had presented him that year.³¹ Because the armies of Tonkin were constantly being defeated

²⁸ Quoted from Shimada, *The Intra-Asian Trade in Japanese Copper*, 2005, 95.

²⁹ *Cương mục* II, 296; *Toàn thư* III, 260, 262, 264.

³⁰ A general account on Đại Việt military technology can be found in Sun Laichen, "Chinese Military Technologies".

³¹ NA VOC 1175: 495-513, Philip Schillemans to Batavia, Nov. 1650; *Generale Missiven* II, 389-391, 450.

and overrun, during its fifth campaign against Quinam (1655-1660) the Trịnh kept demanding cannon, balls and all sorts of ordnance from the Company. In 1661, in order to arm with all due speed an urgent campaign against Quinam, the *Chúa* “asked” for and “confiscated” six cannon from on board the *Meliskerken* which was anchored at Doméa.³²

Table 4 Goods ordered by Chúa Trịnh Tạc, 1668

2	metal ordnance which fire the 60 tael balls
20	iron ordnance, to wit: 10 pieces of the 50 tael balls and 10 pieces of the 80 tael balls; together with many <i>ginjoujap</i> [?] as had always been sent
100,000	catties of sulphur
50,000	catties of saltpetre
10,000	balls for every ordnance
20	pieces of red cloth
5	pieces of black cloth
5	pieces of blue cloth
	together with 20 pieces of <i>perpetuanen</i> of all colours, as much amber as the Governor-General would be pleased to send.
10	amber neckleces, all sorts of chintzes, as much white linen as had been sent before.
6	barrels of olive oil, as much copper and tin as the Governor-General would be pleased to send.

Source: Letter of *Chúa* Trịnh Tạc to Batavia in 1668, in *Dagh-register Batavia* 1668-1669, 239-240.

The Dutch, in common with other foreign merchants, were far from willing to deal with the Trịnh rulers because the latter often devalued the import goods in order to get away with paying more cheaply for what they ordered and bought.³³ In 1662, for instance, *Chúa* Trịnh Tạc divided the saltpetre which the Dutch imported into Tonkin for him into three grades, a stratagem which reduced the average price to only seven taels per picul whereas he had agreed with the Dutch factors the year before to pay ten taels five maas per picul. This subtracted 3,245 taels of silver or 11,009 guilders from the profit which the Company had counted on making on this commodity. The reason for this unexpected lowering in price, as explained by the *Chúa*, was that the saltpetre the Company offered him that year was white and of poor quality; another consideration

³² NA VOC 1236: 829-855, Hendrick Baron to Batavia, 13 Nov. 1661. See also: Buch, "La Compagnie" (1637): 144-145.

³³ This was not only a complaint of foreign merchants but also approved by European travellers who visited Tonkin during this century. See, for example, Baron, "Description of Tonqueen", 663-664; Dampier, *Voyages and Discoveries*, 49-50.

which had swayed him was the current low price on the free market.³⁴ The Trịnh skinflint attitude to payments discouraged the Dutch, who responded by trying to delay or reduce the earlier demands.

In the late 1660s, perhaps in order to prepare for their seventh campaign against Quinam (1672), the Trịnh rulers increased their annual orders for weapons and ammunition. Once bitten Batavia now often delayed and cut down on the quantities, reasoning that the Dutch themselves needed weapons badly in the long-drawn-out war with the English in both Europe and Asia. Replying to the Governor-General in 1667, *Chúa* Trịnh Tạc wrote in a disgruntled tone that the Dutch were not the only people with enemies and needing weapons. He believed Batavia could always reserve some arms and ammunition for him to defend his fortresses as well.³⁵

As the frequency of their conflicts with the Nguyễn and the Mạc eased after 1672 and 1677, the Trịnh's demand for weapons from the Company lessened. Cannon were now frequently ordered to be cast or bought in the Netherlands modelled after wooden mock-ups.³⁶ This kind of order, which often took the Company around three or four years to fulfil, reflects the loss of prestige of Western weapons in the eyes of the northern Vietnamese rulers who paid less and less for them. In 1678, for instance, the Dutch Company lost 3,000 guilders on the ordnance pieces which it had bought for the Tonkin ruler in the Netherlands because *Chúa* Trịnh Tạc was so miserly in his payments.³⁷ From this period, all the guns to which the *Chúa* took exception were returned to Batavia. Instead, he and his successors asked the Company to provide him with skilled Dutch constables and gun-smiths who would reside in the capital Thăng Long to assist in the Trịnh war efforts.³⁸

The Dutch and other foreign merchants also imported a great variety of exotic objects and curiosities into Tonkin. They included rare animals such as Arabian horses, lions, and parrots; such varied sorts of curiosities as diamond rings, amber, textiles, tulip bulbs, olive oil, and Spanish wine. Generally, these curiosities were brought to Tonkin by the foreigners as presents for the local rulers but, occasionally, the *Chúa*, princes, and mandarins asked the Dutch to either buy or to have these made for them.

Gifts were generally considered a favourable means by which foreign merchants could ingratiate themselves with the local authorities in order to facilitate their trade. There was also a down side to this gift-giving. Special demands could be a sort of burden, especially if the local rulers were dissatisfied with the objects offered. In 1665,

³⁴ NA VOC 1240: 1355-1374, Hendrick Baron to Batavia, 12 Nov. 1662; *Dagh-register Batavia* 1663, 71-73.

³⁵ Letter of *Chúa* Trịnh Tạc to Governor-General Joan Maetsuyker in 1667, in *Dagh-register Batavia* 1666-1667, 400-401.

³⁶ *Generale Missiven* IV, 86-88, 221.

³⁷ NA VOC 1339: 500-509, Johannes Besselman to Batavia, 17 Sep. 1678; *Dagh-register Batavia* 1678, 224

³⁸ Letters of *Chúa* Trịnh Tạc to Batavia in 1672 and 1679, in *Dagh-register Batavia* 1672, 67-69; 1679, 100-103.

for instance, the amber beads which Batavia sent the *Chúa* and the Prince as presents were not accepted because they were not red enough. The Queen also was dissatisfied with the pearl that the Dutch offered, demanding the Dutch to find another pearl which was similar to the wooden model she had sent to them.³⁹ In the summer of 1693, the dissatisfaction of the *Chúa* with the presents which the Company had offered him even generated such tension that the chief of the Dutch factory, Jacob van Loo, and the captain of the Company ship *Westbroek* were imprisoned. The reason was that the *Chúa* was neither satisfied with the horse which the Company had presented him, nor had the amber he had ordered arrived.⁴⁰ The imprisonment of the Dutch factors occurred again in the following years whenever the Trĩnh were discontent with presents and objects ordered.

³⁹ Buch, "La Compagnie" (1637): 163.

⁴⁰ NA VOC 8365: 1-3, Jacob van Loo to Batavia, 23 Nov. 1693.