

# European Trade on the Far East and the Mercantile Relationship with Vietnam from the 16th to 19th Century

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The 16th century witnessed a significant start for European maritime trade on the Far East, triggering by the pioneer Portuguese. Though being not a great market as compared with China, Japan, Indonesia in the Far East, Vietnam still attracted many European empires by an abundant quantity of merchandise as well as a strategic position on the international trade route. The Portuguese, Dutch, British and French respectively represented themselves in Vietnam, with somewhat different interests, paying much attempts to establish a stronghold for trade there. Nonetheless, their trade in Vietnam had become feeble since the end of 17th century. That was explained by several reasons.

Keywords: The Far East, Vietnam, European maritime trade, about-turn,  
16th-19th centuries

## I. Introduction

It was the time Vasco de Gama found the India by eastward doubling the South Africa (1498) to boom European maritime trade in the Orient. The advantage was immediately in hands of the Iberian to explore India and the Far East<sup>1)</sup>, a region the Portuguese praised as: “the finest regions in the world. For they contain all the riches, precious stones, mundane merchandise, spices and many and great kingdoms and empires”<sup>2)</sup>. Not only broke a monopoly of Venetian spice trade in the West Indies throughout the 13th-15th centuries, they also operated a history time of exploring, conquering and yielding much profit from the Oriental trade for the Europeans. From the 16th to the 19th century, the Portuguese, Spanish, Dutch, British and French were the five European empires contributed most for the maritime trade with and within the Far Eastern countries. They step on step occupied all important ports in the Asian water by commercial treaty, or conquest.

On further way to the Far Eastern water, the Portuguese discovered Vietnam in 1516. They spent several years thenceforth to loiter around this country before they could set up the official trade here in 1540. Actually,

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1) Far East was the term of Western people to refer the countries of East Asia (China, Japan,...), then including the countries of Southeast Asia and Russian Far East. In this paper, the Far East is mainly used to refer the countries of Southeast Asia, China (containing Macao, Hong Kong, Taiwan) and Japan.

2) C.R.Boxer, *Portuguese conquest and commerce in Southern Asia 1500-1750*, Variorum Reprints, 1985, p.123

among Far Eastern cargoes, Indonesian pepper, Moluccas cloves, nutmeg and mace, Chinese silk, porcelain and tea, Japanese copper and silver, etc were the most popular in Europeans junks. In comparing, Vietnamese merchandise was neither much widely well-known nor prevalent. Otherwise, if Malacca, Manila, and then Singapore were the constant stations for many eastward cargoes and in return, Vietnam – in the middle of the Far East – is far from any first contact from the West. Nonetheless, as the Portuguese, the Dutch, British and surely the French, indeed, paid much effort to set a firm foothold here during the 16th - 19th century, even under the hostilities of native rulers. It is wondering whether natural resources, specific products or any else attracting them? Notably, though gaining profits from European trade, Vietnamese authorities found it hard to keep their enthusiasm with this trade, particularly since the end of the 17th century. What were the real reasons? A desire of finding out the answers for these confusing matters was the start for this paper.

The research was implemented basing on several historical documents, books, and atlas, including original materials. By giving an overview of European trade on the Far East, then focus on Vietnamese foreign trade, this paper aims to point out a strategic position of Vietnam for European empires in the Far Eastern trade, as well as the context of diminishing foreign trade here during the 16th to 19th century.

## II. European trade on the Far East

Locating on the tropical and equatorial zone, the South and Southeast Asia are home of various special spices, like: pepper, cloves, nutmeg, cinnamon, which is rare at that time in Europe. Spice, at first, was the main purpose of any ambitious European empires to crave for the Far East.

Needless to say, thank to the honorable success of their explorer Vasco de Gama, the Portuguese made them “the pioneers of Western imperialism in the Far East”<sup>3)</sup>. Particularly after winning the Tordesillas in 1494 and then the Saragossa Treaty in 1529 with the Spanish, they held a full opportunity to monopoly explore almost the Far East (except for Philippine), and enjoyed this privilege until the late 16th century. They quickly possessed many important bases in the Far East: Malacca (1511) – a major spice market, a gate for main eastward cargoes flow from Europe to the Far East; Ambon (1537), Ternate (1530) and Tidore (1578) of the Spice Islands<sup>4)</sup>; Macao (1557) of China, from which they established a profitable route Macao-Japan for a time. By totally “more than fifty forts and factories, in a tenuous string from Sofala [a port in the southeast coast of Africa] to Nagasaki”<sup>5)</sup>, the Portuguese established a mercantile network for supplying and distributing merchandise not only between the East and the West but also among Asian countries. The incorporation of the Portugal with the Spain in 1580, nonetheless, restrained their flourishing time of domination and trade in the Far East, but giving a big chance for

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3) Joseph Buttinger, *The smaller dragon*, Frederick a. Praeger, Inc. Publishers, 1958, p.198

4) Spice Islands or Maluku Islands, Moluccas Islands, historically used by the Chinese and Europeans, constituting of an archipelago of Indoneisa

5) Geoffrey Barradough (edited), *The time atlas of world history*, Times books limited, 1984, p.158



Figure 1. Trading ports in the Far East; (Original map of CIA-the world facebook)

the Dutch to represent here throughout the next century.

The furthest Asian area that the Spanish merchants could stretch their foot was Philippines. Their big prize was Manila, where they established a fort in 1565, and able to secure it from many threats during the next three centuries. Only the British could interrupt their time in Manila for just 3 years (1762-1764). Several westbound and eastbound flows were churned out here. The trade route between Manila and China, Manila and Japan were also created. In 1898, their trading base in Philippines was lost in hands of the American, and the Spanish empire no longer existed.

It happened in the end of 16th century, when the Dutch was embargoed in trade with the Portuguese, who used to frequently contribute spices from the Asian water for them. They, hence, decided to find a way accessing to spice trade directly in the Far East themselves. Their failure in attempt to find the northeastward to the Orient proved that the shortest and easiest maritime way to the Far East at that time, eventually, was the way Vasco de Gama discovered. The vigorous time in the Far East of the Dutch, attached with the success of the Dutch East India Company (VOC), which was found in 1602. They soon became the very rival of the Portuguese in the Far Eastern market, by their strong naval power, and also a so-call ruthless competition. Possessing almost the main ports in the Malay Archipelago including Sumatra, Java, Borneo, Celebes and Flores, plus many other ports in the South of Malaysia and Singapore, the Dutch held an enormous source of Far Eastern merchandise, controlling most of gates to the Southeast Asian water: Malacca and Sunda Straits. Playing the monopoly intermediate role

for Japanese silver and copper export as well as silk import at Nagasaki, the Dutch did produce an enviable profit throughout the valid time of the national isolation policy “*sakoku*”<sup>6)</sup>. Thereby, coinciding with the coming of the 17th century, the Oriental trade was mostly in hands of the Dutch, who even left far from their companion British at that time. Nevertheless, attaching with several failures in politic, the Dutch faced a big storm of colony decline and military expedition increase. With the dawn of the 18th century, after all, the Dutch lost their stronghold in the Far East. The Dutch East India Company eventually expired in 1795. For the next period time, the British became their most successors.

The British merchants launched the Far East in the end of 16th century with an unfortunate begin. They found the East India Company in 1600, two years earlier than the VOC. They, with the join-stock company, once succeeded in building a chain of factories in Bantam (1602), where it became their ‘main office’ for the next 50 years, as well as Ayuthia, Patani (the main ports of Thailand) and Hirado (Japan) by the 1610s. However, as a belated and less power, the British had found it hard to neither fortify their foothold in the Far East nor gain the real peace trade from the Dutch, regardless of their “the live-and-let-live base treaty” in 1619<sup>7)</sup>. After a withdrawal storm of their factories in Ayuthia, Patani and Hirado<sup>8)</sup>, then the “Ambon massacre”<sup>9)</sup> in 1623, the company gave up their attempt in the East Indies. Not until 1660s, the British reached the Far East again. The East India Company intended to trade with Japanese and Chinese indirectly through Formosa and Tonkin (Vietnam)<sup>10)</sup>. Particularly since the First Opium war (1839-1842), the British attained the full right to took up this wealthy market. They established several trading ports on the coastal regions or along the Yangtze River, the suitable place for shipping and trading in China, including Hong Kong. Throughout the two 18th and 19th centuries, profit increase in trade of the British had attached to their success on colonization, establishing a great territory of colonies all over the world, which was so-call the British Empire, where “the sun never sets on”. They gave a real threat to any Far Eastern countries, not except for Vietnam.

Several early attempts of the French to reach the Far East since 1527-1528 were eventually abolished as “the way is too long, and the Spaniards and the Dutch are too strong to suffer it”<sup>11)</sup>. So, while the Portuguese, the Dutch and the British gave much effort to fortify stronghold in the Far East, the French still absorbed in wars, colonization, slave trade in America and Africa. Only from the 1664, when the French East India Company was found, the French had started their time on the Oriental maritime trade, mainly in India. When almost their forts

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6) Sakoku (鎖国): Locked country or chained country was adopted by Tokugawa shogunate from 1633 till 1853.

7) Brian Gardner, *The East India company*, the McCall publishing company, 1971, p.38

8) see D.K.Bassett, *The trade of the British East India company in the Far East*, 1623-84, p208-236. In the book of Om Prakash, *European commercial expansion in early modern Asia*, Variorum, Ashgate Publishing limited, 1970, p.210

9) This was a big accident for the East India company when ten Englishmen, their employees were tortured and sentence to death by agents of the Dutch East India company in Amboyna, Indonesia.

10) During the period between 1600-1800, when there were two separate Vietnamese kingdoms, Tonkin was used by foreigners to refer to the northern Kingdom (*Đàng Ngoài*) under the Lê dynasty and Trịnh Lords. (according to Bruce Lockhart, William J. Duiker, *Historical dictionary of Vietnam*, The Scarecrow Press, inc, 2006, pp.365-366)

11) Joseph Desomogyi, *History of Oriental trade*, Georg Olms, 1968, p.136

were transferred to the British in 1763, the French entirely lost the game in the Far East ground. Hence, till the first half of 19th century, the French represented such a feeble power in the Orient. Only after winning a commerce treaty with Siam and acceptance for protection in Cambodia in 1856, the French was ready for a conquest of Annam, then Cochinchina and a whole Indochina. By making Vietnam, Lao, Cambodia the French Indochina in 1887, and following a new way from the West to the East through Suez Canal, the French got a strong base for a new start with the Far East.

### III. European interests in Vietnam

Stretching along a coastal region of the large and notably swallow sea of South China Sea, containing several seaports and river-ports, Vietnam is the suitable country for maritime trade. As William Milburn, a secretary of the East India Company, who came many regions around the world said about the country, where it: “contain many excellent bays, roads and harbors, on that are better situated for commerce, from its interior communication by means of its numerous rivers”<sup>12)</sup>. In spite of already appearing as one of the stations in the inland Silk Road after 120 year B.C, and then the maritime Silk Road, it was not until the 16th century for Vietnamese history to open a new page with the mercantile relationship with the European.

#### 1. The Portuguese

The Portuguese reached Vietnam as early as 1516, when they sailed from Malacca to China<sup>13)</sup>. Their voyage for China was in a late monsoon (it was middle of the August when they departed Malacca) and they encountered the storm in the coast of Cochinchina<sup>14)</sup>. At another time on the route from China back to Malacca, one of the Portuguese ships “was lost in the Gulf of Cochinchina...the capital and the crew were saved”<sup>15)</sup>. These accidents meant nothing than a chance for the Portuguese to discover Vietnam, and it certainly interested them. By 1523, Duarte Coelho, a Portuguese envoy, printed his foot on Vietnam, and tried to gain a trading agreement with the Vietnamese authorities, yet he did not succeed<sup>16)</sup>. These voyages, anyway, were not worthless, but the good

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12) William Milburn, *Oriental commerce*, vol II, Black, Parry and Co., 1813, p.445. The author was a secretary serving for the East India company from 1813 to 1818

13) see T'ien-Tsê Chang, *Sino-Portuguese trade from 1514 to 1644*, Late E.J.Brill Ltd, 1969, p.39. The region where the Portuguese ships early reached Vietnam in 1516, by encountering a storm, at that time still belonged Champa, and since 1697 has become the Southern Vietnam; also see Joseph Buttinger, *The smaller dragon*, Frederick a. Praeger, Inc. Publishers, 1958, p.245. According to this author, these Portuguese ships, under the control of Fernão Peres, reaching Vietnam were to prepare for the later landing of Antonio da Faria.

14) Cochinchina, was named by the Portuguese for the region at a mouth of Mekong river, then referring to the South part of Vietnam, under the control of the Nguyen lord line.

15) T'ien-Tsê Chang, op.cit., footnote 13), p.46

16) Đỗ Bang, *Phố cảng vùng Thuận Quảng thế kỷ XVII-XVIII* (Trading ports of Thuan Quang protectorate in the 17<sup>th</sup>-18<sup>th</sup> century), Thuan Hoa Publishing House, 1996, p.35

preparation for the Portuguese. It was not until 1535, when another Portuguese envoy, Antonia da Faria, entered the southern Vietnam. He quickly decided Faifo<sup>17)</sup> as “another suitable port for Portuguese trading and shipping”<sup>18)</sup>. On a book “*The smaller dragon*”, Joseph Buttinger believed that the main purpose of the Portuguese at that time was clearly “making Faifo their stronghold like Goa or Malacca”<sup>19)</sup>. If in this case, it implied the important thing that, the Portuguese early realized the strategic entrepôt in Southeast Asian water of Vietnam. In 1540, they started their affairs at Faifo, triggering the foreign trade between the Europeans and Vietnamese. They kept their privileges on trade in the South part<sup>20)</sup> of Vietnam till the 17<sup>th</sup> century as the “good relationship” with the South rulers. From the fact that since the early 17th century, the Portuguese lost their stronghold in the India and the Far East, we believed that a trade route Macao-Vietnam became a mean for their survival. They tried to keep it, albeit feeble. In a report of the Frenchmen Pierre Poivre on Cochin-china (1742-1743), he said: “They [the Portuguese] bring tutenag, tea, porcelain and other goods from China for use by the Cochinchinese. The main return cargo consists of sugar, which was sent to India, eaglewood and raw silk which was sold to the Dutch”<sup>21)</sup>. Here, we trusted that, the place they “sold to the Dutch” might be in Batavia (Java, Indonesia), the remained fort of the VOC. At that time, Vietnamese resources and her products clearly played an important role on the Portuguese flows further than her position as an entrepôt in the Far East.

## 2. The Dutch

To understand the reason that the Dutch did crave for Vietnam in the 17th century, it is necessary to mention about Japan and China, the two countries were a factor to improve foreign trade in Vietnam. From the late 16th century, Chinese raw silks were in higher-demand for the Japanese, meanwhile, the Chinese authorities still kept an embargo on Japanese ships and some kinds of Chinese merchandise to Japan by the “*hai jin*” law<sup>22)</sup>. The Chinese and Japanese then should find some entrepôts to serve for their business. In this case, Vietnam was chosen as the suitable entrepôt. For the reason that she locates near China and Japan, but independent enough to not be affected by the Chinese and Japanese power. Otherwise, she is the familiar destination of merchants in these two countries for several years. Especially, as oversea Chinese cargoes were reduced rapidly in the market,

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17) Faifo (or Hoi An seaport), named by the Portuguese for the seaport in Quang Nam province, the Southern Cochinchina. It had been the most flourish international seaport in Cochinchina since the 16th till 18th century.

18) Joseph Buttinger, op.cit., footnote 3), p. 199

19) Ibid., p.201

20) Since 1558 to 1775, Vietnam was apart into two regions: the North part and the South part, with a border of Gianh river (in Quang Binh province). The North was under the control of the Trinh Lord, while the South was ruled by the Nguyen Lord, in spite of they were both respected the same puppet government, the Later Le dynasty.

21) Pierre Poivre, *Voyage de Pierre Poivre en Cochinchine (Description of Cochinchina)*, 1749-50, translated by Kristine Alilunas-Rodgers, in a book of Li Tana and Anthony Reid (edited), *Southern Vietnam under the Nguyen*, JBW Printers & Binders Pte.Ltd, 1993, p.95

22) “*Hai jin*” law (海禁, 1368-1644, 1644-1912), literally “ocean forbidden”, “sea ban”, abandoned maritime trade during the Ming and Qing dynasty of China. From 1567, Chinese junks were allowed to trade with the Southeast Asia countries.

it was a real occasion for Vietnamese merchandise to replace those of Chinese in the world market. Silk and porcelain were typical examples.

Whereas, in order to expand their trade in the East Asia, heading the potential market of Japan, the VOC chose “several places with which Japanese merchants formerly had regularly traded”. Now, it is so clear to understand why Vietnam was chosen for their aim. A great attempt of the Dutch also awarded them the first office in the Southern Vietnam in 1636, but under rumors of the former Portuguese and a suspicious environment of the South rulers. In the North, Lord Trinh totally realized an advantage in relationship with the Europeans from an example of the South. He invited enthusiastically the Dutch to join his market. Hence, the Dutch quickly move to Pho Hien<sup>23)</sup> in 1637, and soon being allowed to appear in the capital of the North, Ke Cho<sup>24)</sup>. From the early time of “*sakoku*”, when they won the monopoly trade with Japan, the Dutch made them able to displace the Japanese in the trading route from Vietnam to Japan. As soon as possible, the Dutch snatched a high beneficial trade of Tonkinese silk for Japanese market, and then for Holland (until 1690s)<sup>25)</sup>. From 1641-1654, the interest they earned from Tonkin silk contributed 71% to the total money from Deshima to Batavia<sup>26)</sup>. Importing Japanese silver and copper to Tonkin was another important flow of the company. Furthermore, as the vacuum of Chinese porcelain in the Asian market since the adoption of “*hai jin*” law, the Dutch held all the requests of Lord Trinh frequently for Japanese porcelain (fine-art porcelain)<sup>27)</sup>. They also became the supplier for Tonkinese porcelain from 1672, which even “apparently stand up rather well to Japanese and, at least for a time, Chinese competition”<sup>28)</sup>. The Dutch left Vietnam in 1700, partly resulting from the extremely decreasing profits from 100-200% to only 10-40% on trade<sup>29)</sup>, as their general destiny in the Far East. Another reason was distinctly from the about-turn of the native rulers.

### 3. The British

The British put their eyes on Vietnam right after they set up a factory in Hirado (Japan) in 1613. The purpose of this first voyage was not materialized. Nevertheless, for the second attempt to send junks from Hirado to Cochinchina in 1617, it is obviously that they were craving for raw silk, which was in high demand in Hirado. To the British, besides China, Cochinchina was also the potential market, where used to frequented many Japanese vessels. This place, according to Richard Cock<sup>30)</sup>: “there we may be sure to have raw silk every year in

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23) Pho Hien, in Hung Yen province, used to be one of the prosperous river-port of the Northern Cochinchina

24) Ke Cho, or Dong Kinh, present-day Hanoi.

25) see Hoàng Anh Tuấn, *Công ty Đông Ấn Hà Lan ở Đàng Ngoài* (The Dutch East India Company in the North part), 1637-1700, pp.37-61, in a book of John Kleinen et al (edited), *Sư tử và rồng, bốn thế kỷ quan hệ Hà Lan-Việt Nam* (Lion and dragon, the four-century-relationship between Holland-Vietnam), Thế giới Publishing House, 2008.

26) Hoàng Anh Tuấn, op.cit., footnote 25), p.41.

27) see T.Volker, *Porcelain and the Dutch East India company*, E.J.Brill, 1971

28) Ibid., p.184

29) see Joseph Buttinger, op.cit., footnote 3), p.204

30) Richard Cock was the head of the East India company trading post, in Hirado, Japan. According to his letters to the company, he



great quantity. Some years there cometh above 1,000 picos from that place only into Japon [Japan]...it is certain there cometh twice as much silk yearly to Cochinchina as there doth to all the three places of Bantam, Pattania and Syam [Siam]<sup>31)</sup>. Yet both their attempts were fallen into suspected disasters. On their ambition again to Japanese market in 1660s, the British one more time chose Tonkin as their entrepôt: “Japan was the objective and Tongking [Tonkin] and Formosa were the means to that end”<sup>32)</sup>. The British established their factory in Tonkin in 1672 for that purpose. Unluckily, their project was abolished cause of an unforeseen rebuff at Nagasaki and the ruthless competition of the Dutch. After this repeated failure, the British paid more attention on Tonkinese market, and soon realizing her as another suitable market to serve finished silk for London instead of raw silk for Japan as planned. They did, until 1697<sup>33)</sup>, though not faring well. From 1679-1682, Canton (in Canton province) and Amoy (in Fujian province) of China, with “wrought silks, satins and damasks” were more attractive to the British<sup>34)</sup>. They reluctantly left Vietnam in 1697, after several years representing in their company under the hostilities of the native rulers. Despite they were so troubling about the native reception, the British really did not want to miss the ‘fine position’ of Vietnam, where they could easily meet a demand of Chinese cargoes, which “as cheap a rate as it could be purchased at the ports of Canton”<sup>35)</sup>. Right in 1701, they came back Vietnam, and founding a settlement in Poulo Condor<sup>36)</sup> for the most ambition of making “the island soon become a station for the China trade, from which the ships could be dispatched to the different ports in that empire to dispose of European goods, and to purchase Chinese articles”<sup>37)</sup>. However, their settlement was destroyed in 1705, by the native people, and that was all enough for their force here in the 18th century.

#### 4. The French

A target of the French to seize Vietnam was somewhat different with those of the formers. Realizing a prosperous Vietnam, Alexandre de Rhodes, a French Jesuit missionary showed his admire and love with Vietnam in his book “*Divers voyages et missions, Paris*” (1653) that “the Vietnamese, were very rich, because the earth in Vietnam was fertile. They had gold mines and quantities of pepper, and so much silk that they used it even for their fishing lines and sailing cords”<sup>38)</sup>. Being enthusiastic with what Alexandre reported as well as laying a belief on a fortification the French missionaries set up there, the French East India Company decided to establish a trading intercourse with Vietnamese in 1680 with the first factory in Pho Hien. They suddenly closed it two years

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also responded for expanding trade from Japan, which included Cochinchina and Tonkin in his plans.

31) William Foster (edited), *Letters received by the East India company from its servants in the East*, Sampson Low, Marston&Co., vol.V, 1901, letter from Richard Cock to the East India company, pp.16-17

32) D.K.Bassett, op.cit., footnote 8), p.229

33) D.K.Bassett, op.cit., footnote 8), p.232

34) D.K.Bassett, op.cit., footnote 8), p.232

35) William Milburn, op.cit., footnote 12), p.445

36) Poulo Condor, present-day Con Dao island, in southwestern Vietnam.

37) William Milburn, op.cit., footnote 12), p.445

38) Joseph Buttinger, op.cit., footnote 3), pp.216-217



later for objective reasons. It was not until 1749, when the French East India Company dispatched Pierre Poivre to come back Vietnam with a mission of opening a factory in Tourane<sup>39)</sup>. This French priest was believed as “an expert on Vietnam”<sup>40)</sup>, but indeed he represented himself as a cub in trade with Vietnamese<sup>41)</sup>. Although at that time, the French was granted a license for trade from the Southern government, he and his officers were not able to realize this opportunity. His great misunderstanding about Vietnamese rulers led him to a spontaneous action, which annoyed much the native authorities. It caused the French East India factory in the South postpone her business until 1752, when they reconciled successfully with their fastidious counterpart. Nonetheless, since this time, the French had sucking into an ambition of disturbing and invading Vietnam more than pure trading. The history of Vietnam revealed that, the French tried to attack her several times, without any achievement till their first success in 1858. Focusing on a pretext the French chose Vietnam for their strong effort of balancing power with their formidable British, it is proved that geographical position of Vietnam was the main point. Vietnam, in the whole Indochina, were the very blockade for entering the southern China by the Mekong and Red river, the other ways than Yangtse river, where it was under a hard control of the British. Obtaining Indochina, their business fate in southern China promised a better fortune for the French. Unfortunately, challenges gave them a failure. They lost another chance to attain free trade with Vietnam when they ignored an entreat of Nguyen Anh<sup>42)</sup> to hold not only privileges in trade with Vietnamese but also a full control in Faifo, the most prosperous seaport of Vietnam, and Poulo Condor<sup>43)</sup> as a price for helping him regain the Vietnamese throne [The Treaty 1787]. They finally received a cold reception of Vietnamese rulers when they backed to gain an agreement on trade from them, especially since 1820s. The French subsequently actualized their lasting dream by conquering the Southern Vietnam in 1867, with the implied hope of penetrating to resource-wealthy Yunnan province of China by Mekong river<sup>44)</sup> from there. After the disappointed discovery as “the Mekong was not navigable as far as China”<sup>45)</sup>, the French laid repeated attempts to penetrate Tonkin. Here, they aimed at the Red river, “which ran through Tonkin, would be the avenue to China”<sup>46)</sup>. Religious conflict in Vietnam, subsequently, gave a good pretext for the French to spread to Tonkin. By the Treaty of Tientsin on June, 1885, the Chinese evacuated Tonkin and also opened Yunnan province for the French to trade<sup>47)</sup>. Indochina was transferred to the French.

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39) Tourane, presenday-Da Nang province

40) Oscar Chapuis, *A history of Vietnam from Hong Bang to Tu Duc*, Greenwood Press, 1995, p.173

41) see Joseph Buttinger, op.cit., footnote 3), pp.173-174

42) Nguyen Anh, or King Gia Long, was the founder for the Nguyen dynasty – the last Vietnamese imperial dynasty (1802-1945)

43) see Trần Trọng Kim, *Việt Nam sử lược (A brief history of Vietnam)*, e-book, Sách Việt group, 1994, p147. The author was the Prime minister under the Nguyen dynasty, in 1945.

44) The river flows along from Tibetan plateau, through China's Yunnan provinces, Burma, Thai, Cambodia, Laos and outermost downing to Southern Vietnam, where it enriches the Mekong river delta.

45) Robert Aldrich, *Greater France, a history of French overseas expansion*, Macmilian Press Ltd, 1996, p.78

46) Ibid., p.80

47) see Joseph Desomogyi, op.cit., footnote 11)., pp.153; also see Oscar Chapuis, *The last emperors of Vietnam, from Tu Duc to Bao Dai*, Greenwood Press, 2000, p.71

#### IV. An about-turn on foreign trade of Vietnamese rulers

##### 1. Craving for trade with the Europeans

The middle of the 16th century witnessed two biggest upheavals, which strongly encouraged foreign trade in Vietnam: 1. the Portuguese triggered foreign trade here since 1540; 2. Vietnam was divided into two regions in 1558, the North (*Đàng Ngoài*) and the South (*Đàng Trong*), under the rule of two lords, Trinh and Nguyen lines, in respectively. Starting to build his empire from a wild, poor and unsafe territory of the South part, Lord Nguyen concentrated on land reclamation, regional expansion, and foreign trade to push the development as much as possible. The Portuguese could easily develop their business in the South part by that reason. As soon as the war between the South and the North broke out in 1627, Lord Nguyen found another role of the Portuguese merchants as the contributor for weapons and bronze cannons to serve their war. For the North rulers, their enthusiasm of European trade is possibly explained by two reasons: firstly, Lord Trinh realized the profit of opening trade with the Europeans from an example of the South. Right after the presence of Grol (the Dutch ship from Japan sailed via the Central Vietnam to the North part) with 190,000 florins (Dutch monetary) and a great quantity of silver<sup>48)</sup>, Lord Trinh eagerly welcomed the first factory of VOC in Pho Hien in 1637. He showed his expect on trade with the Dutch through his letters and offers for Governor Generals of VOC in Batavia, Taiwan and Japan, treating the director of the VOC factory in Pho Hien as his foster child<sup>49)</sup>, and accepting the Dutch affairs in his capital (what the South rulers never allowed the Europeans). As his remarkable hospitality, there might be the other more important reason: a desire of weapons and bronze cannons to maintain the balance of power with the South army, who were supporting by the Portuguese.

As the two first European empires approaching Vietnam on time of sensitive political transition, the Portuguese and the Dutch received warm reception from the two kingdoms.

##### 2. From warm to cold reception

The fortune of European merchants in Vietnam was not as bright as their hopes. The Portuguese missionaries were the one set up a base in Vietnam before the Portuguese merchants, though in a small scale. They used to be supervisor for the latter to carry out their business in a strange region. In exchange, it was the Portuguese merchants, who prompted Catholicism development in Vietnam, when they invited “a group of reluctantly idle Jesuits in Macao to come to Vietnam [mainly Cochinchina]”<sup>50)</sup> in 1615, of which not only Portuguese but also British. More and more Christians landed at Vietnam afterward. A rapid success of them rose up an anxiety of the

48) Nguyễn Văn Kim, *Vị trí của Phố Hiến và Domea trong hệ thống thương mại Đàng Ngoài thế kỷ XVI-XVII* (the position of Pho Hien and Domea in the commercial system of the North part during 16<sup>th</sup>-17<sup>th</sup> century); in a book of John Kleinen et al (edited), *Sư tử và rồng, Bốn thế kỷ quan hệ Hà Lan – Việt Nam* (Lion and dragon, four-century relationship of Holland and Vietnam), Thế giới Publishing House, 2008, p.85

49) Hoàng Anh Tuấn, op.cit., footnote 25), p.38

50) Joseph Buttinger, op.cit., footnote 3), p.213

Trind and Nguyen lines. It was replied officially through the opposition toward foreign religions early in 1631 of Lord Nguyen in the South. Since 1663, Lord Trinh in the North shared the same idea. Being not able to distinguish the different threats from each foreign religion as Tokugawa shogunate of Japan, who stated that the Dutch Protestant was obviously not as dodgy as the Portuguese and Spanish Catholicism, Trinh Lords and Nguyen Lords confused to every European religion. They called them “*the Dutch religion*”, and treated in the same way for all. However, several abandoned policies in the whole Vietnam throughout the 17th century did not discourage European missionaries. Despite the European religions were strictly prohibited, European missionaries still came back by following trading vessels and able to keep continue their work secretly. It was still estimated that “There were several hundred thousand Christians lived in Vietnam by 1700”<sup>51)</sup>. European religions increasingly prevailed effect on a large part among Vietnamese population. The problem became further out of the control of Vietnamese rulers when the French merchants, who were served for the French East India Company, penetrated Vietnam with a cover of missionaries in 1680. An alliance between merchants and missionaries here, hence, was improved into an advanced step, well-organized. It is hard to realize what was their real target, religious evangelization or trading profits. Like a puzzled British trader reported: “The French have a house in town, but we can’t make out whether they are here to seek trade or to conduct religious propaganda”<sup>52)</sup>. This matter, William Milburn, also accepted: “that empire, to which all Europeans at this period were [or had to] liable”<sup>53)</sup>. The Vietnamese authorities felt incapable in blocking the invasion of European religion. For every ship from Macao to Cochinchina, though “under the name of a wealthy individual from Macao, called Louis Coellio [Coelho], the Vietnamese rulers condemned the certain relation of Jesuits, who “using the conveyance of provisions to the missionaries as a pretext for carrying on a profitable trade”<sup>54)</sup>. Consequently, to deal with the so-call “reciprocal alliance”, they “decreed more and more restrictions against them”<sup>55)</sup>. A hidden force for the so-call about-turn of the Vietnamese rulers to European merchants was definitely religious conflict. Till 1754, the Trinh lords had implemented more harsh policies over the country<sup>56)</sup>.

Actually, it is unfair to accuse the diminution of European trade in Vietnam only to the native rulers. Fierce competition among European merchants, bad rumors of each other by European merchants themselves, losing foothold in the Far East and even their confusion about Vietnamese were additional reasons for their difficulties on trade in Vietnam during 17th-18th century.

The first quarter of the 18th century closed the heyday of European trade in Vietnam. The next period had coming with several domestic wars and political changes. Foreign trade, hence, did not mark any notable success.

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51) Bruce Lockhart, William J. Duiker, *Historical dictionary of Vietnam*, The Scarecrow Press, Inc, 2006, p.70

52) Joseph Buttinger, op.cit., footnote 3), p.218

53) William Milburn, op.cit., footnote 12), p.445

54) Pierre Poivre, op.cit., footnote 21), p.95

55) Oscar Chapuis, op.cit., footnote 40), p.172

56) see Trần Trọng Kim, op.cit., footnote 43), p.143

### 3. The rebuff diplomacy relationship with the Europeans

The 19th century coming with the enthroning of the Nguyen dynasty, was the time of seclusion Vietnam from all of diplomatic relationship with European and American countries. Both the American, Portuguese, British and French were never gained a basic country-to-country agreement on trade with Vietnam, for some sensitive reasons.

It is necessary to notice that, there were two contrary thoughts prevailing the Nguyen dynasty at that time. On the one hand, the Nguyen rulers rebuffed all requests to open widely trade and signing commercial contract with the Europeans. The British, French, and American governments no less than one time requested Vietnam to open trade with them, but they had no way to win the success. Even the French bishop Pigneau de Behain, who did much to assist King Gia Long to found the Nguyen dynasty (1802-1845), then being pointed as a high ranking mandarin in the Nguyen court, paid worthless effort to change this stubborn decision of the imperial court. A context for this policy of the Nguyen clearly resulted from the threats of European empires to Vietnamese freedom and traditional culture: the powerful British with their considerably colonized area in the Far East, the deceitful French with a cheat of the 1787 Treaty and bad impressions on some French merchants, as well as the strange of Catholicism principles against Vietnamese customs. In his defense for Minh Mang, the King showed his strict attitude to the European, the Prime minister of Vietnam in 1945 Tran Trong Kim said that, “at that time, not only King Minh Mang (1820-1840), but also many Vietnamese people still gave the highest respect for the civilized China. The other nations both were just *barbarians*”<sup>57)</sup>. As the Chinese, many Vietnamese still fancied about the most power and civilization of the Chinese all over the world, until their great defeat in the Opium wars (1839-1842 and 1856-1860). Moreover, while Buddhism and Confucian thoughts taught people highly respect for their parents and ancestors, Christians opposed a cult of ancestors. King Gia Long (1802-1820) experienced a pain from this different idea when his son, Prince Canh, “refused to bow in front of his ancestors’ altar”<sup>58)</sup> and “told his mother to throw feces on Buddhist images”<sup>59)</sup> in order to paying his sincere to Jesus. That strongly woke up the Nguyen rulers, who desired to keep well traditional custom and culture of the country, to a risk from the European. Additionally, following the Confucianism ideology on the social rank ‘soldiers–peasants–workers–merchants’, the Nguyen dynasty preferred to encourage agriculture than trade. What they cared of foreign trade was primarily for their own demand but their people.

On the other hand, the Nguyen themselves didn’t completely ban on foreign trade. They need European weapons, technology, several cargoes for their army and daily life. They still fancied yielding profits from exporting cargoes. As such reasons, King Minh Mang ever rejected resolutely a proposal of stopping any trading relationship with the Europeans of his servant in the court<sup>60)</sup>. For many vessels got accident in the coastal zone of

57) see Trần Trọng Kim, op.cit., footnote 43), pp191

58) Oscar Chapuis, op.cit., footnote 40), p.170

59) Oscar Chapuis, op.cit., footnote 40), p.179

60) see Chu Tuyết Lan, *Quan hệ bang giao giữa triều Nguyễn và phương Tây (1802-1945)* (Relationship between the Nguyen dynasty and the Westerners, 1802-1945), in a book *Những vấn đề lịch sử triều Nguyễn* (Historical issues of the Nguyen

Vietnam, King Nguyen were willing to secure them, support food and rice, even let them stay in Vietnam for the next monsoon to return. They also delegated envoys to Europe to study new knowledge and technology. The first three kings of the dynasty, actually, refrained from any careless policies against the Europeans, enough to prevent any opposition from them. King Minh Mang even recognized the opportunity of basing on a relationship with America to save them from the same fortune as the Ch'ing China, who was defeated in the first Opium War by the British. It is a real pity that he died without inspiring his sons his idea.

Unfortunately, the conservative ideology of feudalism still affected widely on most of mandarins in the court. They felt it hard to accept scheme of reformation the country, by the envoys who were dispatched to many European countries, with full of progressive ideas, including some articles for opening foreign trade. European trade with Vietnamese at that time, therefore, was kept, but reluctant and feeble, to mainly serve a demand of imperial court. Learning no lesson from his ancestors, King Tu Duc (1847-1883) extremely applied the so-call biased view toward the Europeans. Since 1835, foreign vessels were allowed to land at only Tourane for trade. Till 1840s, when the French revealed their greater and greater ambition on invading Vietnam, the Nguyen dynasty solved this problem by strictly ban on European penetration. Despite a hazard was facing them when the French colonized the Southern Vietnam in 1867, the Nguyen dynasty still refused every last opportunity to secure their declination by release the foreign trade. Formally in 1885, the short-lived unified Vietnam ended.

## V. Conclusion

Generally, trade on the Far East spent a lot of effort and money of the European. Almost early successful voyages of the Europeans to the Far East were funded by Royal Courts, with the yearning for improving their empire power. For the Portuguese and Dutch, the intra-Asian trade became much important to advance the finance for spice trade. The British combined colonization and trade for their great time in the Far East. The French was, needless to say, interested in the Far Eastern trade to re-establish the power balance with their most powerful competitor British.

Participating on Vietnamese market not at the same time, under the somewhat different purposes, each European empire got the dissimilar fortune on trade here. In general, all of them harvested both sweet profits and painful failure in Vietnam. Like in other Far Eastern countries, the Portuguese, Dutch, British and French did their business in Vietnam, by either money, ships and cargoes or weapons and blood. Internal conflict between the North and the South Vietnam gave the Portuguese and Dutch an occasion to trigger trade with the native people. The Portuguese was welcomed by the South, the Dutch was by the North. While the Portuguese regarded Vietnam as a suitable market for their business in the intra-Asian trade, the Dutch yearned for silk to Japan and Holland, porcelain to Southeast Asian countries as well as contributed fine-art porcelain, silver and copper from Japan for the Vietnamese rulers. The British and French represented as late comers to Vietnam. The British not

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dynasty), Xua&Nay magazine and Văn hóa Sài Gòn Publishing House, 2007, pp.37-38.

only desired to serve Tonkinese silk for Japan and then London but also considered the country as the good place for collecting Chinese cargoes. The French selected Vietnam as their remained prize in the Far East, firstly to penetrate China, then to churn out profit from her various resources. In short, though being a small country in middle of the Far East, Vietnam still attracted many European merchants as either her special products, particularly silk, porcelain, sugar, pepper,... or the good position to acquire Chinese merchandise.

Nevertheless, the European trade in Vietnam had faced the most challenge when the Nguyen and Trinh lines tended to show their cold reception to European merchants, particularly since the end of 17th century. As the suspected alliance between European missionaries and European merchants as well as frightening the European muscle, these two lords withdrew a friend relationship with the Europeans. Like their ancestors, the Nguyen dynasty gave a view on Europeans in incomprehension, ignoring the good relationship they built with many of them. In short, religious conflict was the first, and the last causes to push the Nguyen dynasty into a declination. Some historians denounced the Nguyen dynasty all the responsibilities for the collapse of Vietnam in the 19th century, which sentenced her to the hurtful French colonization. Actually, only through a comprehensive view, the researchers could be sympathetic to them. The aspiration of keeping well traditional custom, conservative thoughts of feudalism and increasing European power in the Far East were the sensible reasons to explain for the mistakes of Vietnamese authorities. The most regretted mistake they themselves made was not bravery enough to open broadly their door like Siam, especially since the reign of King Tu Duc, but called for the safety by localization than internationalism, like their big neighbors Chinese and Japanese did.