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“Ginseng, Silver and Borders in East Asia”
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INTRODUCTION

In the fall of 1685 the Qing emperor Kangxi sent his emissary to the border area with Korea for surveying and mapping of its topography. At that very moment, a group of Koreans illegally crossed the river in search for wild ginseng in the same place. When the Qing officials found the illegal intruders, the frightened Koreans fired their rifles and killed a Qing official. The Korean intruders managed to leave the area, but this incident was reported to the emperor in Beijing and soon escalated into a serious diplomatic issue between Beijing and Seoul. After a long investigation in which a Qing imperial delegation came to Seoul to supervise the process along with many Korean officials, this incident ended with Korean court’s paying for fine as much as 20,000 liang and the Chosôn King Sukchong’s personal letter to the Kangxi emperor for apology.¹

After this humiliating and costly border incident, the Chosôn court made all attempts possible to prevent further border intrusions. The efforts included the proscription of ginseng gathering in the northern borderland. However, the border with China was not the only location that concerned the Koreans. The following year the Chosôn court enforced “The Regulation on Ginseng Trade Merchants in the North and the South” in which ginseng traders in Pusan, a location in the southeastern tip of the country, nearest to Japan, should be thoroughly inspected to determine whether they traded ginseng with Tsushima merchants. Offenders who attempted to exchange ginseng in Pusan were to be decapitated, the same punishment for those who

transgressed the northern borderland for ginseng gathering.\(^2\) In other words, the Chosôn decided to regulate ginseng trade with Tokugawa Japan in order to prevent border trespassing into Qing territory.

The 1686 regulation revealed the nature of inter-state relations in East Asia surrounding ginseng in this period. Ginseng in the borderland was not only a concern for China and Korea, but also drew Japan into the web of East Asian relations. How was ginseng gathering in the borderland between China and Korea connected with its trade between Korea and Japan? Why should the Koreans worry about their trade with Japan while dealing border trespassing with Qing China? All the answers are related to Japanese silver that Koreans hoped to exchange for ginseng. Seventeenth-century East Asia witnessed that Ming China became the final sink of world silver and Japan a major producer of it. Located between the biggest consumer and the primary producer, Korea was inevitably engaged in the silver economy. It seldom produced silver but managed to participate in the silver circulation, because its ginseng was renowned and highly demanded in Japan. The Tokugawa bakufu sought to obtain Korean ginseng so fervently that they produced special silver exclusively designed for purchasing it.

This lucrative exchange of ginseng for silver between Korea and Japan was inextricably linked with China. First, prior to the nineteenth century, the ginseng business was entirely dependent on natural supplies. Korean ginseng business largely depended on wild ginseng growing in the northern borderland in which the Qing court did not allow Koreans to encroach. Secondly, the final destination of the silver exchanged for ginseng was China, where numerous Korean tributary embassies and their followers visited. Koreans needed silver to complete their diplomatic missions in Beijing and conduct their business with the Chinese on the road.

Effectively, they gathered ginseng in the northern borderland at the risk of potential disputes over border trespassing with the Qing, for otherwise they could not gain the Japanese silver which was required for the maintenance of tributary relations with China. This irony in Chosŏn foreign relationship was best illustrated in the 1686 regulations on ginseng trade. Keeping the balance between ginseng export and silver import was the key for the Chosŏn court to maintain its peaceful relations to its two neighbors.

I. BORDERS

North: Ûiju and Bianmen

Korea’s gate to China was Ûiju, the border city along the Yalu river. It was also the place where final inspection on all the visitors going to China occurred prior to their crossing the river. It was only the Korean tributary embassies who were allowed to visit China on a regular and legal base. Ever since the Qing defeated the Chosŏn and concluded their tributary relations in 1636, the Korean royal delegations traveled from Ûiju to Beijing through Shengjing and presented annual tributes to the Qing imperial court. The Korean embassies to Beijing averaged three times a year but decreased less than two per year during the eighteenth century. Even though their journey was full of rituals, tributary embassies were in fact the primary traders with China. In this paper I will call the people in tributary mission the “Korean travelers,” by which I distinguish them from illegal border trespassers.

The check for trespassers was tough: all the luggage, people and horses were checked.
There was no exception for tributary embassies. Such inspections, however, never prevented profit-seekers from sneaking into the group:

People are asked their name, residence, age, facial features, height, etc. The inspectors of the embassy as well as from the Uiju Office inspect every single piece of luggage to check for any illegal items, such as, gold, silver, pearl, ginseng, fur, and weapons. Attendants and servants take off their shirts and pants and open their luggage to show to the officials. Bundles of linens and clothes and various boxes are scattered all around the shore. Without inspection, there is no way to prevent smuggling. However, such inspections inevitably create great inconvenience. Nonetheless, even this inspection is also nothing but a ritual. Since the Uiju merchants stealthily cross the river prior to the inspection, what effects are these inspections really having?

After crossing the river, Korean travellers had to camp out for two days before arriving in Fenghuangcheng because there were no stations to stay at between the river and the first gate to China, the Bianmen gate. This gate was located along the Willow Palisade, 30 li away from Fenghuangcheng, 90 li from the Yalu River, and only 120 li from Uiju. Even though Korean travelers often remarked that they finally landed on Chinese territory by crossing the Yalu River,

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3 The tributary embassies were the only group of Koreans who were allowed to visit China on a regular and legal base. Since they were also the primary traders with China, in this paper I will call the people in tributary mission “the Korean travelers,” by which they are distinctive from illegal border trespassers.

4 Pak Chiwon, Yŏrha Ilgi, vol. 1, 39-40. Pak Chiwon (1737-1805) entered China in 1780 when he joined the embassy celebrating the Qianlong Emperor's seventieth birthday party as an attendant of his cousin Pak Myŏngwŏn.

5 Qingji Zhongrihan guanxi shiliao, juan 3 (Taipei: Zhong yang yan jiu yuan jin dai shi yan jiu suo, 1972), 1065-1066.
there was a borderland between the Yalu River and the Bianmen in which the exact boundary line was not clearly demarcated. As Marion Eggert describes, "The Ùiju border was considered a tripartite form, consisting of first the Yalu River, then a stretch of wilderness, and finally the palisade with its gate." It inevitably caused confusion about the location of the actual borderline. The vast, empty land beyond the strict control of both countries eventually allowed people to easily violate the border and to enter the other's territory, either for smuggling or illegal ginseng hunting.

In this ambiguous borderland, Korean travelers had various kinds of trade opportunities. Since this area was not fully monitored by the Qing authorities, the Chosŏn travelers had to manage the transportation of tribute and other luggage to Bianmen by themselves. This seemingly inconvenient situation gave the merchants a huge area in which to freely develop their business. First, the merchants used the system of extra-horses (yŏma). The Ùiju office sent extra horses with the envoy to protect against unexpected situations, such as the death of the horses before reaching Bianmen, which could subsequently cause delays in the embassy's returning. Not surprisingly, these extra horses never went to Bianmen with empty carts. The embassy members and merchants used these extra horses to carry their own commodities and to trade with the Chinese at the Bianmen Gate. The number of extra-horses continued to increase along with the growth of private illegal trade. Technically, the merchants were allowed to bring a dozen horses,

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but as a court official in 1686 pointed out, “these days private merchants and officials in the envoy take as many as a thousand.”

Another trading opportunity arose through the maintenance of empty horses returning from Shenyang to Ûiju. The Korean tribute, once delivered to Shenyang, was subsequently taken care of by Manchu officials. After handing over the luggage, a Chosôn official named Tallyŏnsa was supposed to lead those people and horses that did not go on to Beijing back to Uiju. Before 1705, he was selected from military officers in Uiju. However, he was later chosen from among Uiju merchants. The Tallyŏnsa was soon known as "nothing but a merchant." By the time when he was ready to leave Shenyang for Uiju, his goods were often too numerous to be carried in his own carts. He then commissioned Chinese carts to come to the Bianmen. In this case, Koreans waiting in Uiju were allowed to come to the gate to receive the Tallyŏnsa’s luggage and bring them back to Uiju. Surely, these people never came empty-handed to Bianmen. They brought their own commodities and traded with Chinese goods, before and after they met the Tallyŏnsa group. Korean travelers to China took huge advantages from the ambiguity of the borderline for their trade.

South: Japan House in Pusan

The southern border of Korea was Pusan where Koreans did not travel: instead they received Japanese visitors. After the Chosôn dynasty was founded in 1392 it allowed Japanese traders and envoys to visit Korea for reception and trade as a way of controlling pirates. The Chosôn

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9 Pipyŏnsa tŭngnok, vol. 1, 276, Injo 12/7/7.
established reception centers for Japanese visitors called the “Japan House” (*waegwan*) in the three open ports, including Chaep'o, Pusan'p'o and Yŏnp'o. From 1547 the Japanese access was restricted only to Pusan.\(^\text{12}\) The friendly relationship between Korea and Japan was devastated for seven years from 1592 to 1598 when Toyotomi Hideyoshi invaded Korea. Later in 1609, the Chosôn normalized the relationship with Japan through Tsushima. Until 1873 Japan House in Pusan was meant to be the Japanese residential district in Chosôn territory and used as a place for reception of the Japanese embassies.\(^\text{13}\)

The Chosôn-Tsushima trade in the Japan House was in many ways comparable to the tribute trade between China and Korea. The most striking resemblance was the development of various kinds of private markets beyond official trade. In fact, there were several different forms of trading opportunities in the *waegwan*. The first was tribute trade, which took place when the So family of Tsushima presented gifts to the Korean court and received gifts in return. The next was official trade in which the Chosôn purchased copper, tin, buffalo horns, sappan wood, and other goods, paid for with cotton fabrics. Finally, there was private trade, in which private merchants traded under the supervision of Chosôn officials.\(^\text{14}\)

Japanese visiting Pusan respected ginseng as the most valued commodity. It was so precious that it was presented as a Korean gift for the Japanese visitors. The ginseng gift for the Japanese was provided through a ginseng tax that was collected from Korean ginseng traders. All of the ginseng merchants had to pay the tax, about ten percent of their total trading amount, and


register with the Board of Finance. By the early seventeenth century, the Chosŏn court began to experience difficulties in providing the ginseng gift to the Japanese. The first reason was the rapid growth in the number of Japanese visitors. According to Mangi Yoram (Essentials on States Affairs), the total amount of the ginseng gift for all regular visitors was estimated as thirty jin and fourteen liang. If the amount for irregular visitors was added, the total reached seventy jin per year. However, the amount of ginseng the Chosŏn court presented to its Japanese visitors was much more than this early estimation. In 1731 when the Tsushima daimyo died, the Chosŏn had to send an additional ninety jin in addition to the annual gift totaling a cost of 130-140 jin.\textsuperscript{15}

In addition to the increase in the number of Japanese visitors, tax evasion by ginseng traders exacerbated the shortage of ginseng in Pusan. Ginseng trade in Japan House was so lucrative that the Tongnae Office was able to collect enough ginseng tax to provide for the ginseng gift. However, as the number of illegal ginseng traders without certificates rapidly increased, the Office could not collect as much ginseng tax as it required. The ginseng tax evasion was, in fact, encouraged by the huge demand for Korean ginseng in foreign markets. As early as 1644 the Board of Finance was already well aware that smuggling, widespread in Pusan, was the primary reason for the shortage of ginseng supplies.\textsuperscript{16} The high popularity of Korean ginseng in Japan led traders to avoid the expensive tax and instead seek out highly lucrative illegal trading deals with the Japanese. It was inevitable that the tensions between the Chosŏn court, needing to collect ginseng tax for diplomacy, and Korean ginseng traders, smuggling ginseng for profits, continued in Pusan throughout the seventeenth and eighteenth centuries.

\textsuperscript{16} Sŏngjôngwŏn ilgi, Injo 22/8/12.
Middlemen: Korean Interpreters in tributary embassy

It was Korean interpreters who connected these two borders by serving for tributary embassies going to China and working for Japanese visitors coming to Pusan. They were trained at the Office of Interpreters in foreign languages, including Chinese, Mongolian, Manchu, and Japanese. These state interpreters, a select group that had to pass an extremely competitive screening process to win appointment, translated documents, devised textbooks, and developed the curriculum for foreign language instruction. Clearly, however, their most visible function was representing the court in border localities, such as Uiju and Pusan, and outside the country in periodic diplomatic missions to China and Japan.17

Despite their crucial role in trade and diplomacy in the Chosôn, the interpreters were largely underprivileged in their status, both socially and economically. The chief interpreter essentially managed every single part of the mission, from trivial transactions with the Chinese during the journey to important discussions pertaining to rituals at the imperial court. High officials were simply nominal representatives while interpreters were the actual leaders of the embassy.18 However, the interpreters’ social status, the middle class (chung’ in), was much lower than that of the high officials in the embassies who were of the yangban elite class. In addition to the lower position in the social hierarchy, there were too many interpreters compared to the number of available jobs. The civil examination system legalized the selection of nineteen interpreters every three years, even though there were no positions and hence no need to hire

18 Pak Chega, Pukhagüi (1778), translated by An Taehüi (Seoul: Tolbaege, 2003), 110-111.
them all. Indeed, the Office of Interpreters had no regular income source. Only twenty percent of the total regular employees received salaries.\(^\text{19}\) In short, interpreters were not able to make a living by working solely at their office.\(^\text{20}\)

Such disadvantageous conditions inevitably led the interpreters to seek a position relevant to foreign trade, that is, in the embassy to Beijing.\(^\text{21}\) Going to China for them implied nothing but a trading opportunity. Officials at the Chosŏn court often criticized the interpreters whose principal concern was how to join the embassy to Beijing.\(^\text{22}\) Despite all the economic and professional disadvantages, the interpreters stayed in the Office of Interpreters primarily for the opportunity to go to China. In this sense, the privilege of the Chinese trade thus helped the Chosŏn court to finance the office of interpreters, despite lacking a proper budget.

It is also important to note that the opportunity to participate in the tribute embassy was opened to every interpreter of Chinese, Mongol, Japanese, and Manchu, regardless of their language capacities. They were selected whenever there was an envoy visiting the Qing court. Those selected were appointed to irregular, temporary positions, such as supervising tribute for the Chinese court or food for the embassies, which lasted only during the envoy’s journey. This practice helped the interpreters build close connections with each other, especially between those going to Beijing and those working in Pusan.

\(^{19}\) Zhang, *hanjung muyoks*, 107-108.


\(^{21}\) Kugyŏk *T’ongmungwan chi*, vol. 1, 50-53.

\(^{22}\) Yu, “daech’ŏng muyŏk,” 334.
II. SILVER AND GINSENG TRADE

Silver from Japan to Pusan

Japanese high demands in Korean ginseng resulted in huge inflow of Japanese silver to Korea. In 1686, when the Japanese silver import reached its highest point, 2,887 kan of silver came into Korea. This amount was six times greater than the amount exported from Nagasaki to China in the same year. The total amount of silver exported to Korea from 1684 to 1710 was 48,356 kan, or an annual average of 1,791 kan. The trade regulations in 1684, which changed the volume of Chinese trade to Nagasaki, did not change the amount of Japanese silver inflow into Korea through Tsushima.23

The significance of ginseng trade between Japan and Korea through Tsushima was also discovered in the management of silver currency by the bakufu and the Tsushima domain. After the massive silver export to foreign markets for a century, the shortage of silver currency in Japan became so serious that in 1695 the bakufu had to reduce the quality of the currency, from

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23 For the detailed amount of silver export, see Table 2-10 in Tashiro, Kinsei nitjo, p. 271. Tashiro Kazui argues in the 1690s profits from the private trade between Korea and Tsushima surpassed those obtained through the Nagasaki trade. Nakamura Tadashi, however, points out that Tashiro's figures of Tsushima profits are unclear as to where and how Tsushima derived a profit. He says that Tashiro makes an error of assuming that Tsushima realized profits on the same trip in both Korea and Kyoto, thereby double-counting and inflating figures. He concludes that the ceiling for Tsushima's profits was 4,000 kanme of silver, compared to what Tashiro assumes 20,000 kanme. On the other hand, Chông Sông’il provides different estimates that annual profit from trade between Tongnae and Tsushima was 6,000 kanme. Compared with the amount of 9,000 kanme from the Nagasaki trade, Chông points out, this was still substantial for Japan. Regarding the debates over silver trade between Tongnae and Tsushima, see Lewis, Frontier Contact, 97-98.
80% purity to 64% purity. However, the new currency, *genroku* silver with 64% purity, was not welcome by Korean ginseng traders. Eventually, in order to maintain ginseng trade, the Tsushima domain had to export *keichō* silver with 80% purity to Korea for two more years, from 1695 to 1697, through opening silver mines on their island.

The Japanese continued their effort to maintain a trading relationship with Korea to the extent that they minted special silver exclusively for the Korean ginseng trade. When the bakufu debased the silver currency again in 1706 and issued *Yotsuhō* silver with 20% purity, the worst quality of silver currency in Tokugawa history, the Choson and its private merchants not surprisingly refused to accept it. In 1711, in order to continue ginseng trade with Korea, the Tsushima domain persuaded the bakufu, which was also interested in importing high quality ginseng, to mint 1,417.5 kan of special quality silver per year. Later known as the special silver, or the *tokuchiyūgin*, with 80% purity, it was exclusively designated for export to Korea. Even though the silver currency in Japan continued to deteriorate in quality, silver exported to Korea maintained its purity.

Despite such endeavors, the ever-increasing difficulties in securing high quality silver and the decline of the ginseng trade eventually brought an end to the production of the special

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25 The bakufu or the Office of Silver in Kyoto (the *kinza*) called this special silver as "*ninjin daiōkogin* (old silver to buy ginseng)." The Tsushima domain, when they exported it to the Choson, called it "*tokuchiyūigin*." Imamura used the word *tokuchiyūgin* in his book. Tashiro, *Kinsei nitjo*, 342.
silver. As it was born with the expansion of the ginseng trade, so the tokuchiyū silver was destined to disappear with the decline of trade between Tsushima and Korea.26

Table 1. Silver Currency in Japan and Silver Exports to Korea

<table>
<thead>
<tr>
<th>Silver currency in Japan</th>
<th>Silver exports to Choson</th>
</tr>
</thead>
<tbody>
<tr>
<td>Name</td>
<td>Purity (%)</td>
</tr>
<tr>
<td>Keicho silver</td>
<td>80</td>
</tr>
<tr>
<td>Genroku silver</td>
<td>64</td>
</tr>
<tr>
<td>Hoei silver</td>
<td>50</td>
</tr>
<tr>
<td>Ejii silver</td>
<td>40</td>
</tr>
<tr>
<td>Mitsuho silver</td>
<td>32</td>
</tr>
<tr>
<td>Yotsuho silver</td>
<td>20</td>
</tr>
<tr>
<td>Kyoho silver</td>
<td>80</td>
</tr>
<tr>
<td>Genbun silver</td>
<td>46</td>
</tr>
</tbody>
</table>

Source: Tashiro Kazui, Kinsei nitjo, 299

Ginseng from North to Pusan

To secure the constant flow of silver to Pusan required a regular supply of ginseng for the Japanese visitors. However, it was not easy at all. Prior to the nineteenth century when they began to grow and commercialize red ginseng, Koreans entirely relied on natural wild ginseng for their ginseng business. They looked especially in the northern borderland where it was less populated and thus more ginseng was available. In the end, the lucrative trade of ginseng for silver in Pusan was the primary cause of trespassing along the border with China.

26 Tashiro, Kinsei nitjo, pp. 305-323. As the ginseng and silver trade declined, Tongnae and Tsushima developed other commodities to exchange, such as Korean cowhides and Japanese copper. Private trade between Korea and Japan, despite its decline, continued to maintain. Lewis, Frontier Contact, 105.
Such correlations between border trespassing in the north and ginseng trade in the south were well recognized at the Chosôn court. After the 1685 incident was resolved, Inspector-General Sin Yŏp pointed out ginseng as the source of the constant border disturbances:

This unfortunate incident of illegal border trespassing originated from ginseng profits that traders in the north and the south are seeking. If there is any profit, people are not afraid of the state proscription, nor care what their illegal trespassing could cause to the country. Ginseng trading connections should be thoroughly prohibited, otherwise people would continue to make profits [from ginseng] even at the risk of their own lives…From now on, tribute embassies [going to the north] and traders [working] in the south should be thoroughly inspected by the Uiju Office and the Tongnae Office, to determine whether they possess any ginseng. Any offenders should be sentenced to death and informers of illegal possessions should be highly rewarded.27

The King and his court officials agreed with Sin’s suggestion. As long as ginseng in the northern borderland could cause trouble, it should be neither gathered nor traded. In order to avoid further problems regarding border trespassing, the state preferred to sacrifice the ginseng trade.

Later, the prohibition of ginseng gathering became more sophisticated. The border gate in Uiju was not the only place to be checked. The whole ginseng producing area of the Kanggye region in P’yŏng’an Province was under strict regulation. In 1686, the court enforced "The Regulation on Ginseng Trade Merchants in the North and the South," in which local officials in Uiju had to check the luggage of embassies traveling to Beijing to see if it included ginseng. If

undocumented ginseng was discovered, the offenders would be decapitated at the border. Even if an illegal ginseng possessor managed to cross the river, he would be arrested on the way back to Korea and be decapitated at the border. This regulation was also enforced on ginseng trade in Pusan. Except for the ginseng gift to Japanese visitors, ginseng was not to be traded. If illegal ginseng was discovered, offenders would be decapitated outside of the main gate of the Japan House. All of the officials involved in smuggling were to be punished as well.\textsuperscript{28}

Korea’s high demand for Japanese silver, however, made it impossible for a complete ban on ginseng trade to be observed. The Korean court would have sacrificed ginseng trade for a peaceful relationship to the Qing, but its traders had no intention of giving up such a lucrative business with Japan. Only five years after the regulation, in 1691, interpreters of the Tongnae Office reportedly came to Hamgyông province to purchase ginseng and illegally traded it with Japanese merchants.\textsuperscript{29} In fact, the Chosôn court lifted the ban against ginseng trade in Japan House a few years after the 1688 regulation. Under the ban on ginseng trade the Tongnae Office had no way to provide a ginseng gift to the Japanese embassies. When the proscription of ginseng trade in Pusan was lifted, ginseng gathering in the north was immediately resumed.

The first outcome of the lifting of ginseng trade prohibition was, ironically, a severe shortage of ginseng gift for the Japanese embassies. Korea was already having trouble in securing adequate amounts for the ginseng gift since the seventeenth century, but the shortage became more severe in the eighteenth century. The Tongnae Office still depended on ginseng taxes for the ginseng gift to the Japanese, but their taxes were always insufficient. In 1706, Secretary of the Board of Finance, Cho T’aech’ae, complained, “Ginseng gift used to be sufficiently supplied through tax income to the Tongnae Office and the court never worried to

\textsuperscript{29} Ch’a, “Chosôn hugi yinsam muyŏk,” 148-150.
send [ginseng] from Seoul [to Pusan]. These days, however, ginseng is always underprovided, so that Seoul has to purchase it [for the Tongnae Office]. It became so expensive that nobody would sell a jin of ginseng even for forty liang of silver.\[^{30}\]

Needless to say, it was the rampant ginseng smuggling in Pusan that caused the decline of ginseng taxes for the Tongnae Office. Illegal ginseng trading was highly profitable. In 1728, for example, a jin of ginseng available with seventy liang of silver in Seoul was able to claim three hundred liang in Edo.\[^{31}\] Seeking high profits, ginseng traders sneaked into the northern borderland to gather ginseng and illegally shipped it to Pusan in order for it to be smuggled to Japan. Unless ginseng traders would be listed on the tax register of the Tongnae Office and pay tax, securing ginseng gift from taxes was impossible. The more popular ginseng was in Japan, the more difficult it was for the Tongnae Office to collect tax from traders. King Yongjo clearly acknowledged the circulation of silver from Japan to China via Pusan and Êiju:

In the friendly relationship [with Japan], it is not so bad that one side takes benefits while the other loses profits. However, it is excessive if one drains its entire possessions to provide the other. These days many things are coming to Êiju [from China], it is because a lot of [silver] already went out [of our country]. If you want to prevent [Chinese] imports and yet would not stop the outflow [of silver from us], how could it be right? Trading in the north [i.e., Êiju] and the south [i.e., Tongnae] are all related with ginseng and silver.\[^{32}\]


\[^{31}\] Sŏngjongwŏn ilgi, Yongjo 3:5:25.

Silver from Pusan to Ŭiju

The primary users of silver coming to Korea were the travelers going to China for the tributary missions and subsequent business with the Chinese. The tributary embassies needed travel-expense silver, which was completely separated from tribute and gifts to the Chinese emperor. The envoy required silver for numerous purposes. Qing soldiers and interpreters escorting the Korean embassies from Fenghuangcheng to Beijing were to be given some types of gift or silver. More silver was needed in Beijing. In fact, none of the affairs related to the tributary mission, such as transferring tribute and gifts, delivering documents, and collecting information at the Qing court, could be done without silver. If the embassies had a favor to ask of the Chinese emperor, they needed more silver.\(^{33}\) The amount of travel expenses varied according to the purpose of the envoy. Based on the information in Mangi Yoram, Yu Sûngju and Yi Ch’ôlsông estimate the average amount of the travel expenses for a regular embassy at 6,000 liang of silver, an irregular embassy 4,500 liang, and an envoy to Shengjing 3,000 liang.\(^{34}\) Given that the Chosôn court sent its embassies to China more than three times a year, the total amount of travel expenses was tremendous.

The primary way to provide these travel expenses was trade by interpreters during their journey. In fact, interpreters had official rights to do business. Tribute embassies were permitted to carry up to eighty jin of ginseng, which was called eight bundles (p'alp'o). Later this name p'alp'o came to signify the trade right given to the embassy to Beijing.\(^{35}\) Contents of the p'alp'o changed over time as foreign trade conditions fluctuated from ginseng to silver or a mixture of

\(^{33}\) Kim Chôngmi, “Chosôn hugi taech’ông muyôk,” 182.

\(^{34}\) Yu and Yi, Chungguk kwaûi muyôksa, 60-61.

\(^{35}\) Kugyŏk Mangi Yoram (Seoul: Minjok munhwa ch'ujin wiwŏnhoe, 1971), vol. 1, Chaeyong 5, 555.
silver and other goods. The p'alp'o trade right was given to all the high officials in the embassies but it was the interpreters who considered it as a substitute for their salaries and used this right for their private trade with China.

Another way to secure funding for embassy journey was government loans to interpreters. In fact, the Chosôn government offices needed various kinds of Chinese goods. For example, the Bureau of Clothing at the court needed Chinese raw silk for clothes for the royal families and the Bureau of Medicine demanded various Chinese medicines. Since the Board of Finance was to receive foreign embassies from China and Japan, it established a separate sub-branch to take care of trade with China and to check the goods in its stocks. Military Offices also needed Chinese raw silk for military uniforms and flags, and zinc and sulfur for weaponry. Usually, they entrusted their official silver to state interpreters who purchased what the various offices needed in China while serving tributary embassies. These Chinese goods were imported under the name of the supplementary p'alp'o trade right (pyŏlp'o). This was another trade right given to interpreters in addition to their private p'alp'o trading right. It was no wonder that the distinction between the supplementary p'alp'o right for the state offices and the private p’alp’o right for the interpreters soon became blurred. The supplementary p’alp’o trade right became another opportunity for interpreters to increase the amount of silver they could bring to China.

The silver circulation from Japan to China through Korean tribute embassies are best illustrated through the Chinese silk trade in the Japan House. Government offices were in fact willing to loan their public money to state interpreters because it enabled the offices to get involved in and benefit from Chinese trade. If the interpreters purchased Chinese goods,

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38 Kugyŏk Mangi Yoram, vol. 1, Chaeyong 5, 555-556.
especially silk, and paid the debt in kind, the offices lending silver could gain profits from price
differences of Chinese silk. As the Vice Ambassador in the embassy in 1679 hapusok witnessed,
many state offices preferred to receive Chinese raw silk, instead of silver, for their loan because
Chinese raw silk was very popular among Tsushima merchants in Pusan.39 The market price of
Chinese silk in Pusan was 2.7 times higher than that in China.40 By lending the official silver to
the interpreters going to China, the government offices could as much as double their original
loans. As every office preferred Chinese raw silk, huge amounts of Chinese silk came into the
Japan House through the interpreters in the embassies to Beijing.

III. TRADING NETWORKS IN THE BORDERLAND

Luggage Transporting Business

If Korean traders were mostly interpreters, their trading partners in China were local Chinese,
especially Shengjing merchants. The major opportunity for the Chinese to work with Koreans
was given through luggage transportation from Bianmen to Beijing via Shengjing. In fact,
Korean visitors had huge amounts of tributes for the Qing Emperor as well as food and
necessities for their journey. All the luggage had to be carried by local Chinese. Once arriving in
Shengjing, Korean embassies presented the Board of Finance with their tribute, part of which
was left for the Shengjing Office and the rest delivered to the imperial court in Beijing. All the
transportation and care of the Korean tribute now became the responsibility of Qing officials.41

39  Sungsjonwon Ilgi, Sukchong 5/9/5.
41  Yu and Yi, Chungguk kwai muyoksa, 34-35.
The luggage of the Korean embassies was eventually handed by local Chinese living along the road from Shengjing to Fenghuangcheng. This road included eight eastern stations (dong pa zhan).

For people living in the borderland, the luggage-transporting business with Korea was a rare and profitable opportunity. Official tribute and private luggage were all delivered by local Koreans to Bianmen and Fenghuangcheng, where they were transferred to local Chinese people. The local Chinese found this to be a great business. In fact, this far frontier area had few economic opportunities other than trading with the Koreans. As O Toil (1645-1703) said, “local Manchus [in these stations] were entirely depending for their living on transportation of [our Korean] luggage.” There were other transportation needs as well. Korean travelers hired Chinese drivers to pull the carts in which they were then able to enjoy their journey to Shengjing or Beijing more comfortably. By the nineteenth century, renting carts became so common among Korean travelers, including interpreters and traders, that “riding on a horse became a matter of shame [for Koreans visiting China].” Korean demands for carriers and Chinese supplies for labor power eventually fostered the development of a luggage transportation business in the eight stations.

The transportation of Korean luggage soon became a regular job for local Manchus and Chinese. As early as 1660, Korean travelers found that it was much easier and cheaper to hire local carriers in winter, when they did not work in the field and thus wanted to work for

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42 *Shengjing Tongzhi*, juan 33, 15-16.
45 Kim Kyôngsôn (1788-?), *Yônwôn chikchi*, in *Yônhaengnok chônjip*, Yim Kijung ed. (Seoul: Tongguk Taehakkyo, 2001), vol. 70, 321.
By the late seventeenth century, wages for transportation were also regularized. “It took five liang of silver to carry a piece of private luggage from Fenghuangcheng [to Shengjing]. Coming back takes double…people in the eight stations made a huge profit, so that lavish houses line the street.” If one piece of luggage weighed about two hundred jin and a cart could carry several pieces together, these wages were indeed substantial. Delivering luggage for Korean travelers thus became an important business supporting the local economy of the Qing borderland.

Lantou, the Monopoly Merchants

The lucrative business of luggage transportation soon attracted the attention of big merchants in Shengjing, who organized a group called “Lantou” to monopolize the transportation business. This monopoly first appeared in the late seventeenth century. “From 1689 onward, a local Chinese in Liaodong named Hu Jiapei organized a transportation cartel called lantou. Hu and other merchants took exclusive charge of carrying the luggage [of Korean embassies] and in return paid two thousand liang of silver to [the Shengjing Office].” These merchants were so rich as to “have a thousand slaves and keep numerous mistresses.” Most of all, they had a close relationship with the Board of Rites and Finance in the Shengjing Office. In fact, seven out of the twelve lantou merchants were Shengjing officials. Therefore, even before receiving official

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48 Kugyŏk Chosŏn wangjo sillok, Kyŏngjong 2/10/19.
approval from the Kangxi emperor, the Shengjing Office informed Korean embassies that from now on all of their luggage should be taken care of by the lantou merchants.49

The lantou cartel and the Shengjing Office’s protection were squarely against Korean interests. T’ongmungwan chi describes how the Koreans perceived these powerful merchants.

Once the Chinese lantou merchants monopolized the embassy's luggage, the transportation fee doubled. These greedy Chinese merchants volunteered to pay taxes to the Shenyang Office and cooperated with the officials, in order that they could monopolize the benefits from trade with the Koreans...At Bianmen, they intentionally delayed the departure of the embassies coming [to Uiju], talking the officials in the embassy into returning ahead to Korea and then freely trading [with the Chosôn merchants later].50

The Chosôn embassies had formerly been able to schedule their own departures and stays. Once the lantou merchants began to take over their transportation, however, they manipulated all the schedules of Korean embassy affairs. Koreans were often forced to stay in China for several more months, seeing expenses wasted and goods damaged. Indeed, these Chinese lantou merchants habitually cheated Koreans and hoarded goods. Such abuses caused constant trouble for the embassies.51 Even when the Garrison Commander of Fenghuangcheng came to Bianmen

49 Sô Munjung, Yônhaeng illok, 176; 232-233.
51 Kugyôk Chosôn wangjo sillok, Kyôngjong 3/10/23.
to receive the Korean embassies, the lantou merchants, making excuses of rain, did not come to take the luggage. Without the lantou, the embassies had to sleep in their carts in the rain.\textsuperscript{52}

The monopoly of the lantou organization was not at all favorable to the Chosŏn merchants either. When some Chosŏn merchants purchased illegal commodities in Shengjing and tried to avoid the border inspection at Bianmen, the lantou sought to use this opportunity to curb Korean merchants from making transactions without their approval. The lantou manipulated the Garrison Commander of Fenghuangcheng to complain to the Chosŏn court about Koreans' illegal trade. The Korean court blamed smuggling on incomplete border inspections at the Yalu river and eventually decided to dismiss the Governor of Uiju.\textsuperscript{53} Chinese merchants trading with the Korean embassy were so powerful that they could affect the diplomatic relationship between the Qing and the Chosŏn.

Soon, the entire luggage of the Chosŏn embassies was controlled by the lantou and no transactions were permitted without their approval. Korean trade along the tributary route was entirely conducted by the lantou merchants and eventually other local Chinese merchants in the eight stations were severely threatened. Indeed, the lantou charged Koreans ten liang of silver for delivering a cart to Liaoyang but out of this ten liang only 2.5 liang was paid to local carriers. The remaining 7.5 liang was kept for the lantou merchants. Finally, both local Chinese merchants and porters, who were robbed of their profits, sought to regain their right to business with the Koreans. In 1712, in an effort to eliminate these big merchants, they pursued a legal action against the lantou impositions.\textsuperscript{54}

\textsuperscript{52} Sŏ Munjung, Yŏnhaeng illok, 225.
\textsuperscript{53} Kim Ch'angŏp, Yŏnhaeng ilgi (1712), 115, 562-563.
\textsuperscript{54} Ch'oe, Yŏnhaengnok (1712), 318.
The lawsuit against the *lantou* filed by local Chinese merchants and carriers in the eight stations directly affected the Korean embassies. The powerful *lantou* merchants began to manipulate the Manchu officials in Shengjing, who eventually wrote a memorial to the Kangxi emperor not to abolish the *lantou* organization. In order to bribe the Manchu officials resolving the lawsuit, the *lantou* merchants requested the Korean embassies staying in Bianmen to pay the transportation fee in advance. The amount reached 10,000 *liang* of silver. In the end, thanks to the silver that the Chosôn embassy paid in advance, the *lantou* was able to win the lawsuit in 1712.\(^55\)

However, as the *lantou* abuses of Korean visitors continued to be a serious problem for the tributary embassy visit and the following trade, Chosôn King Kyôngjong (r. 1720-1724) raised an official request to the Yongzheng emperor to abolish the *lantou* monopoly on Korean luggage transportation. The emperor eventually sent his emissaries to Fenghuangcheng while the Chosôn also dispatched Korean interpreters there to cooperate with the investigation of Hu and other *lantou* merchants. In 1723, Hu was finally deprived of his monopolistic right to Korean trade and made to wear a cangue for three months after being beaten a hundred times. It was not only the *lantou* merchants who were punished. The Garrison Commander of Fenghuangcheng was also disciplined for his abuses. As the *lantou* organization was broken down Koreans were allowed once again to negotiate with local Chinese for cart rental and horsemen for their luggage transportation.\(^56\)


\(^{56}\) Chosôn wangjo sillok, Kyôngjong 3/10/23. In fact, the abolition of the Lantou was not easily settled. First, the *lantou* merchants were connected with the income of the Manchu imperial court. In fact, it was the Kangxi emperor who first approved the *lantou* organization. Second, losing two thousand tax income and other benefits, the Shengjing Office and the Fenghuangcheng Offices had huge grievances against Koreans. To appease the Fenghuangcheng authority, the Korean embassies began to use Chinese horsemen and carts that the Fenghuangcheng officials
Koreans in Debt to Chinese Merchants

The abolition of the lantou monopoly group did not stop the rapid growth of private trade between China and Korea, especially those based in Shengjing. The most notable sign of the increasing trade was liability practices. As early as 1700, Korean embassies found out that some horse drivers and retainers in the embassies were in debt to the Chinese. Well aware that such practices would cause troubles later, the Chosôn court ordered any traders owing money to the Chinese to be decapitated no matter how much the debt was.\footnote{Pibyŏnsa tŭngrok, vol. 4, 897:1, Sukchong 26/5/1.} Even such a strong regulation, however, could not root out lending practices between Koreans and the Chinese.

Trading on credit finally developed into a serious problem in 1706 when Chinese traders made an official complaint about Korean liabilities to the Chosôn tribute embassies visiting Fenghuangcheng.\footnote{Ibid, vol. 5, 533:2-534:1, Sukchong 32/3/28.} The following year, the Chosôn court sent the accused debtors to Fenghuangcheng for cross-examination and found that only one out of the nine accused Koreans had actually borrowed money. The rest were falsely accused. In fact, the contract document was signed by the Chinese accusers themselves. The Garrison Commander of Fenghuangcheng, who was surely standing on the side of the Chinese, told Koreans that he did not want debtors but he did want the money.\footnote{Ibid, vol. 5, 665:2-667:1, Sukchong 33/5/27.} This case did not just show the corruption of the officials in Fenghuangcheng and their abuses of Korean embassies. It also proved that at the turn of the eighteenth century, trade between Koreans and Chinese were far more complicated than what the Qing or the Chosôn were able to regulate.

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\textit{Kugyŏk Mangi Yoram}, vol. 1, Chaeyong 5, 566.

\textit{Pibyŏnsa tŭngrok}, vol. 4, 897:1, Sukchong 26/5/1.


It was soon after the dissolution of the *lantou* cartel that the long practice of debt between Koreans and Chinese emerged as a source of serious diplomatic tension. In 1724, the Shengjing Office found that the former *lantou* merchants, including Hu Jiapei and twelve co-signers, owed a substantial amount of money to the Office. These merchants had borrowed 60,000 *liang* of silver from the Shengjing Office, but repaid only 10,000 *liang* of principal and 18,000 *liang* of interest. Some 50,000 *liang* of principal and 27,050 *liang* of interest were still unpaid.\(^6^0\) These *lantou* merchants, doing business with official loans for more than seventeen years, began to have difficulties in repaying the Office when they had trouble in business. What struck the Qing officials the most was that these merchants had huge loans to many people, including thirty-eight officials in the Shengjing Office, eighteen in the Imperial Household in Beijing, some local officials, and most of all, Korean traders. The number of Koreans in debt to former *lantou* merchants was 247 and their total debt reached 67,383 *liang*.\(^6^1\)

The Shengjing Office soon reported these staggering Korean financial obligations to the Yongzheng emperor in Beijing. When the emperor ordered the Chosôn court to investigate the Korean debtors and repay the debt, the old practice of Korean borrowing from Chinese merchants became a serious diplomatic issue between Beijing and Seoul. The emperor’s order that Chinese and Koreans should be cross-examined in Zhongjiang was nearly impossible to carry out, no matter how strongly he felt about it. First, there was no way to locate hundreds of Korean traders who frequently changed their names and constantly moved around. Secondly, the Chosôn court would not spend as much as seventy thousand *liang* to repay private debts to the

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\(^6^0\) During the investigations, the Shengjing Office also found that Hu and other merchants had exaggerated the value of their assets from 6,735 *liang* to almost 90,000 *liang*. They then bribed the officials in the Shengjing Office and succeeded in getting loans.

Shengjing Office. If the court would clear the debts on behalf of its private traders, it would set a precedent that could potentially cause similar claims from the Qing court in the future. After long discussions, the Korean court officials decided to explain to the Shengjing Office that Korean debtors should be decapitated on the Yalu river but their private liabilities should not be taken care of by the state.\(^62\) As a result of the Chosôn court’s repeated petitions, in 1728 the Yongzheng emperor finally determined the cross-examinations were unnecessary and cleared Korean debts to the Chinese.\(^63\)

Despite resolving tensions with the Qing, this incident was a serious embarrassment to the Chosôn court. King Yôngjo had to see that the Yongzheng emperor criticized the preceding king as weak and incompetent. Upset with all of these accusations, the King blamed the liability problem on rampant private trading with China. His court officials, including Yun Sun who used to be in the embassy to Beijing, also argued that all these problems were caused by private merchants who sneaked into the embassy to Shengjing. As long as merchants kept going to Shengjing, such humiliating problems as financial obligations to the Chinese would never disappear.\(^64\)

As such, this incident, named “National Humiliation of the Debt to the Qing,” caused a severe blow to Koreans who were trading with the Chinese. Convinced that the numerous debts of the Chosôn merchants resulted from the widespread private trade opportunities, the Chosôn court decided to regulate the special trade privileges given to interpreters and private merchants in Shengjing. Soon thereafter, another major trade opportunity in Shengjing, the \textit{Tallyŏnsa} trade, was also prohibited. Indeed, in 1729, King Yôngjo ordered the tribute embassies to change the

\(^{63}\) \textit{Chosôn wangjo sillok}, Yôngjo 4/1/10.
practice of hiring carriers. Now tribute and luggage were to be delivered by the Chinese all the way from Bianmen to Shengjing. This new form of transportation virtually brought an end to all of the opportunities that merchants had to enter Bianmen or Shengjing. In short, the Chosôn court sought to root out the liability practice by closing all possible trade opportunities on the way from Bianmen to Shenyang.

Such policies, however, could not eliminate private trade in the borderland between China and Korea. It was already too late to impose any regulations on fast-increasing private trade. Management of private trade in Shengjing was not just related to private merchants and their patrons in local offices. It was the key to Chosôn Korea’s peaceful relationship to Qing China. On one hand, the Chosôn court had to curb private trade activities following the tributary missions to Beijing, for otherwise merchants could cause problems through illegal border trespassing, financial obligations, and massive drainage of silver. On the other hand, private trade with China had to be allowed to the extent that it helped sustain the vulnerable finance of local offices. As long as a reasonable profit from trade with China went to local offices, especially the Uiju Office, the Chosôn court had to tolerate private traders. Such a dilemma between prohibition and approval of private trade in the borderland continuously dominated the Chosôn court until the late nineteenth century, when the Qing and the Chosôn built a new trading relationship beyond the tributary framework.

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CONCLUSION: POROUS BORDERS AND TRIBUTARY RELATIONS

Ginseng in the borderland was the cause of constant border crossings, both legally and illegally, between China and Korea. The border between these two neighbors, similar to any other border in world history, was extremely porous. The states attempted to draw border lines on official maps and enforce strict border security. Yet despite their efforts, people always crossed the invisible lines of the territorial boundaries when they found it necessary. Border crossings were especially encouraged by commercial profits such as trade in ginseng and silver. Therefore, ginseng provided a strong reason for the states to demarcate the border; it also attracted many people to the point that it made the boundary penetrable.

The tributary relationship played the crucial role in decisions about border crossings and trading. The Korean tributary embassies were not simply diplomatic agents used to signify the political relationship between the Qing and the Chosŏn. They were also active mediators who promoted economic exchanges between China, Korea and Japan. From the perspective of Seoul, sending a tributary embassy to Beijing signified primarily that the Chosŏn court acknowledged Qing suzerainty and maintained a tributary relationship with China. The chief ambassadors of the embassies to Beijing were always members of the royal family or high officials of the court. Moreover, the tributary embassies were closely related to Chosŏn security. Since the Qing had militarily subjugated Korea twice, as one way of putting down future threats, the Chosŏn spent large amounts of resources in order to prepare tributes and gifts for the Qing emperor.

Seen from Uiju, the actual gate to the Chinese territory, however, tributary embassies were no longer the Chosŏn King's diplomatic representatives to the Qing court. Each embassy included various people, especially many traders disguising themselves as retainers of the envoy.
Seeing an opportunity for profitable Chinese trade via participation in tributary embassies to Beijing, these commoners were desperate to sneak into the embassy and cross the Yalu River. In particular, the state-interpreters became mediators for trade between China and Korea. They were given the “p'alp'o trade right,” a privilege virtually monopolized by the interpreters. Thus, the practice of sending tributary embassies implied trade opportunities. From the moment of crossing the Yalu River, Koreas’ tributary embassies became a group of Korean merchants. Through these constant visits by Korean travelers, the tributary relationship contributed tremendously to the creation of a porous border between China and Korea.

Indeed, constant border crossings between China and Korea fundamentally influenced the relationship between Korea and Japan. Expensive missions and journeys by the Korean tributary embassies required substantial amounts of expenditure which was supplied through silver imported from Japan. In order to prepare the expense of travel for the tributary embassies, Chosôn Korea had to sell ginseng to Japan in exchange for silver. This interaction showed that the economic exchanges between Korea and Japan were promoted by the tributary relationship between China and Korea. In return, the tributary embassy exchanges between China and Korea were sustained through the silver-ginseng trade between Korea and Japan. These three countries in East Asia were all linked to each other through commercial networks of silver and ginseng as well as through political relations of the tributary embassies.
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