

The Question of Foreign Residents in Pusan's Japanese Enclave during the 1880s: The Clash between Traditional Diplomatic Institutions and Freedom of Movement within Open Ports

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Introduction

Over the greater part of its history, Korea's Chosŏn Dynasty (1392–1910) had maintained strict regulation over foreign trade and the coming and going of foreign nationals. However, the conclusion of the Korean-Japanese Treaty of 1876 marked a significant diversion from that policy after providing the opportunity for Korea to participate in international free trade. At that time, Korea's practices in dealing with foreign nationals entering its territory were generally quite similar to the case in China and Japan at the time. That is to say, while foreigners were protected under consular jurisdiction, in principle they were prohibited from residing in locations other than designated open ports until 1882, when the capital of Seoul was also opened to foreign residents. In accordance with this ruling, foreign settlements were established in the open ports.¹⁾ This system would become hollowed out when following Russo-Japanese War Korea became a Japanese protectorate, and continued in that condition until 1910, when Korea formally became a Japanese colony; then, all foreign settlements were finally eliminated by 1913.

The research to date on the characteristic institutional features of Korea's open ports and foreign settlements, which has accumulated from before the outbreak of World War II, now gives us a clear general picture of the situation;²⁾ however, due to the emphasis this body of research has placed on the competition among the world powers over their interests in Korea, the aspects of Korea's open ports and foreign settlements being part of a larger system that was instituted throughout East Asia and the fundamental role that this system played in the widespread and diversified patterns of migration and trade within the region have been left in

the shadows. In order to shed more light on these aspects, the present article attempts to reexamine the formation process of Korea's open ports and foreign settlements within the context of the widespread migratory movements of Chinese merchants throughout East Asia.

The largest nationality residing in Korea's open port foreign settlements was overwhelmingly Japanese, followed by Chinese, although relatively very few in number. For example, just before the outbreak of the 1st Sino-Japanese War, in 1893, the total number of foreigners residing in the three open ports of Pusan, Wŏnsan and Inch'ŏn came to 8,048 Japanese, 920 Chinese and 730 other nationalities.³⁾ On the other hand, despite their lack of numbers the Chinese communities of the open ports were centered around foreign traders, who were actively involved in the China trade and for a time rivaled their Japanese counterparts.⁴⁾

Although most of the conventional research on the activities of Korean-based Chinese merchants prior to the Sino-Japanese War reflects the political intentions of the Qing Dynasty to extend its sphere of influence into Korea,⁵⁾ recent attention has been drawn to the activities of these same merchants on a wider scale throughout East Asia during that same time, thus placing their presence in Korea as merely one aspect of all their East Asian ventures. For example, Furuta Kazuko 古田和子 has identified the formation of a commodity distribution network involving Chinese traders among the open ports of East Asia, beginning with Shanghai and ending in Korea, which she calls the "Shanghai network."⁶⁾ It is this kind of recent work that not only offers a new purview of the history of overseas Chinese in Korea, but also shows the open ports and foreign settlements there functioning as the infrastructure for migration and foreign trade.⁷⁾ On the other hand, we must not ignore the fact that each open port itself possessed a different historical background and was opened and built upon legal structures different from any of its counterparts. That being said, the process by which all of these historically unique open ports functioned together as a base of operations supporting a region-wide network of Chinese merchants should be made clear by a concrete examination of the clash that occurred between reality and established institutions. Resting upon such a research interest, this article will present an analysis of the so-called "Dexinghao 德興號 Incident" that occurred in Pusan during the 1880s.

Pusan, which is located on the southeast tip of the Korean Peninsula and has played an important role in Korea's diplomatic and trade relations with Japan since at least the 15th century, was designated in the

Treaty of 1876 as Korea's first open port and the location of a foreign settlement placed under Japanese jurisdiction. The Dexinghao Incident began with the Japanese consulate's decision to shut down a Chinese-owned and operated business establishment, Dexinghao, located within the boundaries of the Japanese enclave, which became an international affair involving Japan, the Qing Dynasty and the Korean government. This incident provided the opportunity for the Qing Dynasty to dispatch a commissioner of trade (consul by substance) to Pusan and set up a foreign settlement under Chinese jurisdiction. Meanwhile, Japan decided to reevaluate its rules and regulations for running its own enclave; and while nothing was actually put into practice, a plan was promoted for converting the Japanese settlement into a multinational community.

Although the Incident is already well-known,⁸⁾ it has been relegated to being either a "pretext" for or "interesting sidelight" to the conflict of interest which arose between China and Japan regarding Korea, meaning that the Chinese merchants that were involved in the Incident have not been studied, the actions taken by Japan and China have not been analyzed and what institutions the Incident reflected have not been examined. Here, we will attempt to paint a full picture of the Incident based on the available diplomatic records⁹⁾ and examine the relationship to the Chinese migratory trends to existing diplomatic institutions at the time. What follows are three sections attempting first to clarify Pusan's Japanese enclave and its operations, secondly to trace the details of the Incident itself and the China's response to it, then to consider Japan's response.

Dates in the main text have been converted to the modern calendar, while left in their original forms for each country in the notes.

1. The Opening of Pusan and the Establishment of its Japanese Enclave

1.1 From Japan House to Open Port Enclave¹⁰⁾

In late Chosŏn Period Korea, it was locally-based bureaucrats who were in charge of both diplomatic negotiations with the Japanese and regional defense; and on the southeast tip of the Peninsula that authority was Tongnae 東萊 Prefecture. About 10 km south of the Prefectural headquarters (present day Tongnae District of Pusan Metropolitan City) on the coast was the Pusan Garrison's base; and another 4 km south on a point (present day Chung-gu District of Pusan MC) was where in 1678

Japan House (草梁倭館; Kor: Ch'oryang Waegwan, Jpn: Sōryō Wakan) was first built. Although today this site is located in Pusan's main urban area, at the time of the construction of Japan House, it occupied a remote area on the periphery of Tongnae proper. The 330,000 square meter compound was enclosed by a stone wall with two gated entrances. All Japanese visitors to Korea were required to reside there and were forbidden from leaving after sunset. There was also a gated checkpoint on the road linking Japan House with Pusan Garrison and Tongnae, beyond which Japanese were not allowed even during daylight hours. There was a formal rule that Japanese were allowed to temporarily reside at Japan House until their business was concluded, although there were actually those who stayed for up to several years; and visitors were not allowed to be accompanied by women. Such seclusion was normal for all foreign enclaves in East Asia, including the ports of Nagasaki and Guangzhou in Japan and China, respectively; and in Korea fresh memories of the six-year long invasion of the Peninsula by Toyotomi Hideyoshi, which began in 1592, formed the background to the treatment of Japanese visitors.

Then during the following "Pax Tokugawa" era, the responsibility for Japan's diplomatic negotiations and trade with Korea was assumed by the Sō 宗 Family, the lords of the island of Tsushima in the strait between the two countries; and it was the vassals and merchants affiliated with the Sō Family who operated Japan House. During the Meiji Restoration, the Sō Family continued its diplomatic duties until it mistakenly allowed the Korean government to receive news of the establishment of a new political regime in Japan. Consequently, the Japanese government relieved the Sō's of their duties and in 1872 began dispatching officials of the new Foreign Ministry to administer Japan House; but at first Korea refused to diplomatically negotiate with the Meiji government. Finally, as the result of the outbreak of hostilities between a Japanese battleship and Korean forces at Kanghwa Island off the west coast of Korea in 1875, the Japanese-Korean Treaty of Peace and Friendship was signed in February of the following year.

While the Treaty stipulated that three Korean ports, including Pusan, be opened to foreign trade, there was no mention of foreign enclaves per se, merely the recognition of freedom "to lease land and to erect buildings thereon, and to rent buildings, the property of subjects of Chosen [Chosŏn]" (Article 4). Then in August of that year an appendix to the Treaty was concluded, in which Article 3 stipulated that the site of Japan House would continue to provide housing for Japanese visitors; and in

January of the following year, Japan House was officially designated as an exclusive Japanese enclave (Senkan Kyoryūchi 專管居留地) in a loan agreement concluded between Japan's Pusan Commissioner Kondō Masuki 近藤眞鋤 and Hong Uch'ang 洪祐昌, prefect of Tongnae. The agreement, which was a very brief document requiring only one page of Japanese, stipulated that since former Japan House had been for 200 years the residence of Japanese officials, 1) the Japanese government would pay 50 yen in rent annually, 2) among the existing buildings there were those which were the property of the Japanese government and those which were the property of the Korean government and 3) with the exception of the its landing dock, the site's land, roads, drainage facilities etc. would all be maintained at the expense of the Japanese government. In other words, the agreement merely confirmed traditional rights regarding Japan House and established in writing that tenancy over the property had been transferred from Tsushima Fief to the present government of Japan. At the time, while Korea was still refusing to negotiate with the countries of the West, the 1876 Treaty was placed within the context of Korea merely renewing its traditional relations with Japan. This must have been what the Koreans had in mind in granting the Japanese their own enclave, and there was no attempt on the Japanese side to disagree.¹¹⁾

Based on this loan agreement, the Japanese consulate assumed the right to totally manage the enclave, including the right to police and adjudicate its resident, meaning that the Korean authorities had almost no room for intervention. For example, the Japanese consulate freely issued without Korean approval land titles to occupants of the land inside the enclave, granting them lease rights.¹²⁾ This practice reflects the fact that the Japanese government interpreted the agreement as a *carte blanche* lease of land from the Korean government for its enclave, an act which has no precedent in the history of foreign enclaves in Japan.¹³⁾ It was in 1880 that Wōnsan on the east coast became Korea's second open port upon the conclusion of a preliminary agreement concluded in August 1879. There as well the Japanese government established an exclusive enclave based on the form and scale decided upon in Pusan

1.2 Korea's Opening of Its Ports to the West and China

After the conclusion of its 1876 treaty with Japan, Korea continued to refuse any contact with Western countries, but through mediation by the Qing Dynasty, finally concluded a commercial treaty with the United State

in May 1882. This breakthrough presented Europe with the opportunity to negotiate their own treaties: Great Britain and Germany in November 1883 (after failing to initially ratify in June 1882), Russian and Italy in July 1884 and France in June 1886. Regarding China, Regulations for Maritime and Overland Trade pertaining to the subjects of both countries were established in September 1882, which reconfirmed Korea's tributary status and ensured free trade in all open ports. These agreements with Europe and China led to the opening of both Pusan and Wōnsan, previously Japanese monopolies, to the other nations of the world. Then in January 1883 the port of Inch'ōn near Seoul was opened.

In each open port maritime customs were set up along the lines of China's system of foreign inspectors, marking the first attempt to tax foreign goods, since Japan had previously been exempt from any duties. The German Paul Georg von Möllendorff was sworn in as inspector general of customs in December 1882, upon recommendation from Li Hongzhang 李鴻章, a leading advocate of the modern westernization of Chinese institutions and the chief negotiator in the treaty with Japan in 1871. After appointing his staff of European customs agents, Möllendorff opened for business in Inch'ōn during June 1883, in Wōnsan that October, and in Pusan on 3 November.¹⁴⁾

Even prior to his arrival as Minister to Korea in November 1882, Takezoe Shin'ichirō 竹添進一郎, in anticipation of the influence that the influx of foreign ships other than Japanese into the free ports of Korea would exert on existing arrangements concerning foreign enclaves, submitted a memorandum to then Minister of Foreign Affairs Inoue Kaoru 井上馨 on how to manage the enclave which was to be established in the new port of Inch'ōn to be opened on the first of January the following year.¹⁵⁾ Takezoe suggested that in contrast to Japan's exclusive consular control over its existing enclaves in Pusan and Wōnsan, in Inch'ōn arrangements should be made for Japanese residents to live among the other foreigners; but Inoue was initially opposed. Moreover, in March 1883, Takezoe took his opinion even further, urging that non-Japanese foreigners be welcomed to reside in the existing enclaves of Pusan and Wōnsan.¹⁶⁾ One of the reasons cited by Takezoe for such a change was that given the fact that the Korean Government was accumulating its knowledge of international relations through the advise of van Möllendorff, Japan would no longer be able to resort to military means in implementing its foreign policy. Under such circumstances, Takezoe argued, the opening of Japanese enclaves to other foreigners would help impress the world powers with Japan's sense

of fairness, ensure the confidence of the Korean Government and prevent "the opposition" within the Korean government from gaining access to Qing China. One more reason, in the case of Pusan, was to prevent a cluster of separate enclaves for each nationality from forming around the port. As mentioned previously, the Japanese enclave of Pusan at that time was located over 10 km south of central Tongnae. In Takezoe's opinion, if Japan refused to welcome other foreigners into its enclave, there was nothing stopping the world powers from building enclaves on the road to Tongnae, a move that would be a serious blow to Japanese commerce.

This time Foreign Minister Inoue fundamentally agreed, and the Takezoe Proposal was incorporated into Japan's policy measures for maintaining peace with China, while at the same time retaining its influence over Korea.¹⁷⁾ However, disagreement arose over the question of how the Japanese enclave would be opened to other foreigners. While Takezoe called for accepting foreign residents into the enclave while maintaining Japanese jurisdiction over it, similar to enclaves westerners had established in Shanghai and Tianjin, Inoue, describing such an arrangement as "rife with hassles," called for the Korean government to set up a foreign settlement jointly-run by the countries represented, after returning the part of the Japanese enclave not utilized by the existing Japanese community.¹⁸⁾ This problem will become a point of discussion later on.

Takezoe also proposed Inoue to accept reputable Korean merchants, as long as they promised to abide by the rules and regulations set up by the Japanese, along with foreigners of treaty countries.¹⁹⁾ To wit, although local citizens were not allowed to reside in the enclaves of Yokohama and Kobe, subjects of the Qing Dynasty had been allowed to reside in the enclaves of Shanghai and Tianjin, which for Takezoe was the best arrangement for the Pusan enclave vis-a-vis Korean subjects. Takezoe's proposal was also supported by the Japanese consular corps at Pusan, and the Ministry of Foreign Affairs also gave it its stamp of approval, under the condition of concluding an agreement with the Korean government.²⁰⁾ However, there is no evidence to confirm that such negotiations were actually conducted between the two countries.²¹⁾

It is interesting that Takezoe would cite the example set in the enclaves of Shanghai and Tianjin in arguing for the Pusan Japanese enclave to be opened to all foreigners. As a matter of fact, in spite of different management styles, not one of the foreign enclaves that existed in Chinese ports (all leased to one nation, except for the communal lease at Shanghai) at the time had been reserved solely for the nationals of the supervisory

nation(s), all being populated by both foreigners of other nations, as well as subjects of the Qing Dynasty.²²⁾ Takezoe, who first took up residence in China in the 1870s, served as the Japanese consul at Tianjin between 1880 and 1882 and was therefore able to become acquainted first-hand with the way in which China's foreign enclaves operated and convinced that this was "standard practice."

Shortly after Takezoe presented his proposal to Foreign Minister Inoue, in April 1883, W. G. Aston, the British consul at Kobe, arrived in Pusan and proceeded to select a site in the northeast section of the Japanese enclave on which to establish a British enclave.²³⁾ Alarmed that if constructed as planned, such a British enclave would become a barrier separating the Japanese enclave from Tongnae, Takezoe again petitioned the Foreign Ministry to allow the foreigners of other nations to reside in the Japanese enclave.²⁴⁾ Although there is no trace of an official reply from the Ministry, during June and July of that year, we do have evidence that an exchange of opinions on what sections of the Japanese enclave should be returned to the Korean government was conducted among the Ministry, Takezoe and local Japanese consul, Maeda Kenkichi 前田獻吉.²⁵⁾ There was to some extent a consensus among the various Japanese authorities concerning a course requiring the return of a portion of the Japanese enclave to the Korean government so that the land could be converted to enclaves for other foreign nationals.

Albeit, when Takezoe met Sir Harry Parkes, then British minister to both Korea and China, in November 1883, he refused Parkes' request for Japan to allow British nationals to reside in its Pusan enclave. At this point in time, it seems that preparations in converting land leased for Japan into enclaves for other foreign nationals still not been completed. Furthermore, the reason actually cited for Takezoe's refusal is as follows.

Since Pusan has been populated by Japanese nationals for a couple of hundred years, it has become more of a Japanese colony than a foreign enclave. Administration of the area, from law enforcement to road maintenance, is conducted by Japan, meaning that if other foreign nationals were to take up residence there, they would be subject to all directives issued by the Japanese consul and all the laws of Japan. Such a state of affairs requires thorough deliberation, which even the Japanese government has not sufficiently accomplished.²⁶⁾

Here we observe Takezoe placing heavy emphasis on the historical

roots of Japan's administration of its Pusan enclave, which corresponds to his statement to Foreign Minister Inoue in November 1883, "The Japanese consul exercised complete control over the rights of [enclave] governance." As to how this position is related to Japan's refusal to recognize other foreign nationals residing in its enclave, we can only surmise, based on Takezoe's reply to Parkes, that his greatest concern was in what position foreign nationals would be placed in the face of the Japanese consul's administrative authority over the enclave. The wider and more comprehensive the authority of Japan to govern, the greater the possibility of clashes with the interests of other foreign nationals over just about every aspect of residing under that authority; moreover, since the Japanese consul's judicial powers would not extend to other foreign nationals, there existed no means for the Japanese to enforce the implementation of their administrative authority. Takezoe and his colleagues at the Foreign Ministry had already experienced a great deal of this kind of trouble in Japan proper, where consuls representing the world's powers wielded similar judicial powers. It is for these reasons that Takezoe considered the Pusan Japanese enclave as a place fraught with difficulties for other foreign nationals, in the same way as the "interior" areas of Japan outside its open ports did, while Inoue was of a similar opinion that foreigners could not be admitted if Japan maintained exclusive jurisdiction over the Pusan enclave.

2. The Dexionghao Incident and the Establishment of the Chinese Enclave

2.1 The Events in Pusan

Based on the Sino-Korean overland and maritime trade regulation of 1882, China's Commissioner General of Trade Chen Shutang 陳樹棠 arrived in Seoul during October 1883 charged with protecting the interests of Chinese nationals residing in Korea.²⁷⁾ About a month later, on 20 November, Chen received a petition from two Chinese merchants, Zheng Yizhi 鄭翼之 and Zheng Weisheng 鄭渭生.²⁸⁾ According to the document Zheng Yizhi, a native of Xiangshan, Guangdong, had been employed at a commercial establishment in Kobe, Japan, by the name of Gongxinghao Trading, but upon discovering Korea's opening of international trade and maritime customs, he decided to sail for Korea. For that purpose he boarded a Japanese steamship at Kobe with a personal cargo of European

sundries, foodstuffs etc. and landed in Pusan on 31 October. He then attempted to rent a Japanese-owned residence to set up a shop, but could not find a landlord on his own, so he consulted with an Englishman at maritime customs, who was soon able to find him a place to set up shop in the Japanese enclave. After his cargo cleared customs and he put out his sign reading Dexinghao Enterprises, Zheng opened for business on 6 November, just three days after the formal opening of maritime customs at Pusan, indicating the basis on which he had timed his journey from Kobe.

However, on the 9th Zheng was summoned by the Japanese Consulate and ordered to close Dexinghao on the grounds that “since by treaty, the port of Pusan is situated on land reserved for Japanese use, Chinese nationals are not allowed to trade there. However, as soon as the king of Korea completes the proper inquiries with the Japanese government, and the Japanese government accepts them, only then will Chinese nationals be permitted to conduct commercial operations.” The Zhengs’ petition goes on to accuse the Japanese Consulate of improper behavior and demand that it cease actions to prevent their doing business. A second petition submitted to Chen Shutang on 8 December,²⁹⁾ describes how the Zheng Bros. were able to continue operations through the auspices of the Englishman who had helped them procure the site for their shop; however, on 1 December they were again summoned by the Japanese Consulate and warned to close down the business, while hooligans were sent to the shop to raise a disturbance and compel the landlord and building owner not to rent the premises to the Zhengs.

The Japanese official who prohibited the Zhengs from doing business was the deputy consul, Miyamoto Higuma 宮本羆, not Consul Maeda Kenkichi, who at that time was on his way back to Japan. The description of the incident as offered by Miyamoto to Foreign Minister Inoue differs little from the information contained in the petitions by the Zhengs, but adds that the rental space in question was located in the enclave at Honcho 3 Chome, which was owned by Matsumoto Seitarō 松本清太郎, a native of Tsushima, and that the shop was a purveyor of sundries, including European brand liquor. Upon discovering this, Miyamoto interrogated the Zhengs, asking them, “We [the Consulate] have not received any notification from either our Foreign Ministry or the Korean government. Please inform us by whose permission you have opened your business here.” Zheng replied, “We have received permission from no one; but since Pusan is an open Korean port, we merely assumed that there would

be no problem in opening a commercial establishment here.” Miyamoto then informed the Chinese merchant, “It is true that this is an open port, but it is also a Japanese enclave, where no decision has yet been made concerning foreign nationals residing or conducting trade on its premises.” Miyamoto explained that since the taxes on the land in the enclave were paid to the Korean government by the Japanese government for the purpose of sub-letting it to Japanese nationals, until decisions about other foreigners are made, they are welcome to temporarily reside in the enclave, but they will not be allowed to open businesses there.³⁰⁾ Although Miyamoto most probably knew of Takezoe and Inoue’s plan to convert the Japanese enclave into an international foreign community, his own interpretation was that until a final decision were made, he could not allow the Zheng Bros. to conduct business there.

Moreover, despite that fact that Miyamoto did not refute Zheng’s claim that the freedoms of residence and trade in open ports were only natural, they differed on the question of whether such was true for foreign enclaves under the jurisdiction of a single country. According to another report submitted by Miyamoto, Zheng had raised the example of the concessions in Shanghai as the basis for his argument that anyone should be able to conduct trade in Pusan, as well.³¹⁾ The petition which Zheng submitted to Chen Shutang also cited the precedent set in Shanghai, arguing that although the Shanghai concession was held by only three nations—Great Britain, France and the United States—merchants from an innumerable number of countries had been allowed to gather there; consequently, the actions taken by the Japanese Consulate was to “swallow up” Pusan for Japan and thus violated international law.³²⁾

To the contrary, since it was actually the case that any foreign enclave was operated and managed differently from any other, there were no uniform international laws or customs governing them. Therefore, on this point, Miyamoto’s thinking that the governance of the Pusan enclave was determined by arrangements made between Japan and Korea is probably closer to the actual situation; however, among all of the enclaves existing in both China and Japan at that time, not one example can be found of refusing foreigners from countries other than the nation of jurisdiction either residence or livelihood there. From the standpoint of the Zheng Bros., who had participated in foreign trade activities in the open Japanese port of Kobe, the question of whether or not a foreign enclave was under the supervision of a specific country had absolutely no bearing on the *laissez-faire* atmosphere of the open port.³³⁾

Let us now delve a little deeper into the background of the advance of the Zheng Bros. into the Pusan enclave. According to a later investigation conducted by the Chinese Consulate in Kobe,³⁴⁾ Dexinghao had been set up as a branch of Gongxinghao 公興號 in Kobe with a capital investment of 2,000 dollars contributed by several local Chinese merchants, including Zhang Yizhi himself and Gongxinghao's owner Huang Yaodong 黃曜東. Dexinghao was expected to do business with not only its parent company, but also with Shenjihao 升記號 (owned by Lan Wangao 藍萬高) and Yihehao 怡和號 (owned by Mai Shaopeng 麥少彭) located in Kobe. Huang, Lan and Mai represented one group of the merchants from central Guangdong Province (called the Guangdong-Bang) who came to dominate Kobe's China trade after the port was opened in 1868.³⁵⁾ Zheng Yizhi and Weisheng, also being natives of central Guangdong, probably used their hometown connections to these entrepreneurs to first learn the ins and outs of open port trading, then to rely on their support to strike out for themselves and venture into Pusan (and beyond as we shall see), given the opportunities offered by the structure of the Japanese-Korean trade at the time.

That is to say, the earliest trade between the two countries involved mainly the import of British cotton goods through Japanese merchants, which were reexported from Japan through Shanghai. Furthermore, a good deal of the commodities imported from Korea to Japan, such as processed marine products, were reexported to China, meaning that Japan was serving as an entrepot for the Korean-Chinese trade, which could not be conducted directly by sea. Moreover, this kind of Japanese-Korean trade relationship continued even after open port trading between Korea and China began in 1882, at least until the end of the decade, due to such circumstances as irregular sea routes connecting the two countries.³⁶⁾ Under such circumstances, it is not difficult to imagine Chinese merchants residing in Japan who handled the China trade wanting to expand into the Korean trade. The Zheng Bros. were one of the first of this type to attempt such diversification, and the establishment of Dexinghao can be called the earliest attempt to expand the open port Chinese merchant network.

As the assumption of such their attempt, the Zhengs thought that Pusan would guarantee the same freedoms of residence and occupation as existed in the open ports of Japan and China. However, the Japanese enclave, which was the only foreign settlement in Pusan, had been entrusted to the Japanese government as a remnant of the pre-open port trade rela-

tions established between the two countries, an arrangement which in theory took no account of the possibility that other foreign merchants would be arriving. It was this inconsistency that formed the background to the Dexinghao Incident.

2.2 Sino-Japanese Negotiations and the Establishment of a Chinese Enclave

2.2.1 On the Ground in Korea

Upon receipt of the Zhengs' petition, Cheng Shutang, on 22 November 1883, contacted Min Yǒngmok 閔泳穆, the President of Korean Foreign Office (T'ongni kyosōp t'ongsang samu amun 統理交涉通商事務衙門), requesting that he confirm what had happened with the Japanese Minister.³⁷⁾ Min immediately contacted Takezoe and proposed, "Given the fact that an agreement regarding foreign enclaves in Pusan has yet to be concluded, I request a conference concerning how to deal with the present situation."³⁸⁾ In his reply, Takezoe, who was not yet abreast of the details surrounding the incident, stated, "Due to the fact that Pusan has for the past 206 years been leased by the Korean government to Japanese nationals for residential purposes, our consulate in Pusan has every right to prevent Chinese nationals from residing and doing business there."³⁹⁾ Such reasoning, based on a 206 year precedent, probably referring to the establishment of Japan House in 1678, is identical to Takezoe's grounds for refusing British nationals residence in the enclave just a few days previous. On the other hand, together with his report of the request to Foreign Minister Inoue, Takezoe also mentioned inquiries from the US and German ministers about locating their citizens in the Japanese enclave, and once again reiterated his opinion that the enclave should be opened to the nationals of other countries before they begin constructing their own communities around Pusan.⁴⁰⁾

The situation then developed in the direction that Takezoe feared. On 13 December Min Yǒngmok informed Chen Shutang who was urging rapid settlement of the problem,⁴¹⁾ "If Chinese merchants still desire to set up businesses in the Japanese enclave, they will have to wait until an agreement is made between the Korean and Japanese governments...It would be much more expedient to establish a separate enclave for Chinese merchants to set up their businesses."⁴²⁾ Chen then filed a request that he be allowed to conduct a land survey, which was agreed to by the Korean

government, and von Möllendorff, inspector general of maritime customs and deputy foreign minister, agreed to accompany him to Pusan.⁴³⁾ They arrived in Pusan on 22 December and stayed there until 4 January of the new year. What they did during that time is described in the report submitted to Li Hongzhang after the former's return to Seoul.⁴⁴⁾ To begin with, Chen and von Möllendorff interviewed the Zheng Bros. about the Dexinghao affair and then met with Japanese Deputy Consul Miyamoto. During the meeting with Miyamoto, Chen argued that although in the past the Korean and Japanese governments had agreed that no foreign nationals other than Japanese would be allowed to reside in the Pusan enclave, it was now time to rescind this custom according to Article 42 of the "trade protocol for Japanese nationals" and recognize the freedom of all foreign nationalities to trade and reside there. This Article 42 of the protocol, which was concluded between Korea and Japan during July 1883 to determine new trade procedures on the occasion of the establishment of Korean maritime customs, provided that any existing rule that contravened the protocol would be declared invalid. Chen's argument was a rebuttal to claims made by Takezoe concerning the traditional vested right of the Japanese enclave and demanded that it conform to the precedents set by other enclaves in the region (specifically in China). Miyamoto replied that since he himself was not authorized to make any judgment concerning the implementation of the trade protocol, he would reopen Dehaoxing as soon as the Japanese government instructed him to.

Then Chen embarked on a tour of the Japanese enclave, during which he concluded that the site's location, as it was squeezed between the mountains and sea and thus lacking space for any additional building construction, was the main cause of Miyamoto shutting down Dexinghao. He then found a location for a Chinese enclave with a promising future on a level area near the road into Tongnae, facing the sea and providing not only a convenient harbor for incoming ships, but also excellent access to carriers commuting to and from the prefectural capital. Upon his visit to the prospective site with von Möllendorff, Chen planted wooden markers to demarcate the site from land that had already been acquired for the British and German enclaves.⁴⁵⁾ This site would begin official operations after the conclusion of an enclave protocol in the summer of 1886. (See Section 3.3)

The establishment of the Chinese enclave in Pusan was almost immediately accompanied by one at Inch'ŏn, selected on 7 December 1883 after another Chen-von Möllendorff on the spot inspection.⁴⁶⁾ Chen stat-

ed in his report to Li Hongzhang just after their inspection that he had conducted an inspection under the auspices of the Korean government, since “there are between 50 and 60 Chinese merchants who have come to the port of Inch’ŏn from Japan in need of land to be purchased for housing.”⁴⁷⁾ In view of his receipt of the Zhengs’ petition on 20 November, Chen, upon discovering that the influx of Chinese merchants into Inch’ŏn, probably harbored concerns about a similar incident occurring there and proactively embarked on the establishment of a local Chinese enclave.⁴⁸⁾ In other words, the decision to conduct an on-the-spot survey at the suggestion of Min Yŏngmok was not made by Li Hongzhang, but rather by Chen himself.⁴⁹⁾

It is interesting to note here that the Sino-Korean Maritime and Overland Trade Regulation of September 1882, by which Korea opened its ports to Chinese merchants and determined their freedom to live and do business in the open ports, there was no mention of the establishment of enclaves where they were going to exercise those freedoms.⁵⁰⁾ Moreover there is no trace of any such provisions concerning enclaves as of October 1883, when Chen was appointed commissioner of trade. This is why there is room for doubt concerning any existing policy directions within the Qing Dynasty government to obtain enclaves in Korea, leading one to conclude that the issue was handled on the ground in Korea by Chen Shutang.

These doubts become even more clear with respect to the process by which commissioners of trade of China were dispatched to each Korean ports. Originally, the 1882 Sino-Korean Trade Regulation stated that commissioners of trade were to be dispatched to all the Korean open ports. However, in July of the following year, when provisions determining the actual duties of commissioners of trade were established,⁵¹⁾ it was decided that one commissioner was to be located in Seoul and act also as the commissioner to Inch’ŏn, while regarding Pusan and Wŏnsan, since “the Chinese merchant traffic there is minimal,” the dispatch of commissioners was postponed until trade began to flourish there. Chen Shutang, who had been appointed as the sole commissioner to Korea under these provisions, requested Li Hongzhang to appoint a separate envoy to Inch’ŏn, just after his arrival into Seoul. His reasoning was that having to travel between the Seoul and Inch’ŏn would be time consuming for a joint appointee and that in fact the presence of Chinese merchants and ships was increasing in the latter port. Li accepted Chen’s proposal and ordered Li Nairong 李乃榮, one of Chen’s assistants, to be stationed in Inch’ŏn.⁵²⁾

During his inspection tour of Pusan in December 1883, Chen found over 20 Chinese merchants already residing there. Concerned about the possibility of some new dispute arising in the absence of someone in authority, Chen first appointed Tang Shaoyi 唐紹儀, a translator working for maritime customs at Pusan, as provisional Chinese functionary for the port and then in his report to Li Hongzhang requested that a commissioner of trade be dispatched there.⁵³⁾ In March 1884 Chen repeated his request for commissioners to be dispatched to Pusan and Wōnsan,⁵⁴⁾ explaining,

Upon my excursion to Pusan last winter, I discovered about 20 Chinese merchants there; and I have heard that Wōnsan is now the destination for about 80 Chinese merchants and artisans commuting from Vladivostok. Both Pusan and Wōnsan are suppliers of abundant and cheap raw materials. Up until the present, trade in these commodities has been monopolized by the Japanese, who export them to Hongkong and Shanghai. Furthermore, both Korean ports are venues for trade in a great amount of finished commodities, like cotton textiles and sundries from Hongkong and Shanghai, the import of which the Japanese also monopolize. In contrast, not many Japanese goods can be found there. There are not a few Japanese-based Chinese merchants who want to venture to trade in Korea.⁵⁵⁾

This explanation not only jibes well with the background against which Zheng Yizhi and his colleagues moved to Pusan, but also reflects the structure of Japanese-Korean trade at that point in time. Li accepted Chen's request and proceeded to appoint Chen Weikun 陳爲焜 as commissioner to Pusan and Liu Jiacong 劉家驄 as commissioner to Wōnsan.⁵⁶⁾

The above events enable us to view in concrete terms China's initial commercial trade venture into the open ports of Korea and the resulting institutions governing the activities of its merchants as being realized in response to what was actually happening on the ground, instead of the implementation of policy decisions made at the top in Beijing.

2.2.2 The Situation in Japan

The negotiations between Japan and China regarding the Dexinghao Incident also played out simultaneously in Japan. To begin with, Huang Yaodong, the former employer of Zheng Yizhi and one of the investors

in Dexinghao, appealed to the Chinese Consulate in Kobe, resulting in Minister to Japan Li Shuchang 黎庶昌 taking it upon himself to request the Japanese government that Zheng be allowed to reopen his business. In the document submitted to Japanese Foreign Minister Inoue dated 3 December 1883,⁵⁷⁾ Li reiterated Huang's argument that despite the fact of Japan recognizing Pusan as an open port and thus the rights of equal access granted to all the treaty signers, how could Japan not grant those same rights to China, "Korea's suzerain." Despite the surprising reference to Korea's subordinate tributary status, not contained in the Zhengs' original petition, Li's main intent was to criticize the Japanese Consulate for its improper closing of Dexianghao within what was clearly an open port. In his reply, Inoue, also avoiding the question of Chinese suzerainty, stated that there was no doubt that Pusan as an open port enabled commercial activity to be conducted freely by all foreigners, that that freedom was determined by virtue of the Korean government's "right of autonomy," and that the Japanese Consulate could not interfere. However, Inoue continued, if the incident occurred within the Japanese enclave, which is a place where "Japanese have been residing since early times... according to a special agreement with the Korean government," which the Japanese government manages as the result of paying rent and whose residents bear all the costs of building and maintenance, then the Consulate would be hard pressed to grant residence and business permits to "foreign nationals outside of its jurisdiction."⁵⁸⁾ Although at that point in time the Japanese Foreign Ministry had not yet been apprised of all the reports on the Dexinghao Incident coming in from Seoul and Pusan, the substance of Inoue's reply is on the whole in accordance with the replies given by Takezoe and Miyamoto to their respective counterparts Min Yōngmok and Chen Shutang. It is important to note once again that the expression "foreign nationals not under our jurisdiction" stresses the issue of the validity of the Japanese Consulate's right of governance in determining who should reside in the Japanese enclave.

Later on, the Foreign Ministry would order Miyamoto to immediately report on the incident in detail,⁵⁹⁾ and after receiving that report the Ministry sent a communique to Li Shuchang dated 18 January 1884. In the communique, after reporting that it had confirmed that the event had happened exactly in the Japanese enclave, the Ministry reemphasized its insistence that the actions taken to close Dexinghao were fully justified and that those actions in no way constituted any attempt to prevent Chinese nationals from conducting business within the open port.⁶⁰⁾

After the first exchange of correspondence between Li Shuchang and Foreign Minister Inoue, Li reported to Li Hongzhang,⁶¹⁾ informing him that the Dexianghao Incident was being viewed as “an issue intimately related to the general issue of trade relations between China, Korea and Japan.” As the reasons for the Japanese Consulate’s closure of Dexianghao, Li cited 1) Japanese fears that their existing monopoly over trade would be threatened and 2) China’s refusal to allow Japan the right to conduct trade within its borders. The latter reason is closely related to a pending issue between the two countries concerning the Ryukyu Islands. The Ryukyu Kingdom, which had been granted tributary status by China since the 15th century, was in 1879 annexed by Japan as Okinawa Prefecture. In response to possible Chinese resistance to such a move, the Japanese government proposed that in exchange for the reinstatement of a part of the Ryukyuan tributary status, Japan be granted favored-nation status and the right to trade on the mainland, two privileges that had not been recognized under the Sino-Japanese Articles of Amity concluded in 1871. Just prior to what seemed to be mutual agreement on the proposal, China chose at the last minute to postpone signing, leading to the end of negotiations in January 1881. While in the Japanese records we notice no attempt on the part of the government to link the Dexianghao Incident to the “Ryukyuan Compromise,” given the fact that Li Shuchang was involved in the Ryukyuan talks as a negotiator, and as the former consul-general of Tianjin, Takezoe Shinichirō also must have had occasion to discuss the issue,⁶²⁾ the two problems were probably considered to be connected from the viewpoint of Li Shuchang. Furthermore, the fact of Li’s protest to Inoue regarding Dexianghao including the quote from Huang Yaodong on the subject of Chinese sovereignty, implies that Li was writing with the Ryukyuan issue on his mind.

In his report to Li Hongzhang, Li Shuchang, who grasped the problem in political terms, stated, “In spite of the fact that Korea is our tributary, having no place at present for Chinese merchants to reside there should be a problem,” and then proposed that China “order” the Korean government to immediately construct Chinese enclaves in all the open ports. Such a proposal indicates that Li Shuchang’s main concern was in maintaining a power balance between China and Japan, and thus was less interested in the movement of Chinese merchants than Chen Shutang. Moreover, since preparations were already being made for a Chinese enclave by Chen and the Korean government, Li’s proposal had very little direct influence on the decision. It should also be duly noted that the fact

that Li would make such a proposal at that time indicates that he had no thought of setting up Chinese enclaves in Korea as any existing plan of Beijing government.

The more immediate reason for Li's protest over the Dexianghao Incident focused on the point that the business had been shut down regardless of the status of Pusan as an "open" port, based on the perception that open ports provided all foreign nationals the freedom to reside and do business anywhere within their boundaries, regardless of whether or not they were some nation or other's enclave. Such a perception was shared by both the Zheng Bros. and Chen Shutang; and everyone who thought like Chen and Li Shuchang had no idea that Japan would operate Pusan as an exclusive enclave for its citizens, thus forcing them to sense the necessity of setting up their own enclaves as the best solution to the problems posed by the Dexianghao Incident.

2.2.3 Temporary Settlement of the Problem

The Zheng Bros. applied for reinstatement a total of four times beginning in November 1883,⁶³⁾ and on their fourth attempt the content of their protest escalated into requests to seek damages for their exclusion from the Japanese enclave in the amount of 30,000 dollars, to cover their living expenses, personnel costs and the cancellation of import contracts with suppliers in Hong Kong and Shanghai since the closure of their establishment.⁶⁴⁾ Chen first replied to this final appeal with a request for a detailed listing of the losses sustained,⁶⁵⁾ then conferred with the President of Korean Foreign Office Min, reporting that the Ministry would be notified later of the amount of money demanded and requesting that the Japanese minister be notified of the claim.⁶⁶⁾ Zheng finally complied with Chen's order for a detailed listing of his losses during April of the following year.⁶⁷⁾ Of the 30,000 dollars that the Zhengs demanded the previous December, 25,700 yuan worth of alleged canceled contracts with Shanghai and Hong Kong was not included, leaving a net loss of 4243 dollars accounted for over five items, including penalties arising from breach of contract with the firms Shenjihao and Yihehao in Kobe. Upon receiving the bill, Chen Shutang notified the President of Foreign Office Min of his intentions to collect the money from Japanese authorities in Pusan and Kobe.⁶⁸⁾

Meanwhile in Japan, Chinese Minister to Japan Li Shuchang proceeded to demand reparations from Foreign Minister Inoue.⁶⁹⁾ In his re-

ply of 5 June, Inoue refused to pay, again on the grounds that the closure of Dexianghao was within the legitimate jurisdiction of the Japanese Consulate.⁷⁰⁾ Upon reception of Inoue's refusal, Minister Li wrote to Chen in Seoul that he had come to the realization that any further attempts to negotiate with the Japanese would lead to no compromise and decided instead that it would be better to immediately pursue the establishment of a Chinese enclave in Pusan.⁷¹⁾ It is worthy of note in this context to consider the bogus nature of the amount of reparations demanded by the Zheng Bros. According to the report submitted by the Kobe Chinese Consulate to Chen Shutang,⁷²⁾ there was no basis for the 30,000 dollars demanded and the Zhengs had requested such an exorbitant amount by the instigation of another party. Upon hearing of this, Huang Yaodong summoned the Bros. to Kobe, and while reprimanding them, also cautioned them that since rescinding the whole 30,000 dollars would lead to suspicion, it would be best to reduce the amount to around 4,000 dollars, a figure that matches the detailed list of losses over the past four months submitted to Chen by the Zhengs and substantiates the latter's intention to defraud the Japanese government. Such behind the scenes goings on no doubt made it very difficult to pursue the incident any further.

Moreover, it just so happened that the Japanese Consulate in Pusan ended up turning a blind eye to Dexinghao reopening operations in the enclave, thus eliminating any further need for the Chinese to complain. Therefore, it seems apparent that the Japanese Consulate had not ordered the Zhengs to leave the enclave lock, stock and barrel. As of February 1884, when Tang Shaoyi submitted his report to Chen, the Zheng Bros. were still living in the enclave, shut up in the building they had rented as a residence.⁷³⁾ Furthermore, in June of that same year, after arriving in Pusan as its Chinese commissioner of trade, Chen Weikun reported to Chen Shutang that since the Japanese were silently condoning the reopening of Dexianghao, it would probably be the best strategy not appeal the reparations issue.⁷⁴⁾ After Chen's message was forwarded to Li Hongzhang, the latter told Chen Shutang to "handle matters as you see fit" and reported as much to Zongli Yamen.⁷⁵⁾

While such was the rather anti-climatic ending to the Dexianghao Incident per se, it will be necessary to return to it in the next section, which takes up why the Japanese ended up overlooking the reopening of the establishment. But first let us review the activities of Dexianghao in the aftermath of the incident. According to listings of Chinese merchants recorded in all the open ports by commissioners of trade between 1884 and

86,⁷⁶⁾ we find four persons—Zheng Weisheng, along with Zheng Ruifen 鄭瑞芬, Zheng Yao 鄭耀 and Zheng Ming 鄭明—employed at Dexianghao in Pusan during 1884, with Zheng Yizhi moving to Inch'ŏn during the 3rd (lunar calendar) month, no doubt in search of new business horizons. In the 1885 listing, we find Zheng Weisheng joining his partner in Inch'ŏn, leaving the other three partners to continue manning the business in Pusan. Then the 1886 record has Yizhi and Weisheng being joined in Inch'ŏn by Zheng Yao, leaving only Zheng Ruifen to keep shop in Pusan. From this record, it becomes clear that during the three years in question, Dexianghao was in the process of moving its operations from Pusan to Inch'ŏn.

Then, bases on what fragmentary information remains from 1887 on, we find Zheng Yizhi and his cohorts purchasing a “roof-tiled 20 room” shop on Jongno Street in Seoul's oldest commercial district in July 1888 and opening a branch of Dexianghao there.⁷⁷⁾ The following year the new business falls victim to an arson attack, which claims the life of Zheng Yao,⁷⁸⁾ after which the establishment is rebuilt and develops into one of Seoul's “top five sundries outlets” according to a report filed by the Japanese Consulate just after the Sino-Japanese War.⁷⁹⁾ Next, around the time of the Japanese annexation of Korea, there are records that confirm Dexianghao as one of the best known Chinese commercial businesses in Seoul,⁸⁰⁾ having arisen from its roots as a Korean-based venture originally financed with Kobe-based Chinese capital.

Zheng Yizhi's 1884 move to Inch'ŏn was also noted in the above-mentioned report of the Kobe Chinese Consulate regarding the Dexianghao Incident,⁸¹⁾ stating that Zheng had constructed a building inside the Inch'ŏn Chinese enclave before the site was properly prepared and was consequently ordered to tear it down, resulting in a serious financial loss. As already mentioned, the land on which the Chinese enclave at Inch'ŏn was to be constructed was first selected in December 1883, followed by the conclusion of an official enclave protocol on 2 April of the following year; however, due to delays in preparing the infrastructure, caused in part by a failure to reach agreement with the Korean government where the funding for construction was to come from, the competitive bidding on land parcels did not commence until 4 August.⁸²⁾

According to Chen Shutang, immediately following the conclusion of the protocol, Zheng Yizhi proceeded to purchase the materials to construct an establishment, while requesting that the site be prepared as quickly as possible.⁸³⁾ It was on 22 April that Zheng along with other concerned

Chinese merchants paid a visit to Li Nairong, the Inch'ŏn commissioner of trade, requesting him to sell them parcels if they agreed to bear the cost of preparing the land.⁸⁴⁾ Li refused on the spot, but Zheng returned the following day insisting that a building had to be constructed to store cargo from a steamship that was due in port at any time. Although Li explained that any structure that was constructed without official permission would be eventually torn down, Zheng remained determined to build.⁸⁵⁾ Upon correlating Li's account with the Kobe Consulate's report, it seems fairly clear that Zheng Yizhi ignored Li's admonitions and built a store on his own, which he eventually had to raze and rebuild.

Indeed, unlike the land on which the Japanese enclave stood in Pusan, which had already been made thoroughly inhabitable from the time of the construction of Japan House centuries prior to the open port treaty, Inch'ŏn prior to the treaty had been nothing but a scarcely populated remote village. The actions taken by the Zheng Bros. immediately after the establishment of maritime customs in Korea—first advancing into Pusan in violation of Japanese-Korean trade protocol, then refusing to heed the advice of their own representative in Inch'ŏn concerning land use procedures—paint a vivid picture of a globalized, borderless network of ambitious, proactive merchants of Chinese-descent unafraid to distance themselves from any and all attempts by state governments to interfere with or even support their entrepreneurial pursuits.

3. Japan's Responses to the Dexinghao Incident and Foreign Enclave Proposals

3.1 The Fears of Japanese Residing in Korea

The focus of this section will again shift to Japan, which was forced to reexamine its foreign enclave system in light of the Dexianghao Incident. As mentioned above, while replying to the Korean Foreign Office that the Pusan Japanese Consulate had every legitimate right in its handling of the Incident, Minister Takezoe was also urging his own government to allow non-Japanese foreign nationals to reside in its Pusan enclave. At the time when Chen Shutang and P. G. von Möllendorff were visiting Pusan in December 1883, Japanese officials stationed in Korea expressed the same opinion as Takezoe. For example, in his report to Foreign Minister Inoue concerning the arrival of the Chen party, Pusan's Acting Consul Miyamoto, despite being the one who ordered the closure of Dexianghao, argued

that it would be in Japan's better interest to allow foreign nationals to reside in the Japanese enclave, instead of building a separate enclave for the Chinese.⁸⁶⁾ Furthermore, Miyamoto noted that during its inspection tour, the Chen party had stopped over in Masan, an important port handling domestic trade located 50 km to the west of Pusan. Previously when W. G. Aston visited Pusan in April of that same year and similarly stopped over in Masan, Miyamoto, suspecting that a plan was in the making to turn Masan into an open port, expressed concern that a Chinese preemptory advance into Masan would be quite a blow to Japanese trade.⁸⁷⁾ The Chen party's side tour to Masan was in fact based on reports that the British were planning to set up an open port there, thus confirming Miyamoto's suspicions. However, in his report to Li Hongzhang, Chen opined that while Masan is an excellent location, it would take some time before it could be developed into an open port,⁸⁸⁾ thus exercising discretion with respect to the possibility of any immediate opening.

Miyamoto also reported that the Japanese residents of the Pusan enclave were not opposed to welcoming in other foreigners,⁸⁹⁾ attaching as proof memoranda written by Shiraiishi Naomichi 白石直道, chairman of the enclave's governing council, and Takasu Kiichi 高洲器一, chairman of the Japanese Chamber of Commerce, stating that they had already been informed by Minister Takezoe of the possibility of other foreign enclaves being set up in Pusan and that the Chen party's inspection tour made that possibility even more imminent. Both leaders pointed out the serious problems that the establishment of separate enclaves would pose to the future success of the Japanese community, offering as a solution the provision of unutilized land within the existing enclave for the use of other foreigners, and if there was not enough space, there was no other alternative than to recognize their rights to settle anywhere in the Japanese enclave. Moreover, the fact that this problem had raised sufficient fears within the Japanese enclave is evidenced by the the Japanese Chamber of Commerce's plan to send one of its directors (Nakarai Izutarō 半井泉太郎) to Tokyo in order to present its views in person.⁹⁰⁾

Meanwhile Shimamura Hisashi 島村久, acting deputy to Takezoe, who had returned temporarily to Japan, met von Möllendorff in Seoul and inquire about the latter's inspection tour. According to Shimamura, von Möllendorff told him that if other foreigners were not permitted to reside in the Japanese enclave, Masan would have to be opened as an alternative port to accommodate them and maritime customs moved there, meaning dire consequences for the Japanese merchants of Pusan, which,

Shimamura insisted, needed to be addressed by the Foreign Ministry.⁹¹⁾ While we have already seen that Chen Shutang was not at all enthusiastic about opening Masan, the basis of his companion von Möllendorff's reported comment remains unclear. That being said, Shimamura being well aware of W. G. Aston's visit to Masan earlier in the year, appears to have interpreted that comment as authoritative.

3.2 Foreign Enclave Proposals and Their Failure

Upon receipt of Shimamura's request (dated 14 January 1884) for a policy statement in response to his conversation with von Möllendorff, the Japanese government decided to review the institutions governing its enclave at Pusan. On 6 February, Deputy Foreign Minister Itō Hirobumi 伊藤博文 submitted a petition to Grand Minister of State Sanjō Sanetomi 三條實美, which read,⁹²⁾

It is the wish of both the Korean government and the governments of the United States, Great Britain etc. that the Japanese enclave at Pusan house other foreign nationals. Despite the fact that the enclave in question has been occupied by our country for several centuries, if we do not allow other foreign nationals to reside there, it is certain that other enclaves will be constructed in a manner that will block access to and from the Japanese enclave. It is for this reason that we think it both commercially and diplomatically desirable to open the enclave to foreign inhabitants.

Itō then offered two ways in which the enclave could be opened to foreigners. One was allowing foreigners to reside within the now existing area under exclusive Japanese jurisdiction; the other, transforming the enclave into a cooperatively governed settlement, by relinquishing exclusive Japanese authority. In Itō's opinion, adopting the first option would amount to merely maintaining "a fiction of sovereignty," and would result in "unending complexity", while the latter option would be optimal, even if it meant abandoning Japanese century-long seizure.

This opinion matches that held by Inoue before the Dexianghao Incident. The draft of the directive to be issued to Acting Minister Shimamura written about that time goes into more detail.⁹³⁾ In sum,

In contrast to the Japanese government's exclusive responsibility for

all matters ranging from collecting rent to policing and real estate management (if we maintain the enclave in its present form), as a multinational enclave, all the projects pertaining to the region will be carried out via consultation among all the countries involved. In contrast to the former being liable to “stir up trouble as we go along,” the latter will of course result in the erasure of “the achievements over several hundred years of occupation,” but by “keeping with the times” we will not suffer any drawbacks in our present interests. Therefore, we direct you to conduct your negotiations with the Korean and concerned foreign governments keeping in mind the Japanese government's desire to transform the area into a multinational enclave.

The directive also included orders to similarly transform the Japanese enclave at Wõnsan into an internationally governed area.

It was on 14 February 1884 that the Foreign Ministry informed Acting Minister Shimamura by telegraph of its provisional decision to open the Pusan enclave to foreign residents.⁹⁴⁾ On the 19th an official memorial sealed by the Grand Minister of State and the Privy Council, entitled “On the Conversion of Our Pusan Enclave into a Multinational Community” was submitted to Emperor and approved.⁹⁵⁾ This formal process of enacting a policy decision on the part of the emperor attests to the relative importance of the proposal within the government. After the emperor's approval, on the 21st, Sanjō returned the document to Itō inscribed with the phrase “inquiry approved.”⁹⁶⁾ While there is no documentation to that effect, we can only assume that the Foreign Ministry immediately issued the directive that Shimamura had requested in mid-January.

Within the above process by which the Japanese government relinquished its policy of limiting residence and livelihood within its Pusan enclave exclusively to Japanese nationals, we find the Dexianghao Incident as the turning point, for while there were in fact opinions within the diplomatic corps prior to the Incident about the inevitable necessary for change, it was only in the Incident's aftermath that the government was impelled to act in implementing a multinational enclave at Pusan (as well as opening the neighboring port of Masan). The fact of resorting to the abandonment of exclusive jurisdiction held for “several centuries” (i.e., not the partial abandonment indicated by Inoue before the Incident, but rather the complete relinquishment of authority after) in order to avoid the “complexity” and “troublesomeness” of having foreign nationals living under Japanese governance points to efforts on the part of Japan to

eliminate any possibility of disputes arising over the legal rights of foreigners.⁹⁷⁾

It was on 25 April that Acting Minister Shimamura informed Korean President of Foreign Office Kim Pyōngshi 金炳始 of the Japanese government's intention to transform its enclave at Pusan into a multinational community and requested that Kim inform the legations of the foreign governments concerned.⁹⁸⁾ We are certain that the Korean government informed at least the US and British ministers and the Chinese commissioner general of trade, Chen Shutang. Their responses were reported by Kim to Shimamura on 12 May.⁹⁹⁾ While US Minister Foote expressed neither yay or nay, merely replying that a decision would be made after a ministerial conference was held,¹⁰⁰⁾ British Minister Parkes clearly opposed the Japanese proposal. Parkes expressed the opinion that the remaining residential space in the Japanese enclave was insufficient due to the large number of Japanese residents already living there and was not opposed to opening the site earmarked by Aston for the British enclave to all foreign nationals, and also said that he did not even mind if a new port was built nearby Pusan.¹⁰¹⁾ Chen Shutang's reply no longer exists, but he reiterated Foote in announcing that a high level conference would decide China's stance.¹⁰²⁾

Upon being appraised of the varying responses, Shimamura first went to meet personally with the truculent Parkes, who repeated the opinion he had sent the Korean government.¹⁰³⁾ Although the US Ambassador had not given a definite "yes" or "no" to the Korean Foreign Office directly, but after meeting with both the US and British authorities, Chen Shutang came to the conclusion that both parties were opposed to the Japanese plan.¹⁰⁴⁾ Chen himself was also hard pressed to accept the plan, convinced that the site which he had found during his travels was still the best location for a Chinese enclave. Li Hongzhang agreed with Chen, believing that the planned site, which was located on a transport route in and out of the Japanese enclave, portended well for future development.¹⁰⁵⁾

It is unclear as to whether these responses on the part of the United States and China reached the ears of the Japanese government, for the opposition expressed by Parkes, who had previously requested that British nationals be allowed to reside in the Japanese enclave, was probably felt as a barrier already sufficiently intimidating to spoil its plans. On 7 October Foreign Minister Inoue instructed both his acting minister in Seoul, Shimamura, and former Consul-General of Pusan Maeda that if the British were to allow non-British nationals to reside within its enclave, Japan

will be forced to do the same and thus was not in a position to return its enclave back to Korea.¹⁰⁶⁾ Then Shimamura attempted once more to contact the British authorities through his Korean channels, but received no reply.¹⁰⁷⁾ What happened after that is unclear, but it seems that the Japanese plan to transform its Pusan enclave into a multinational community never got off the ground, due to lack of support from anyone but Japan.

3.3 Operations concerning the Entry of Foreign Residents into the Japanese Enclave

As mentioned previously, Dexianghao was able to reopen its operations in the Japanese enclave by June 1884 at the latest, as the result of tacit acceptance by the Japanese local authorities, the occasion of which became an important factor in settling the Sino-Japanese negotiations over the business' closure. The reopening, which overlapped the timing of Japan's plan to transform its enclave into a multinational community, prompted the Chinese commissioner of trade at Pusan, Chen Weikun, to inform his superior in Seoul, Chen Shutang, that the adoption of Japanese tacit acceptance indicated plans to begin accepting foreign nationals into the enclave.¹⁰⁸⁾

Moreover, even after giving up on its plan to completely internationalize the enclave, the Japanese Consulate continued to turn a blind eye to Chinese nationals living and doing business within its borders. Then during August 1886, when the Pusan Chinese enclave protocol was finally concluded two and a half years after the site had been originally chosen,¹⁰⁹⁾ the Chinese commissioner of trade notified the Japanese Consulate that all Chinese merchants presently renting houses from Japanese owners in Japanese enclave will be relocated to the Chinese enclave. According to Deputy Consul Miyamoto, at that point in time there were ten Chinese merchants residing in the enclave.¹¹⁰⁾ To the report submitted by Miyamoto on the subject, we find a very interesting attachment containing the opinion of Asada Tokunori 淺田徳則, chief of the Foreign Ministry's Commerce Bureau,¹¹¹⁾ which may be summarized as follows.

Having been built on a major crossroads of inland trade, the Chinese foreign enclave has become detrimental to the interests of the our [Japanese] enclave. Although it would be to our advantage for Japanese nationals to reside in the Chinese enclave, just as we are free to refuse foreigners the right to reside in our enclave, so too the Chinese

have no obligation to accept Japanese residents into theirs. Therefore, at the present time, we will overlook the presence of Chinese nationals in our enclave, in hopes of negotiating with the Chinese over permitting Japanese nationals to reside there.

While it is not clear to what extent such an opinion reflects official policy at that time, it certainly constitutes a succinct rationale for why the authorities in the Japanese enclave chose to tacitly accept foreign residents, even after the plan to internationalize fell through.

Later on during the years between 1889 and 92, proposals for a multinational enclave would be made off and on by both Western countries and Japan, but nothing much came of them, nor incidentally did the establishment of an exclusively governed enclave among any of the western powers, including Great Britain.¹¹²⁾ In the end, the Japanese and Chinese enclaves would continue to exist side by side in Pusan up until the former's annexation of Korea. As to the reason why western powers did not set up their own enclaves in Pusan, it was the establishment during the late 1880s of regularly scheduled shipping lanes connecting Shanghai and Inch'ŏn, on which much of Korea's trade with the Western was conducted, that reduced the commercial importance of Pusan's geographical location for Western traders.¹¹³⁾ This situation is supported by the fact that according to the 1883 British-Korean treaty, foreign nationals were permitted to acquire land within a wide radius of ten Korean *li* (4.2 km) around the enclave,¹¹⁴⁾ attesting to the relative unimportance of their own facility.

Be that as it may, foreign nationals did continue to reside and do business within the Japanese enclave, and the Japanese Consulate continued to worry about how to deal with them, as exemplified by a communique sent from Consul Shidehara Kijūrō 幣原喜重郎 to the Foreign Ministry in October 1903.¹¹⁵⁾ According to Shidehara, the major problem regarding local Koreans and foreign nationals residing in the enclave was uncertainty in enforcing administrative and judiciary authority among foreign residents. For example, when attempting to seize a house of a foreign resident as public domain, that foreigner, although not the owner of the property, could protest the action as the house's occupant. Nevertheless, because there were in fact many non-Japanese who wanted to reside in the enclave, Shidehara responded according to the following principles.

1. Occupation and/or ownership of a single family dwelling by a Korean

citizen or foreign national was forbidden, due to possible challenges being made to the administrative and judicial authority of the Japanese Consulate.

2. Non-Japanese would be allowed to reside temporarily in houses either owned or occupied by Japanese citizens, since the authority of the Japanese Consulate would apply directly to those Japanese citizens and would not involve the rights and obligations of their temporary boarders or tenants.

In practice, any non-Japanese person who settled in a house for the purpose of residence and business was automatically categorized as a temporary resident of a residence owned or occupied by a Japanese citizen. Shidehara stated that in actual fact there were fifteen houses in the enclave occupied by Korean families functioning under such rules, and permission had been given to a group of Russians to operate a branch of the Chinese Eastern Railway Steamship Line within the enclave.

From this time up until the eve of the Russo-Japanese War, there is no doubt that the Japanese Consulate of Pusan continued to take special care regarding non-Japanese nationals living and working within its enclave, the reason being that there was no formal way for the Consulate to firmly establish administrative authority over anyone other than Japanese citizens. In other words, the exact same conditions that had given rise to the Dexianghao Incident continued to determine how the enclave was to be governed for decades to come.

Conclusion

The two protagonists of the present article, Zheng Yizhi and Zheng Weisheng, boasted long careers as native Guangdong merchants advancing into Korea, first setting up shop in Pusan with backing from colleagues active in Kobe, then moving their base of operations to Inch'ŏn then on to Seoul. They were pioneers leading the advance of the Chinese merchant network, which linked the open ports of East Asia, into Korea. After landing at the Pusan Japanese enclave at the end of 1883 and setting up the trading establishment of Dexianghao, the Zhengs were suddenly closed down by the Japanese Consulate, an act which they opposed through appeals to diplomats representing both Japan and China, as well as the government of Korea, eventually bringing about institutional changes in their favor (but short of fully internationalizing the Japanese enclave). This case

is indicative not only of how the wide-ranging activities of Chinese merchant relied on the spread of open ports and foreign enclaves throughout the region, but also the power required to promote institutional change to make those same open ports and foreign enclaves, which came into existence under so many different circumstances, function as a public goods open to everyone in the region.

One important reality to be gleaned from the Dexianghao Incident is the difference in the perceptions of all parties involved concerning how a foreign trade enclave should function institutionally. First, we have the perception held by the Zheng Bros. that an enclave is none other than a space freely open to anyone, regardless of nationality, in which to live and work. For them, the model enclave could be found in the concessions of Shanghai and presumably in Kobe where they had been active prior to embarking on their Korean venture. Their decision to advance into Pusan immediately after its opening to foreign traders other than Japanese, but prior to the establishment of a Chinese consulate, definitely must have been based on the assumption that the authorities of the Japanese enclave in Pusan shared their perception. Similarly, upon hearing of the trouble experienced by the Zhengs in Pusan, the Chinese governmental representatives in Korea, Chen Shutang in Seoul and Li Shuchang in Tokyo, both were of the opinion that all Pusan needed was a Chinese enclave; and Chen was commissioned to set one up with the cooperation of the Korean government. After all, it was probably the first time that either official had thought of taking such a step, due to their holding the same perceptions as the Zheng Bros. about what an enclave entailed, having been rudely awakened by the news of the supposedly “open port” of Pusan being closed to anyone other than Japanese nationals trying to find housing and business space in the enclave there.

On the other side of the fence we have the Japanese authorities in charge of the Pusan enclave, whose governance was unlike any of the other enclaves operating in either Japan or China, in that it inherited the diplomatic rights that had been acquired through the long history of Korean-Japanese relations predating the open port system. So when Korea began concluding diplomatic and trade treaties with countries other than Japan, including those of the west, the Japanese, although aware of possible friction which the special nature of their enclave institutions could cause within the new regional order, were unprepared to deal with the problems that eventually led to the Dexianghao Incident. What made the Japanese so hesitant about opening up their enclave to other foreign

nationals was what could be called an “obsession” with their traditional, powerful and broad ranging administrative authority over the enclave. That is to say, attempting to exert authority over foreign residents of the enclave who were not subject to Japanese law gave rise to possible consequences far greater than mere friction, resulting in serious doubts about effectively governing enclave residents other than Japanese nationals. In the end, the Japanese government was only able to overcome its dilemma by proposing in vain that the enclave be internationalized (i.e., Japanese jurisdiction be relinquished), resulting in the formal continuation of the ban on foreign residents.

Prior to the Sino-Japanese War, the Korean ports of Pusan, Wŏnsan and Inch'ŏn, which had been opened to free trade, became the loci of separate Japanese and Chinese foreign enclaves (in addition to one multinational community in Inch'ŏn). To date this phenomenon has been studied from the viewpoint of the struggle between Japan and China for hegemony over the Korean peninsula. In this article, however, by taking up the port of Pusan and describing the process by which the open port system was established there, it has hopefully been shown that sufficient attention has not yet been given to the phenomenon on the level of international relations and that it is necessary to reconsider it in terms of how the realities involved in moving goods and personnel throughout maritime East Asia shaped related institutions governing commerce.

Notes

- 1) A listing of all the open ports and foreign settlements, including those established after the 1st Sino-Japanese war may be found in Okudaira 1937: 16–18.
- 2) Representative works among this research include Noble 1929, Okudaira 1937, Fujimura 1964, Yi Hyŏnjong 1975, Son Jŏngmok 1982 and Ko Pyŏng'un 1987.
- 3) China Imperial Maritime Customs, *Returns of trade and trade reports for 1893*, Appendix II, Korea. These figures do not include the foreign residents of Seoul.
- 4) For a general history of Chinese merchants active in Korea, see Yang Zhaoquan and Sun Yumei 1991. For research focusing on Chinese foreign traders active at the close of the 19th century, see Ishikawa 2009 and Kang Jin'a 2011.
- 5) See, for example, Peng Zezhou 1969 and Lin Mingde 1970.
- 6) Furuta 2000.
- 7) The first research to clearly present such a viewpoint is Larsen 2008, which argues that the Qing Dynasty participated as a member of the world powers

in the “multilateral imperialism” in Korea, and that the dynasty prepared an institutional foundation for the activities of Chinese merchants throughout East Asia.

- 8) See, for example, Tam Yōngsōng 1976:40; Son Jōngmok 1982:108; Ishikawa 2009a:173–176; Sakai 2009:71–75; Patterson 2011:48.
- 9) There are two sources available. Zhuhan Shiguan Dang’an 駐韓使館檔案, *Huashang Dexinghao Kong Ribenguan* 『華商德興號控日本官』 (Chinese Trade Establishment Dexinghao v. Japanese Consulate) (1) (2), Zhongyang Yanjiuyuan Jindaishi Yanjiusuo Dang’anguan 中央研究院近代史研究所檔案館, Call No. 1-41-12-2, 3 (Hereafter, *DXhao v. Japan*) and Nihon Gaimushō Kiroku 日本外務省記録, 『朝鮮國釜山元山兩港日本人居留地内ニ各國人雜居一件』 (Incident Involving Foreigners Residing in the Japanese Enclaves in the Ports of Pusan and Wōnsan), Ajia Rekishi Shiryō Sentā アジア歴史資料センター, Ref. B12082508300 (Hereafter, *Zakkyo Ikken*). This latter source is offered at the Center in 6 parts and will be identified here as such.
- 10) Unless otherwise indicated, the content of this historical section relies heavily on Tashiro 1981 and Fujimura 1964.
- 11) Fujimura 1964:68; Yōn Kapsu 2008:80–81.
- 12) Pusan Consulate Notification No. 15: Land Lease Regulations, June 1880 (『外務省警察史』 [History of the Foreign Ministry Security Division], reprinted by Fuji Shuppan 不二出版, 1996, Vol. 3:237).
- 13) As far as the foreign enclaves of Japan are concerned, all of them were communities of mixed nationalities; that is, enclaves were not put under the exclusive supervision of specific countries. The land leased for the enclaves was rented in the name of the local ranking Japanese administrator, and there were no special consular or extraterritorial rights. Governance differed according to enclave. The enclaves that had developed in Yokohama and Nagasaki were soon deprived of any autonomy and put under Japanese supervision. On the other hand the administration of Kobe, including community policing, was retained by foreigners up until the abolishment of the enclave system in 1899, although the Japanese government had begun efforts to revoke local autonomy in 1878 [Ōyama 1967: 115].
- 14) Patterson 2012:20, 42. For more details about the opening of Korean maritime customs, see Ko Pyōng’ik 1964.
- 15) Okudaira 1937:78. The Japanese enclave protocol for Inch’ōn was concluded in September 1883.
- 16) Correspondence from Takezoe Shin’ichirō (Japanese Minister to Korea) to Inoue Kaoru (Japanese Foreign Minister), 1883/3/5, *Zakkyo Ikken* (2). Similar citations to correspondence will list the official posts of the parties in the initial citation.
- 17) Concerning Japanese government policy towards Korea after the Imo Mutiny of June 1882, see Takahashi 1995:123–129.
- 18) Inoue Kaoru to Takezoe Shin’ichirō, 1883/4/10, *Zakkyo Ikken* (2).
- 19) Takezoe Shin’ichirō to Inoue Kaoru, 1883/3/5, *Zakkyo Ikken* (4).
- 20) Yoshida Kiyonari 吉田清成 (Assistance administrator of Foreign Affairs) to Takezoe Shin’ichirō, 1883/6/27, *Zakkyo Ikken* (4).

- 21) As we will see in Section 3.3, the right of Korean subjects to reside in the Japanese enclave was not recognized in principle.
- 22) On institutions related to foreign enclaves in China, see Ueda 1941.
- 23) Aston had stopped in Pusan on his way back from treaty negotiations with the Korean government in Seoul, where he had been dispatched under orders from the British Minister to Japan Sir Harry Parkes (Kusuya 2005:286–292). Aston would later serve as British Consul General in Seoul from March 1884–May 1886.
- 24) Takezoe Shin'ichirō to Inoue Kaoru, 27 Apr. 1883, *Zakkyo Ikken* (2)
- 25) Maeda Kenkichi (Japanese Consul in Pusan) to Inoue Kaoru, 1883/5/30, *Zakkyo Ikken* (2).
- 26) Takezoe Shin'ichirō to Inoue Kaoru, 1883/11/12, *ibid.*
- 27) Li Hongzhang (Northern Intendant) to Zongli Yamen 總理衙門 (Foreign Ministry), Guangxu 光緒 9/9/22, Qingji Zhong-Ri-Han Guanxi Shiliao 『清季中日韓關係史料』 (Qing Period China-Japan-Korea Foreign Relations Sources), Zhongyang Yanjiuyuan Jindaishi Yanjiusuo 中央研究院近代史研究所, 1972, No. 768 (Hereafter, *Qing CJK Sources*).
- 28) Zheng Yizhi, Zheng Weishen (hereafter Zheng Bros.) to Chen Shutang (Commissioner general of trade [總辦商務委員]), Guangxu 9/10/11, *DXhao v. Japan* (1). Chen received the petition on 20 November (10th month, 21st day of the lunar calendar).
- 29) Zheng Bros. to Chen Shutang, Guangxu 9/11/9, *ibid.*
- 30) Miyamoto Higuma (Acting Consul of Pusan [在釜山領事事務代理]) to Inoue Kaoru, 1883/12/2, *Zakkyo Ikken* (5).
- 31) Miyamoto Higuma to Itō Hirobumi 伊藤博文 (Deputy Foreign Minister), 1884/1/18, *Zakkyo Ikken* (5).
- 32) Zheng Bros. Petition. See note 29. At that point in time, Shanghai was home to two foreign concessions: one cooperatively held, the other under French jurisdiction. Zheng was therefore mistaken in his depiction of the situation. The cooperative concession (so called International Settlement) was set up jointly in 1863 through a merger of the former US and British concessions.
- 33) Incidentally, we find no indication in the Zhengs petition that they expected any preferred treatment by virtue of the China's tributary suzerainty over Korea. Either they were not aware of that fact or were simply not concerned about it. For example, the first petition (note 28), refers to the “king” (*wang*) of Korea as “*huang*” (emperor) and Chen Shutang as “plenipotentiary” (*qin-chai*), terminology that indicates equal diplomatic status between the two countries.
- 34) Li Ruqian 黎汝謙 (Chinese Consul, Kobe [神戸理事官]) to Chen Shutang (Handwritten memo), date unknown, *DXhao v. Japan* (2).
- 35) Mai Shaopeng (b. 1863, Sanshui-Xian, Guangdong) first arrived in Kobe in 1879 and served as director of the Kobe and Osaka Zhonghua Huiguan and Guangdong Chamber of Commerce, while Lan Wangao, aka Lan Zhuofeng 藍卓峯, (b. Xiangshan-Xian, Guangdong) arrived in Japan in 1867 as a com-prador of the Yokohama Branch of the Hong Kong and Shanghai Banking Cooperation, then moved to Kobe in 1870 (Zhonghua Huiguan 2000:66;

- “Mai Shaopeng,” “Wan Zhuofeng.” In Kani Hiroaki 可兒弘明, et al. ed., 『華僑・華人事典』 [Encyclopedia of Overseas Chinese], Kōbundō 弘文堂, 2002). Concerning Huang Yaodong, see 「日本各開港市場在留清商開閉年月及營業種類」表 (Table: Occupations and Dates of Opening and Closing of Chinese Businesses in Japan’s Open Ports and Markets). In Machida Jitsuichi 町田實一, 『日清貿易參考表』 (Statistical References to Sino-Japanese Trade), 1889.
- 36) Murakami 1975:236–239; Ishikawa 2000:6–10; Furuta 2000:Chaps. 3 & 4. Prior to the commencement of open port trade between China and Korea, they were already engaging in overland trade, which rapidly declined after the opening of Pusan.
- 37) Chen Shutang to Min Yōngmok (President of Korean Foreign Office [外衙門督辦]), Kojong 高宗 20/10/2, 『舊韓國外交文書』 (Old Diplomatic Documents of Korea), Asiatic Research Institute, Korea University, 1973, Qing 1, No. 15 (Hereafter, *Old Korean Diplomatics*).
- 38) Min Yōngmok to Takezoe Shin’ichirō, Kojong 20/10/24, *ibid.*, Japan 1, No. 193.
- 39) Takezoe Shin’ichirō to Min Yōngmok, Kojong 20/10/25, *ibid.*, Japan 1, No. 194.
- 40) Takezoe Shin’ichirō to Inoue Kaoru, 1883/11/29, *Zakkyo Ikken* (2).
- 41) Chen Shutang to Min Yōngmok, Guangxu 9/11/14, *Old Korean Diplomatics*, Qing 1, No. 21.
- 42) Min Yōngmok to Chen Shutang, Kojong 20/11/15, *ibid.*, Qing 1, No. 23.
- 43) Chen Shutang to Min Yōngmok, Guangxu 9/11/17, *ibid.*, Qing 1, No. 24; Min Yōngmok to Chen Shutang, Kojong 20/11/18, *ibid.*, Qing 1, No. 25.
- 44) Chen Shutang to Li Hongzhang, Guangxu 9/12/10, *DXhao v. Japan* (1).
- 45) While the details of the German acquisition are not clear, the British site had been chosen by W. G. Aston during his visit to Pusan in 1883, as already mentioned.
- 46) Chen Shutang to Min Yōngmok, Guangxu 10/12/18, *Old Korean Diplomatics*, Qing 1, No. 36. However, the report in question dates Chen’s junket to Inch’ōn 5 December (converted to modern calendar). See following note.
- 47) Chen Shutang to Li Hongzhang, Guangxu 9/11/9, 『仁川華商地界』 (The Inch’ōn Chinese Enclave), Zhongyang Yanjiuyuan Jindaishi Yanjiusuo Danganguan, 1-41-5-4.
- 48) Prior to the Chinese enclave, arrangements for a Japanese settlement in Inch’ōn had already been concluded on 30 September 1883.
- 49) Upon receiving Min’s proposal on 13 December 1883, Chen requested Min permission to inspect the site on the following day and set out for Pusan on the 20th (See Note 41–43). Since there were still no telegraph communications between the two countries until 1885, Chen must not have had time to request and receive a directive from Li Hongzhang before Chen’s departure for Pusan.
- 50) This omission stands in stark contrast to the treaties concluded with western nations at that same time, which clearly provided for foreign enclaves. For example, in the 1882 treaty with the United States, Article VI recognizes the

right of US citizens to reside “within the limits of the concession.” Also in the treaties concluded with Great Britain and Germany the following, we can find the granting of rights to build “foreign settlements.”

- 51) Li Hongzhang to Zongli Yamen, Guangxu 9/6/25, *Qing CJK Sources*, No. 741.
- 52) Li Honchang to Zongli Yamen, Guangxu 10/12/20, *ibid.*, No. 800.
- 53) See Note 44. Tang Shaoyi, who would become an influential politician during the last years of the Qing Dynasty and the first of the Republican era, was born in Xiangshan-Xian, Guangdong, in 1860 and was chosen by the government to study abroad in the US at Columbia University in 1874. Details regarding Tang's appointment in Korea are not clear.
- 54) Li Hongzhang to Zongli Yamen, Guangxu 10/3/3, *Qing CJK Sources*, No. 834.
- 55) See Note 54. Liu Jiacong, who was eventually appointed commissioner of trade to Wōnsan, visited Nagasaki during his way to his post and reported that many of the merchants of Chinese descent based in that port would come to Korea to trade (Li Hongzhang to Zongli Yamen, Guangxu 10/5/24, *ibid.*, No. 877).
- 56) Li Hongzhang to Zongli Yamen, Guangxu 10/閏5/12, *ibid.*, No. 862.
- 57) Li Shuchang to Inoue Kaoru, Guangxu 9/11/4, *Zakkyo Ikken* (5).
- 58) Inoue Kaoru to Li Shuchang, 1883/12/6, *ibid.* (5).
- 59) Yoshida Kiyonari (Foreign Affairs Vice Minister) to Miyamoto Higuma, 1883/12/3, *Zakkyo Ikken*, No. 5; Inoue Kaoru to Miyamoto Higuma, 1883/12/3, *ibid.*, No. 5. To the latter correspondence was attached a clipping of an article that appeared in 29 November issue of daily newspaper *Jiji Shinpō* 時事新報 and may have been the initial source of the Foreign Ministry's knowledge of the Incident prior to Li Shuchang's inquiry. Minister Takezoe's first report of the Incident reached the Ministry on 10 December (Takezoe Shin'ichirō to Inoue Kaoru, 1883/11/29, *ibid.* (2)), while Miyamoto's report arrived on 7 January (Miyamoto Higuma to Inoue Kaoru, 1883/12/25, *ibid.* (5)).
- 60) Itō Hirobumi to Li Shuchang, 1884/1/18, *ibid.* (5).
- 61) Li Hongzhang to Zongli Yamen, Guangxu 9/12/1, *Qing CJK Sources*, No. 793.
- 62) Li Shuchang was deeply involved in negotiations with the Japanese over both the Korean and Ryukyuan issues and was at least until the Gapsin Coup of December 1884 an anti-Japanese hardliner [Nishizato 1994].
- 63) For the first and second attempts, see Notes 28 and 29, respectively. The third appeal is recorded in Zheng Bros. to Chen Shutang, date unknown (delivered 1883/12/18), *DXhao v. Japan* (1).
- 64) Zheng Bros. to Chen Shutang, Guangxu 9/12/2, *ibid.*
- 65) Chen Shutang to Zheng Bros., Guangxu 9/12/6, *ibid.*
- 66) Chen Shutang to Min Yōngmok, Guangxu 9/12/18, *Old Korean Diplomats*, Qing 1, No. 35.
- 67) Zheng Bros. to Chen Shutang, Guangxu 10/4/12, *DXhao v. Japan* (2).
- 68) Chen Shutang to Kim Pyōngshi 金炳始 (President of Foreign Office), Guangxu

- 10/3/24, *Old Korean Diplomatics*, Qing 1, No. 106.
- 69) Li Shuchang to Inoue Kaoru, Guangxu 10/4/26, *Zakkyo Ikken* (5).
- 70) Inoue Kaoru to Li Shuchang, 1884/6/5, *ibid.* Concerning this reply, at first the Japanese was going to urge filing suit at the Nagasaki Court of Appeals, arguing that the incident was a civil not a diplomatic matter (Inoue Kaoru to Yamada Akiyoshi 山田顯義 [Attorney General], 1884/5/31, *ibid.*). While it is unclear as to why this line of reasoning was not pursued, in consideration of the fact that the Japanese were deeply concerned about whether or not they held administrative and judicial authority over non-Japanese foreign nationals active in the Japanese enclave, they naturally would have taken the issue of administrative legal action very seriously.
- 71) Li Shuchang to Chen Shutang, Guangxu 10/5/21, *DXhao v. Japan* (2).
- 72) Li Ruqian to Chen Shutang (Handwritten memo), date unknown, *ibid.*
- 73) Tang Shaoyi to Chen Shutang (Handwritten memo), date unknown (receipt Guangxu 10/1/17), *ibid.*; Chen Shutang to Kim Pyōngshi, Guangxu 10/3/24, *Old Korean Diplomatics*, Qing 1, No. 106.
- 74) Chen Weikun to Chen Shutang, Guangxu 10/閏5/21, *Dxhao v. Japan* (2).
- 75) Li Hongzhang to Zongli Yamen, Guangxu 10/6/26, *Qing CJK Sources*, No. 878. According to this correspondence, Chen Weikun arrived in Pusan on 閏5/6 of Guangxu 10, rented a Japanese-owned house and set up operations on the 7th.
- 76) *Qing CJK Sources*, Nos. 983, 1127, 1208.
- 77) Zheng Bros. to Tang Shaoyi (Commissioner of Trade to Yongsan [龍山商務委員]), Guangxu 15/5/28, 『三和興、德興號被焚卷』, Zhongyang Yanjiuyuan Jindaishi Yanjiusuo Danganguan, 1-41-47-41.
- 78) See previous note and also Yuan Shikai 袁世凱 (Resident in Korea for Diplomatic and Commercial Relations [總理交涉通商事宜]) to Cho Pyōngjik 趙秉稷 (President of Foreign Office), Guangxu 15/5/9, *Old Korean Diplomatics*, Qing 2, No. 942.
- 79) 「廿八年四月中京城商況」(Commercial News of Seoul for April, Meiji 28), 1895/5/16 Report by Seoul Consulate General, *Tsūshō Isan* 『通商彙纂』, No. 19.
- 80) 「華商鋪名資本等項表」(Table: Chinese-Operated Businesses by Name, Capitalization, etc.), 『各口商務情形：商務報告(二)』(Commercial Conditions in the Ports of Korea: Reports II, [c. 1910]), Zhongyang Yanjiuyuan Jindaishi Yanjiusuo, 2-35-56-18(2).
- 81) See Note 70.
- 82) Son Jōngmok 1982:147-148.
- 83) Chen Shutang to Min Yōngmok, Guangxu 10/3/16, 『仁川華商地界』(The Inch'ōn Chinese Concession), Zhongyang Yanjiuyuan Jindaishi Yanjiusuo Danganguan, 1-41-005-04.
- 84) Li Nairong to Chen Shutang, Guangxu 10/3/27, *ibid.*
- 85) Li Nairong to Chen Shutang, Guangxu 10/3/28, *ibid.*
- 86) Miyamoto Higuma to Inoue Kaoru, 1883/12/26, *Zakkyo Ikken* (2).
- 87) Miyamoto Higuma to Itō Hirobumi, 1884/1/10, *ibid.*
- 88) Chen Shutang to Li Hongzhang, Guangxu 09/12/10, *DXhao v. Japan* (1). The

Korean-British treaty of 1883 granted Great Britain the right to select a location nearby Pusan as a substitute open port. What the British policy actually called for is a topic that requires further study.

- 89) Miyamoto Higuma to Itō Hirobumi, 1884/1/10, *Zakkyo Ikken* (2).
- 90) Ibid. Whether or not the plan was implemented is not clear.
- 91) Shimamura Hisashi to Itō Hirobumi, 1884/1/14, *ibid.*
- 92) Itō Hirobumi to Sanjō Sanetomi, 1884/2/6, *ibid.*
- 93) Draft of Directive to Acting Ambassador Shimamura, 1884/2/7, *ibid.* The text of this document also attaches drafts of the enclave protocols for each of the two alternatives. The protocol regarding exclusive Japanese jurisdiction includes a gloss noting that it was drafted on 22 December 1883; that is, prior to Chen Shutang's inspection tour of Pusan. On the other hand, Japanese proposals about returning the enclave to Korea probably began surfacing after the Chen party concluded its tour.
- 94) Draft of Telegram to Acting Ambassador Shimamura, *ibid.*
- 95) 「朝鮮國釜山港我居留地を外國人雜居地となすの件」(On the Transformation of Our Enclave in Pusan, Korea, into a Multinational Residential Community), 1884/2/19, Kokuritsu Kōbunsho-Kan 國立公文書館, *Kōbun Betsuroku* 『公文別錄』, Ajia Rekishi Shiryō Sentā, Ref. A03023614500.
- 96) See Note 90.
- 97) Foreign Minister Inoue sent Shimamura an addendum on 11 March 1884, ordering him that even in case of the establishment of a multinational enclave, he should strive to persuade each embassy involved to place its citizens residing there under Japanese judiciary authority until a consulate is set up in the enclave. This directive can also be interpreted as another attempt to avoid any confrontation over the legal rights of foreign nationals (Inoue Kaoru to Shimamura Hisashi, 1884/3/11, *Zakkyo Ikken* (2)).
- 98) Shimamura Hisashi to Kim Pyōngshi, 1884/4/25, *Old Korean Diplomats*, 清案1, 文書233. As mentioned previously, there were two relinquishment options open to Japan: 1) to allow foreigners to reside in the Japanese enclave and 2) to return the enclave to the Korean government, which would then establish a multinational community on the site. Enclave protocols covering both options were submitted to the Korean government by Shimamura, given the fact that documents to that effect can be found at Seoul University's Kyujanggak Institute of Korean Studies, a huge repository of official records. (『朝鮮國釜山日本租界內各國人羈住規則』 [Regulations for Foreign Residents of the Japanese Concession, Pusan, Korea], Call No. 奎23060 and 『朝鮮國釜山口各國人雜居租界約條』 [Treaty Governing the Multinational Residential Community of Pusan Port, Korea], Call No. 奎23032). On 26 April Shimamura informed Deputy Foreign Minister Kim that the new enclave protocol would take effect as soon as consulates were set up there (*ibid.*, 文書234), probably in response to Inoue's directive of 11 March (see previous note). The delay in commencement of negotiations over the issue of more than two months after the Japanese policy decision was due to doubts among the Japanese about whether or not to treat Chen Shutang diplomatically as being of minister status. The matter was solved by avoiding Shimamura's

- direct involvement in negotiations with Chen and the ministers in favor of a consulting role through the Korean government. (Shimamura to Inoue, 1884/3/20, *Zakkyo Ikken* (2); Shimamura to Inoue, 1884/4/7, *ibid.*)
- 99) Kim Pyōngshi to Shimamura Hisashi, Kojong 21/4/18, *Old Korean Diplomatics*, Japan 1, No. 238.
- 100) Foote (US Minister) to Kim Pyōngshi, 1884/5/2, *ibid.*, United States 1, No. 67.
- 101) Parkes (British Minister) to Kim Pyōngshi, 1884/5/7, *ibid.*, Britain 1, No. 42.
- 102) Shimamura Hisashi to Inoue Kaoru, 1884/5/16, *Zakkyo Ikken* (2).
- 103) See Note 99.
- 104) Li Hongzhang to Zongli Yamen, Guangxu 10/5/13, *Qing CJK Sources*, No. 852. Whether or not this opinion was transmitted to the Korean government is unclear.
- 105) See previous note.
- 106) Inoue Kaoru to Maeda Kenkichi, 1884/7/10, *Zakkyo Ikken* (3); Inoue Kaoru to Shimamura Hisashi, 1884/7/10, *ibid.*
- 107) Shimamura Hisashi to Inoue Kaoru, 1884/7/30, *Zakkyo Ikken* (?).
- 108) Chen Weikun to Chen Shutang, received Guangxu 10/閏5/21, *DXhao v, Japan* (2).
- 109) Ma Tingliang 馬廷亮 (Chinese Consul General [清國總領事]) to Tsuruhara Sadakichi 鶴原定吉 (Chief of General Affairs, Office of the Japanese Resident-General [統監府總務長官]), Guangxu 33/4/11, Gaimushō Kiroku, 『在仁川釜山元山清國專管居留地ニ關スル日清交渉一件』 (Sino-Japanese Negotiations Regarding Chinese Enclaves at Inch'ōn, Pusan and Wōnsan), Ajia Rekishi Shiryō Sentā, Ref. B12082572400. The reason for the delay is unknown.
- 110) Miyamoto Higuma to Aoki Shūzō 青木周藏 (Deputy Foreign Minister), 1886/8/4, *Zakkyo Ikken* (5).
- 111) The date of the Asada memo is unclear.
- 112) This process is recorded in a Foreign Ministry record entitled “Compilation of Various Documents on Foreign Enclaves in Korea’s Pusan Harbor” (朝鮮釜山港ニ於ケル各國居留地關係雜纂) (Ajia Rekishi Shiryō Sentā, Ref. B12082514700) and will be the topic of another study.
- 113) On the opening of the Shanghai-Inch'ōn line and its affects on commercial transportation, see Kokaze 1995:229–238.
- 114) Okudaira 1937:75–76; Pak Junhyōng 2012:163–167.
- 115) Shidehara Kijūrō (Pusan Consul) to Komura Jutarō 小村壽太郎 (Foreign Minister), 1903/10/16, Gaimushō Kiroku, 『韓國各港居留地關係雜件』 (Miscellaneous Incidents Related to the Enclaves in Korean Ports), Vol. 1, Ajia Rekishi Shiryō Sentā, Ref. B12082515000.

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