

An examination of the ancient chinese trading policies history essay

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An examination of the ancient Chinese trading policies and how they affected foreign trading. Andrew Stokes, Beijing Union University. 2013
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Abbreviations
ADB
CROC
Republic of China
PRC
Peoples Republic of China

INTRODUCTION

Trade was an important activity in ancient China. The exchange of goods and ideas between China and Southeast Asia had already been taking place many centuries before the eventual arrival of the Europeans. Trading especially reached a high point during the Tang and Song dynasties when unexplored sea routes opened up that linked China to other kingdoms in Asia, and later reached a peak during the Ming Dynasty. Using these routes China traded with Korea, Southwest Asia, India, and Japan. Even though trading was viewed as an important economic and political activity, China still viewed non Chinese as less culturally advanced ' barbarian' peoples whose cultures were demonstrably inferior by Chinese standards, and saw its domain as the self-sufficient centre of the universe. This circumstance conditioned the Chinese view of not just their immediate neighbours, but the entire outside world. The imperial government primarily used the tributary system for managing foreign relations and regulating trade and business transactions with non Chinese. By establishing the rules and controlling the means by which foreign countries entered into and conducted their business relations with China, the Chinese imperial government could exact compliance and respect from neighbouring nations and people on important matters of political, defensive, economic, and diplomatic concern to China, as well as to maintain China's image of self-perceived cultural, material, and

moral superiority over all other nations. Rulers and envoys of neighbouring states, after acknowledging their "humble submission" and by performing ritualised actions, gained recognition and were given legitimacy and financial and military assistance. In exchange for recognising China's superiority, they were also granted permission to trade with China and within its borders.

Though this also created many problems, China was mostly interested in exporting goods, and was not importing as much as it was exporting... and issue that was greatly inflated once the Europeans arrived. In the early years of the 15th century, many European nations began their maritime

exploration missions to find prosperous new routes located towards the East, which was at that time believed to be full of gold, silver and possible trading opportunities. In doing this, Europeans expanded their power and influence all over the world. It soon became apparent that this was the beginning of a world where empires were constantly competing against each other, a world in which the Chinese empire struggled to retain their former dominance.

China slowed its pace and lagged behind the West gradually in trade, economy, politics, and many other aspects. Scholars and historians have often considered the Chinese imperial government's consistent negative attitude towards foreign trade to be one of the major factors in China's failure to develop a modern economy rivalling those of other nations. The Yongle emperor displayed signs of dynamism by despatching the fleets of Zheng He to Africa and the Middle East in the early 15th century, but in 1433, these were abruptly halted by his successor (along with all other maritime expeditions) and all foreign commerce was then discouraged. Because of this, China did not enjoy continued economic advance and

development. But how did this happen? What were the factors that halted economic advances and led to a decline in influence? It could be examined and analysed in every aspect of historical developments in politics, economy, military affairs, thinking and culture, and so on, thus different answers could be given. In this dissertation, I intend to present such a viewpoint: the Ming and Qing imperial governments' tribute system and restricted trading policies against foreign traders were at least two of the important reasons that led China to such a fate, maybe being the most important factors. Was it just because of the short-sighted and foolish policies that made China lose its chances to compete with the European nations to continuously maintain any kind of leading position in the new world order.

METHODOLOGY

The subjects of trade and economy during the Ming and Qing dynasties has been the subject of considerable research, in large measure because of the enormous amount of archive materials that have become available and that have allowed extensive study and constant re-evaluation. Both the Ming and Qing imperial governments were thorough record keepers, keeping records of every action, every gift, and recording everything that both entered and left the country. Although several of the actual archival records had been destroyed in antiquity, primary documents compiled by Ming archival officials have survived, revealing the development of the imperial archives in Ming and Qing China. I myself will not be making any direct references to these documents due to lack of availability to me and translation issues, instead, I will be referring to the studies already performed by expert scholars in this field. The overarching aim of this dissertation will be to determine just

how important was China's overseas trading policies, what shaped them, and how did they affect international trading? Paramount to trade and international relations, especially during the Ming period, was the tributary system. Allowing trade via the tribute system was controlled entirely by the imperial government. Shi (2009) in his essay, states that it was regarded mostly as a component part of country's foreign affairs rather than pure business. This suggests that the political incentive of this type of trade was far more valuable to the imperial government than its economic aspects. I wished to examine why this was the case, and in order to do so, I decided that it would be important to do this by looking at the tribute system itself, as well as trading activities. Questions then came to mind, such as what influenced the ancient Chinese to utilise such a system when dealing with foreigners, and also influenced how trading with foreign nations was observed... and in turn, how foreigners themselves were viewed through the eyes of the Chinese imperial government. My primary focus will be on events during the Ming dynastic period in Chinese history as I feel that this was the real strength of Chinese influence and power as well as being the period where the imperial government most strongly relied upon the tribute system in order to conduct diplomacy and trade. This period also marked the time when international maritime trading between China and sovereign nations outside of Asia truly developed. Though my focus will be here, I will also refer to the growth of trade in previous ruling dynasties, as well as some references to the issues brought about in the Qing period. I believe that in order to fully understand how relations between China and the rest of the

world are conducted today, we should first try to understand how relations in antiquity took the form that they did.

CHAPTER ONE... SINOCENTRICISM AND THE ORIGINS OF INTERNATIONAL TRADING.

' Sinocentrism is any ethnocentric political ideology that regards China to be central or unique relative to other countries'. A hierarchical Sinocentric model of international relations, dominated by China, prevailed in East Asia until the weakening of the Qing Dynasty and the encroachment of European and Japanese imperialists in the second half of the nineteenth century (NWE Contributors, 2008). The Sinocentric view was believed to have originated as early as the Shang Dynasty (1600-1046 BCE) period in ancient Chinese history. Stuart-Fox (2003) suggests that ' it was China's isolation and sense of superiority that shaped not only Chinese attitudes towards other peoples, but also their conception of themselves'. The Chinese believed that their land stood at the centre of the universe, they saw themselves as not only the largest and oldest power in the world, but also as the source of all civilisation. This is displayed even today in the Chinese title for the country, ' ZhongGuo' which translates as the Central/Middle Kingdom in English. The Chinese emperor was regarded as the only legitimate ruler of the entire known universe. Surrounding nations both on China's borders and beyond were regarded only as barbarians and vassals of China. The following ruling dynasty, the Zhou (1045 -256 BCE), elaborated and reinforced this developing sinocentric view. The Zhou rulers (and most that followed) referred to themselves as the Sons of Heaven, claiming both moral power and the divine mandate to rule the lands (referred to as the Mandate of

Heaven). Stuart-Fox (2003: 18) states that ' though Chinese superiority was primarily cultural, this easily slipped into attitudes that were essentially racial'. The Chinese had always been surrounded in all directions by peoples that they viewed as less culturally advanced and barbaric. He goes on to later state that ' what we do know from Zhou period texts is that the Chinese were acutely aware of the difference between themselves and non-Chinese ' barbarians', and of their own cultural superiority, no matter what products the barbarians might possess' (Stuart-Fox, 2003: 23). During the short rule of the Qin Dynasty (221- 206 BCE), Qin pushed back all the barbarian tribes in the north and north-west, and then started the construction of what was to be known as the Great Wall. Waldron (1990) stated in his book *The Great Wall of China: From History to Myth*, ' With respect to the Mongols, scholar-officials tended to oppose any step toward permitted trade and stable relations with the " insincere" savages, so that there seemed to be no alternative to the vast expenses of border garrisons and the construction of the Great Wall', which of course reinforces the statement as made by Mr. Stuart-Fox. In Mr. Waldron's sentence he was of course referring to the Ming, but such feelings against the Mongol hoards (as well as the Xiongnu) were rooted in earlier dealings that went back prior to the Qin period. The ruling Dynasty of the Tang (618-907) had opened China up a lot more to foreign visitors and ideas. Their love of horses, hunting, anti-Confucianism, deep interest in Buddhism, as well as a fascination with foreign peoples and the exotic goods that they brought with them, fuelled this new open freedom to outsiders. ' Buddhism became much more deeply indigenised in East Asia... so that the traffic in monks, texts, and relics that had sustained earlier

maritime trade between China and India was replaced by a complex trade in spices, incense woods, and other consumer goods' (Sen, 2003). Though maritime trade was popular, the Tang mainly used the Silk Road as their primary source of trade with outside nations. Like the Tang, the Song Dynasty (960-1279) actively promoted overseas trading. Merchants became more sophisticated, well-respected and more organised than in earlier periods of China. Their accumulated wealth often rivalled that of the scholar-officials who administered the affairs of government. Fairbank et al (1992: 92) observes that ' the high demand in China for foreign luxury goods and spices coming from the East Indies facilitated the growth of Chinese maritime trade abroad during the Song period'. This shows that the imperial governments of the Tang and Song didn't appear to hold the same derogatory views of non-Chinese as that of the preceding dynasties. This however was to change when the Ming dynasty policies and trading restrictions were put into place.

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CHAPTER TWO... TRIBUTE AND MARITIME TRADE

Until the nineteenth century, relations between China and other nations were conducted using the Chinese "tribute system". The Chinese tribute system was the centrally controlled network of trading and foreign relations between China and foreign nations. Vohra (1999) suggests that China's controlling influence was enforced through the imperial tributary system and deeply influenced the cultures of tributary nations, and also drew them into a Sino-centric world order. Vohra (1999: 23) further states that ' since the Chinese ruler, " the Son of Heaven," was considered the ruler of all humankind, all

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other "barbarian" rulers were mere local chieftains owing allegiance to Beijing... thus, there could be no Western-style diplomatic relations; countries wanting to trade with China had to send "tribute" missions that legitimised China's superiority and suzerainty (via the ritual of ke-tou (kow-tow), which consisted of three kneelings, each involving three prostrations before the emperor) and in return they could trade for a specified number of days at border points designated by Beijing'. Envoys from the major European powers would have been no exception; they were required to meet the same procedures and formalities to those envoys from tributary kingdoms in Southeast Asia. As the European nations were in no position to offer a challenge to China's power and dominance, they had no alternative but to follow the set conditions in order to be allowed and allocated trading rights. Tributary trade, being the sole valid form of foreign trade during the Ming dynasty, was actually only really regarded as a diplomatic measure to gain and display prestige for the current ruling dynasty and to reaffirm its status to its vassal states. For the Ming imperial government, the political aspects and benefits of conducting trade through the tributary system were much richer than the economic aspects. This I will discuss more in the next chapter. Maritime trade was often a rather politically sensitive subject because it involved contact with non-Chinese. Contact with foreigners was heavily restricted and only authorised officials were permitted to have regular contact with foreigners when dealing with trade matters... ordinary Chinese citizens would have been heavily penalised for arranging illegal dealings with foreigners. Fiscally, it was also a rather sensitive issue. The imperial government wanted to halt the practice of illegal trading, and in

turn make sure that all those who engaged in trade had paid the required import duties and commercial taxes. Brook (2008: 695) in his CHC piece states that 'foreign trade was restricted to certain times, places, and commodities. Foreign emissaries coming to Peking to present tribute were permitted five days' trading in the capital, were not allowed to buy weapons or metal goods, and could only trade with officially designated merchants'. Great profits were to be gained from successful trading as the goods could command higher prices in their destinations than at their origin. Boxer (1959: 179-81) observed that raw silk could be sold in Japan in 1600 for close to double its Chinese price, cotton thread for two and a half times, and high quality silk fabric for up to three times. Objects such as pottery and porcelain were highly prized in the Middle East and Europe; these too could command much profit over their original manufacturing and labour costs. The Chinese manufacturers and merchants quickly became very successful in trading these goods, not only because they handled goods that were very much in high demand, but also because they learned how to adapt their merchandise and techniques to the foreign specifications and fashionable tastes, including colour, style, and custom designs. The Chinese 'adaptation to the Spanish tastes in design allowed Chinese silks to dominate the world silk market by the turn of the 17th century' (Brook, 2008: 698). When imperial orders of high quality Jingdezhen porcelain declines after 1620, manufacturers then turned to producing pieces in the European and Japanese styles for exclusive export abroad

CHAPTER THREE... MING TRADING AND THE MING VOYAGES

In his piece for the CHC, Atwell (2008: 376) observes that during the mid 1270s when Marco Polo began his long stay in China, substantial quantities of Chinese raw silk, textiles, porcelain, and other goods were being carried by ships and caravan to Asia, East Africa, the Middle East, and even to the Mediterranean trading area and markets of North-western Europe. This was however during the Yuan rule of China when private trade was unregulated and uncontrolled. Though the variety of goods that were traded when the Ming came to power had not changed, the method in which they were traded had altered. In The Mongol Yuan Dynasty was replaced by the Ming Dynasty in 1368, once again returning China to Han Chinese rule. With China now under the Ming control, the emperor sought a revival of the earlier ' Sino-centric' method of conducting foreign relations. The emperor's imperial authority was to include all relations, both political and trading in nature, between both Chinese and non-Chinese merchants. They implemented ' a systematic restructuring of institutions based on traditions dating back to the Zhou dynasty' (Stuart-Fox, 2003: 73), systemising all relations with foreigners, diplomatic missions, exchange of envoys, and regulations of trade. The first Ming emperor, Hongwu (1368- 1398) imposed strong restrictions on trade. He believed that agriculture was the basis of the economy and he favoured that industry over all else. Regardless to this, he was very keen to once again enforce Ming power and reinforce Chinese supremacy, so he began dispatching envoys to tributary states to inform them of the dynastic change and to summon their rulers to acknowledge the new ruler, the new ' son of heaven', as well as to ' obtain their symbolic

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acknowledgement of China's cosmological centrality and their acknowledgement that his succession to power was legitimate (Wang, 2008: 303). ' In order to solicit more countries to send their ships, the early Ming rulers adopted a policy of " higher price" and " tax-free" for foreign tribute articles and goods attached to the coming ships. Under this policy, the Ming government not only repaid foreign tribute articles with more valuable presents, but also purchased most of the goods attached to the tribute ships with higher price than their real value' (Shi, 2009). This preferential policy made it very attractive for the South Asian nations to resume their tributary relations with China under the new Chinese dynastic power. Wu (1981) states in his article in Ming Studies that ' Hongwu assured his tributaries that: " Every land on which the sun and moon shine I look on with the same benevolence"'. This tells us that security for tributary nations was assured when they accepted the Chinese emperor as the son of heaven. Despite these reassurances, ' the Chinese conception of tributary relations and how to enforce them had changed' (Wu, 1981: 66). The previous Mongol rule over China had deeply affected their views and made them more cautious of the barbarian non-Chinese. The Ming imperial government's new foreign trade policies were more conservative in character, and it is very apparent that they gave higher priority to political consideration of these relations with other nations rather than just issues of trade, as tributary trade benefited the Ming Dynasty very little in terms of economic gain. Shi (2009) observes that ' the expenditure of the Ming government on the trade was far more than the gains it got from it'. The Ming tributary system never had any great desire to open up the Chinese overseas market through encouraging people to go

abroad to partake in and develop non-governmental trade with other nations. Instead, its purpose was to promote and affirm safety and strength of the Dynasty, rather than the economic boosts that might be gained from conducting trading missions with outside nations. Though, political reasoning aside, Wong (1998: 172) observes that ' in a country as large as China, the relative importance of foreign trade will always be far less than in smaller countries'. China was a big country with a strong agrarian way of life, as well as abundant natural resources and an integrated national economic system which could produce most of products it needed. It had little to no need to depend on the outside world to sustain its economy and boost growth. ' The high degrees of self-sufficiency of national economic system made rulers in the Ming and early Qing period think that there was no need to highly evaluate foreign trade and always regarded it as a one-sided favour donated to foreign countries' (Shi, 2009). The Yongle emperor orchestrated a more aggressive approach in regards to foreign policy than of his predecessors. Wang (2008: 315) states that ' on the surface, The Yongle emperor simply reaffirmed his father's policies: no private contact with foreigners; no private foreign trade; and no trading or other relations outside a carefully regulated tributary system'. History however has proven that he was much more demanding and more aggressive in implementing policies and punishment than his father was. He was more likely to intervene when people did not do what he had expected them to do (both Chinese and foreigners). Wang (2008: 315) theorises that ' this belligerence might have resulted from his insecurity with respect to his imperial relatives, for whom his usurpation remained a stigma', and I tend to agree with this statement. The dispatch of

the ' grand voyages' between 1405 and 1433 still remain as the Yongle emperors biggest and most renowned actions. In total, 7 voyages were mounted, six of which were under the orders of the Yongle Emperor. The naval expeditions were dispatched to Southeast Asia and India, and later they were extended farther west to Arabia and East Africa. But this does indeed open up one question. In a time when international trading was under severe restrictions, and contact with foreigners also had restrictions, why did the Emperor launch these expeditions? CHAPTER FOUR... THE ARRIVAL OF THE EUROPEANS CHAPTER FIVE... IN CONCLUSION There have been such arguments made in the past that 'tribute' was just a cover for trade, with an ego trip for the Chinese court and economic benefits for the tributary. And that it should thus be called 'tribute trade' rather than just 'tribute'.