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: Focusing on Envoy's trade and
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The Red Ginseng Trade in the Joseon Dynasty After the Opening of the Ports (1876~1894) : Focusing on Envoy's trade and Royal Trade*

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Introduction

Ginseng had been an important export item of the Joseon Dynasty (1392-1910) and a key trade commodity within East Asian countries before the 19th century. Red ginseng was greatly in demand. Foreign countries, establishing diplomatic relations with Joseon after the Opening of the Ports in 1876, paid great attention to the red ginseng trade and the Joseon government raised taxes on red ginseng and monopolized packaged red ginseng (*posam* 包蔘), also called as government-owned red ginseng or red ginseng, for royal expenses. The red ginseng trade, categorized generally into envoy's trade and staterun trade, had been the important financial fulcrum of the Joseon government to the extent the government monopolized *posam* in 1884 and the royal red ginseng became the foremost export item in ginseng trade. There has been a limited number of researches regarding the red ginseng trade during the time, most of which have specifically touched on the ginseng trade of Joseon with the Qing Dynasty (1644-1911), Joseon ginseng merchants, the red ginseng policy of Joseon, and

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international agreements surrounding the ginseng trade of Joseon.¹ This paper explores the changes in Joseon's policy on red ginseng trade, particularly the envoy's trade and the royal trade after the Opening of the Ports with the premise that the red ginseng trade in this period displayed the vital interaction of the traditional tribute system and the modern treaty system. By comparing the two types of red ginseng trade in terms of price, intermediary sales organizations, and trade procedure, this approach will help capture the mode of the Joseon-Qing relationship and their survival strategies in the newer and aggressively competitive world system of modern time.

The Joseon's Policy on Red Ginseng Trade after the Opening of the Ports

During the Joseon Dynasty, ginseng was a top trade commodity, used as a medicine for the king and royal family, and presented by envoys to foreign monarchs. In the 18th century, when natural ginseng threatened to be extinct, ginseng was cultivated and steamed in places like Kaesong to make red ginseng. It was later called posam or sampo (蔘包), or ginseng

¹ Zhang Cun-mu (張存武), *Qinhan Zongfan Maoyi, 1637-1894* (清韓宗藩貿易, 1637-1894), Taiwan (臺灣) Zhongyang Yanjiuyuan (中央研究院), 1978; Zhang Cun-mu (張存武), Translated by Kim Taek-jung, *History of Modern Korea-Qing Trade* (近代韓中貿易史), Seoul: Kyomunsa (教文社), 2001; Lee Chul-sung (이철성), *Research on the history of trade with Qing in the late Joseon Dynasty*, (조선 후기 대청무역사 연구) Kookhak Publishing Co, 2018.; Ishikawa Ryota (石川亮太), Translated by Choi Min-kyung, et al., *Modern Asian Markets and the Joseon Dynasty* (근대 아시아 시장과 조선), Seoul: Somyong Publishing, 2020; Sul Heasim (설혜심), *The Global History of Ginseng* (인삼의 세계사), Seoul: Humanist, 2020; Yang, Jeong-Pil, "19th Century's Ginseng Industry run by Kaesung merchants and its characteristics (한말 개성상인의 蔘業 경영과그성격)" *The Review of Joseon History* 94, 2009; Yang, Jeong-Pil, "Economic Fluctuation and Responsedence of Gae-sung Merchants during the Opening of Port Era (개항기 경제 변동과 개성상인의 활동)." *The Yeoksa and Silhak* 55, 2014; Ishikawa Ryota (石川亮太), "The Study on the Red Ginseng Exports to Qing and Chinese Merchants in the 1880s (1880年代の紅蔘對清輸出と華商-裕増祥事件を通じて)," *The Japan Journal of Joseon History* (朝鮮史研究會論文集) 53, 2015; Park, Eun-sook, "Regulations for Red Ginseng Trade and Its Characteristics in Modern International agreements (1876-1894) (근대 국제 협약의 홍삼무역 규정과 그 특성 (1876-1894))," *The Journal for the Studies of Joseon History* 83, 2021; Park, Eun-sook, "Joseon's Red Ginseng Policy After The Opening Ports (개항 후 조선의 蔘包정책과 홍삼의 이용화)," *The Journal of Joseon History* 194, 2021.

in packets because ten *geun* of red ginseng were packed into a single bag for the envoy trade. Posam refers to the red ginseng for export which envoys officially take with them. The government collected the posam tax for the envoy's expenses and its own revenue.

After opening its ports in 1876, Joseon overhauled its ginseng policy in accordance with the new standard of international trade. The government enacted the Legislative Regulations Concerning the Tax on Ginseng (包蔘釐正節目) in 1881 and reorganized its ginseng policy to increase tax revenue.² The reform policy, spearheaded by King Gojong (r.1864-1907), increased the quota of ginseng from 20,200 *geun* to 25,200 *geun* and created the Silver Tax for Posam (包蔘銀稅). As a result, the government was able to raise more than 600,000 *nyang*³ in state tax revenue and acquire a large amount of silver coins.

Red ginseng trade regulations were first written down in the 1882 Joseon-U.S. Treaty that prohibited the export of Joseon red ginseng to the United States. The same stipulation was later applied to European countries such as Britain, Germany, and France. On the contrary, the red ginseng export regulations to the Qing and Japan allowed Joseon merchants to bring red ginseng into the Qing and Japanese "territorial boundary" and set the tariff at 15% while stipulating that violators would be investigated and their ginseng would be confiscated. The Qing was the first country to allow Joseon to trade red ginseng in an international agreement. Article Six of the Regulations for Maritime and Overland Trade between Qing and Joseon Merchants (hereafter Regulations for Trade) in August 1882 stipulated that "The red ginseng shall be allowed to be brought into the territory of Qing by Joseon merchants and taxes shall be paid at 15/100 of the price."⁴ It imposed a 15% duty on the export of red

² The Red Ginseng Amendment Regulations (包蔘釐正節目) (Digital Jangseogak, MF16-301, <http://jsg.aks.ac.kr/>), hereafter, "The Legislative Regulations (節目)".

³ The yang or nyang (兩) was originally a unit of weight and was traditionally used as a monetary unit in Joseon.

⁴ Gojong sillok (高宗實錄, Veritable Records of Gojong), 17 October 1882 (19th year of King Gojong's reign). "第六條 … 至紅蔘一項例准朝鮮商民帶入中國地界應納稅則按價值百抽十五其有中國

ginseng to the Qing by Joseon merchants. In October 1882, the Qing government exempted cargo carried by Joseon envoys from taxation only if traveling by land, so the red ginseng trade through envoys was also exempted.⁵ Given that the official red ginseng trade was almost entirely done by envoys, there were virtually no import duties imposed by the Qing on red ginseng from Joseon.

It was not until the “Regulations for the Traffic on Frontier between Fengtian and Joseon”, signed on December 3, 1883, that the import duties of the Qing began to apply to the red ginseng from Joseon. Article Eight of the Regulations for the Traffic on Frontier between Fengtian and Joseon specified that tribute, paid by the Joseon envoys to the Qing, was exempt from taxation but “goods” for profit, including the envoy’s red ginseng trade, were subject to taxation. At that time, the amount of red ginseng which an envoy could carry was limited to 20 *geun* per vice minister and ten *geun* per attendant.⁶ Assuming the size of the regular delegation was 30 vice ministers and 200 attendants, the total amount of red ginseng for the envoy’s trade would be 2,600 *geun*; if the envoy traveled twice a year, the total would be 5,200 *geun*.

By 1884, the volume of red ginseng from Joseon was drastically reduced after the Regulations for the Traffic on Frontier between Fengtian and Joseon, and a dramatic change in posam policy occurred. In the fall of that year, King Gojong reassigned the red ginseng trade which was previously under the control of the Bureau of Official interpreters (司譯院), to the Department of Royal Treasury (內藏院) and allocated 15,000 *geun* of *posam* to Royal Treasury. This was 74% of the 20,200 *geun* of *posam* in 1884 and 60% of the 25,200 *geun* of *posam* from 1883 to 1886.⁷ At the same time, the Joseon government strove to negotiate with

商民將紅蔘私運出朝鮮境界 未經政府特允者查出將貨入官”

⁵ *Qingji Zhong Ri Han guanxishiliao* (清季中日韓關係史料) (臺北, 中央研究院 近代史研究所, 1972) vol 3, no.635, October 22, 1882 (8th year of Guangxi’s reign).

⁶ Park Eun-sook, “Regulations for Red Ginseng Trade and Its Characteristics in Modern International agreements (1876-1894),” *The Journal for the Studies of Joseon History* 83, 2021a, 209-210.

⁷ Kim T’aek-yōng (金澤榮), *Hansagyung* (韓史榮) Vol. 6, 太上皇, 1884; Kim, T’ek-yōg (金澤榮),

the Qing for the previous exemption by resorting to the long-established tradition of the close-knit relationship between Joseon and the Qing. In December 1885, the Qing reduced the tariff on the red ginseng trade from 15% to 10% and eased the restrictions on carrying cargo. Finally, the Qing granted an exemption to the red ginseng trade via land in 1888.

Then, why was Joseon open to the export of red ginseng to Japan but preponderantly partial to the Qing? This practice can be attributed to King Gojong's strategy to maximize the profits from the red ginseng trade. When exporting red ginseng to Japan, they had to pay a 15% tariff both at the Joseon seaport and the Japanese seaport so they had to bear a high tariff burden. Furthermore, the customs revenue from the seaports under the jurisdiction of the foreign general tax collector, if beneficial to the national treasury, could not be incorporated into the royal treasury under King Gojong. On the other hand, the red ginseng trade with the Qing enjoyed the privilege of tax exemption so Joseon was able to overcome the barrier of high tariffs while maintaining its cooperative relations with the Qing, which was indispensable to its own security.

Taken altogether, we can see the characteristic of the red ginseng trade between Joseon and the Qing. The Qing imposition of import duties and exemption on Joseon's red ginseng trade indicates how Joseon and the Qing needed each other in order to reset their long-time historical relationship in the modern world system given by the Western powers. The pronounced preference for the Qing in red ginseng trade was geared toward the maximum profit of the red ginseng trade for the royal treasury and the stronger fortification of the regal power in foreign relations. Accordingly, it can be said that the red ginseng trade of Joseon with the Qing proved to be the most concrete example of the survival strategy of Joseon that actively used the Qing for its security and economic interests during the period of the Opening of the Ports.

The Red Ginseng Trade by Envoys

Joseon's red ginseng trade had been conducted through envoy's trade since late Joseon and continued into the period of the Opening of the Ports. The envoy's red ginseng trade was mainly conducted through regular envoys.⁸ The Joseon government taxed the envoy's red ginseng trade. The government's tax on one *geun* of *posam* was four to six *nyang* during the reigns of King Heonjong (1834-1849) and King Cheoljong (r. 1849-1863), and 14 *nyang* in 1864. The 14 *nyang* per *geun* tax on *posam* lasted until 1881. However, the surtax was added during the reign of King Gojong.⁹ In the 1881 Legislative Regulations (節目), "Silver Tax for *posam*" (包蔘銀稅) was added and the tax increased significantly.

The Joseon government levied a new tax on 25,200 *geun* of red ginseng for the trade with the Qing, calculated at four *nyang* and two *jeon* of silver per *geun* (three *nyang* of additional tax and one *nyang* and two *jeon* of original tax), with a total amount of 105,840 *nyang*. Since the 105,840 *nyang* was silver, we need to apply the exchange rate to Joseon coins. The exchange rate fluctuated depending on many variables and the exchange rate between silver and coins, such as *sangpyeong tongbo* (常平通寶) and *yeopjeon* (葉錢), was recorded as 1:7 in 1882 and as 1:13 in 1884.¹⁰ Using the 1:7 exchange rate between silver and coins, the silver four *nyang* and two *jeon*, taxed on one *geun* of red ginseng in 1881, would be 29 *nyang* and four *jeon* in coins, so the silver 25,200 *nyang*,

⁸ In 19th-century Beijing, there were many Qing merchant shops near Yuheguan (玉河館) where the Joseon delegation stayed and traded ginseng and other goods imported from Joseon.

⁹ Park Eun-sook, "Joseon's Red Ginseng Policy After The Opening Ports," *The Journal of Joseon History* 194, 2021b, 325 and 333.

¹⁰ For silver and coin exchange rates in 1882, see the following resources: "余在朝鮮時以白銀一兩易常平錢七百文左右聞彼國向例銀貴不過八百文錢貴不過六百文百文稱兩一文稱分." Xue Feirong (薛培榕), *Dongfan Jiyao* (東藩紀要) Vol. 9, Qianfa (錢法), 1882; "至於銀子二百兩, 首犯在逃, 實難窮數, 不得已銀子二百兩代銅錢二千六百兩, 本僉使爲先以懲出之意, 成給印蹟於中國派員". *Ku Han'guk oegyo munsō*, Vol. 8, Chung-an Vol. 1, Document No. 193 (Intercalary May 27, 1=884); "支那銀一兩이值韓貨十九兩." *Gaksa-deungnok Gyunggidopyon* (경기도원) Vol. 3, Gyunggidogak-gunsojang (경기도각군소장) 15, 8th year of Guangmu era (1904) 12th month (<http://db.history.go.kr>, June 1, 2021).

taxed on 105,840 *nyang*, would be 748,000 *nyang* in coins. In addition to the newly established “Silver Tax for *posam*,” the tax on *posam* in Legislative Regulations usually included the basic tax totaling 250,000 *nyang* (ten *nyang* per *geun*) and the additional tax totaling 75,000 *nyang* (three *nyang* per *geun*).¹¹ Therefore, the total tax on 25,200 *geun* of *posam* was 1,065,880 *nyang* and the total tax on one *geun* of the *posam* was 42 *nyang* and four *jeon*.

The following table summarizes the Joseon government's taxation of the envoy's red ginseng trade after the opening of the ports.

Table 1. Red ginseng trade volume and taxation of envoys after the opening of port

Date	Red Ginseng Trade Volume by Envoys(<i>geun</i>) / Total Red Ginseng Trade Volume(<i>geun</i>)	Taxation by the Joseon government (per one <i>geun</i>)	Import Customs Duties in the Qing	Explanatory Note
1864~1879	20,200 / 20,200	original tax 14 <i>nyang</i> + additional tax 5 <i>nyang</i>	none	
1880	22,500 / 22,500	The same as above	none	
Intercalary July 1881~ December 1883	25,200 / 25,200	coin 13 <i>nyang</i> + silver coin 4.2 <i>nyang</i>	none	- Legislative Regulations Concerning the Tax on Ginseng in 1881 - Regulations for Maritime and Overland Trade between Chinese and Joseon Subjects in August, 1882 - Tax exemption for envoy's red ginseng trade in October, 1882

¹¹ In this case, the tax per *geun* of the original tax and the additional tax is the tax per *geun* for 25,000 *geun*, excluding the 200 *geun* of tax-free *posam* paid to Dangyakjae Gyegongin (唐藥材貢入, Joseon Privileged Merchants Importing Chinese Medicines). For more reference, Park Eun-sook, 2021b, 330.

Date	Red Ginseng Trade Volume by Envoys(<i>geun</i>) / Total Red Ginseng Trade Volume(<i>geun</i>)	Taxation by the Joseon government (per one <i>geun</i>)	Import Customs Duties in the Qing	Explanatory Note
1884~ December 1885	5,200 / 20,200		15%	- Regulations for the Traffic on Frontier between Fengtian and Joseon in December, 1888 - Royal trade of 15,000 <i>geun posam</i> in August, 1884
December 1885~ November 1888	10,200 / 25,200	coin 16 <i>nyang</i> + silver coin 6 <i>nyang</i>	10%	- Reduced import tariffs from 15 to 10 percent in the Qing - Doubled red ginseng trade volume
November 1888~1894	10,200 / 25,200	The same as above	None	

* Sources: Legislative Regulations Concerning the Tax on Ginseng, Chonggwan naeshin (總關來申), Qingji Zhong Ri Han guanxishiliao (清季中日韓關係史料), etc.

After the Opening of the Ports, the volume of red ginseng trade by envoys fluctuated between 25,200 *geun* and 5,200 *geun* according to Joseon's financial expansion and changes in the tariff provisions of the treaty between Joseon and the Qing. It was only after the Regulations for the Traffic on Frontier between Fengtian and Joseon in 1883 that the envoy's red ginseng trade changed dramatically. The Qing restricted red ginseng carried by Joseon envoys and imposed tariffs. King Gojong reduced the amount of red ginseng to 20,200 *geun* in the following year with 15,000 *geun* reserved for the royal family as a response to the new tight regulation of the Qing. This measure decreased the envoy's red ginseng trade to 5,200 *geun* in 1884 and Joseon had to pay the Qing's 15% import duty. In December 1885, as the Qing doubled the amount of red ginseng carried by the envoy and lowered the tariff to 10%, King Gojong again increased the amount of the red ginseng for export to 25,200 *geun* in 1886 and the envoy's red ginseng trade increased to 10,200 *geun*. After 1886, it is believed that within the 25,200 *geun* of the red ginseng for ex-

port, the envoy's trade accounted for 10,200 *geun*.¹²

The red ginseng trade by envoy's was not adjusted according to market conditions such as the supply and demand of red ginseng but was determined by Qing's restrictions, the financial needs of the Joseon government, and the will of King Gogong. The intent of the Joseon government to tax the envoy's red ginseng trade was closely connected to the increase of silver coins through a new silver tax for *posam*. At an exchange rate of 1:7 between silver and coins, the 1881 *posam* tax totaled 1,065,880 *nyang* in coin, with a per capita tax of 42 *nyang* and four jeon while at an exchange rate of 1:13 between silver and coins in 1884, the *posam* tax got much higher.

To sum up, after the Regulations for the Traffic on Frontier between Fengtian and Joseon in 1883, the envoy's trade drastically decreased. The government's taxation of envoy's red ginseng trade increased dramatically by collecting silver coins (the Silver Tax for *Posam*) in 1881, as well as original and additional taxes on ginseng before and after the Opening of the Ports, with the result that the revenue from the red ginseng tax exceeded one million coins. After the Opening of the Ports, the Qing import tariffs on the envoy's red ginseng trade repeated the process of exemption and taxation, which captures the interplay between the traditional tributary trade system, predicated upon the amicable relations established between Joseon and the Qing, and the modern tariff system. What we should not discard is the fact that the change in the red ginseng trade of Joseon reflected the practical needs of state security and economic interests, both of which King Gojong believed were vital to the survival of Joseon in the new world system that had undermined the traditional leadership of the Qing in East Asia.

¹² *Tongsangwhichan* (通商彙纂) Hankookpyeon (韓國篇) vol. 1; *Tongsangwhichan*, Issue 2, appendix, 141. At the end of 1893, a Japanese consulate report stated that exports of red ginseng to Qing were regularly reaching 25,000 *geun*.

The Royal Red Ginseng Trade

1) Aspects of the royal red ginseng trade and King's control

In 1884, out of 20,200 *geun* of *posam*, 15,000 *geun* were allocated to the royal family. The royal red ginseng was called government-owned ginseng, the red ginseng for royal expenses, government-run red ginseng, the king's ginseng, etc. The royal allocation of *posam* and the king's control of the red ginseng trade were highly unusual. The following are specific examples of the royal red ginseng trade which accounted for more than half of all *posam* at the time.

In November 1886, the Joseon government dispatched Choi Seok-young and Choi Woo-sik to Yingkou, Qing to trade 1,000 *geun* of ginseng for copper. At that time, Joseon requested that the Qing legation issue travel permits and facilitate tax exemptions, and the Qing legation cooperated in issuing the permits.¹³ As above, the 1,000 *geun* of red ginseng, part of the official *posam* and possibly government-owned ginseng, were used for the purchase of copper.

In 1887, Joseon requested a duty-free exemption of 15,000 *geun* of red ginseng in exchange for weapons.¹⁴ The Joseon government cited difficulties in purchasing weapons due to a shortage of silver coins and requested that the tariff on red ginseng be waived so that they could trade 15,000 *geun* of red ginseng to purchase the armaments. In addition, the government sent a letter to the maritime customs of Tianjin and Shanghai, asking for their assistance. One Qing merchant, Sun Zhaoji said, "In the 13th year of Guangxi's reign (1887), I bought 15,000 *geun* of the red ginseng for royal expenses through Oh Kyung-yeon, set the value of each *geun* at 15, and made a silver convertible note of 225,000 *nyang*; at the end of September of that year, I gave the silver convertible note and took

¹³ *Ku Han'guk Oegyo Munsŏ*, Chung-an vol. 1, Document No. 556 (1886.11.15), Document No. 557 (1866.11.16).

¹⁴ *Ku Han'guk Oegyo Munsŏ* (舊韓國外交文書) (Former Joseon Empire Diplomatic Documents) [Seoul, Korea University Press, 1965 (日案)/1970 (清案)] Chung-an (清案) Vol. 1, Document No. 575 (1887.3.8).

it.”¹⁵ In 1887, Sun Zhaoji bought 15,000 red ginseng through the five contests and traded it for 225,000 silver coins.

In response to Joseon's request for tax exemption, the prime minister Yuan Shikai issued tax exemption letters and travel permits to the Yingkou and Shanghai maritime customs. In May 1887, after hearing the view of the Fengtian Dongbiandao (奉天東邊道) that Junggang's red ginseng was being used for armaments on the frontier and that an exemption would be inconsistent with the terms of the treaty, the Qing government agreed to grant a one-time exemption to show consideration.¹⁶ However, the Qing notified Joseon that it would halve the duty on the royal red ginseng trade for armaments and comply with the treaty provisions. This meant that they would pay only 5% of the 10% tariff.

In June 1888, an interpreter official Yun Kyu-sub sold 6,000 *geun* of government-owned *posam* at 14 *nyang* of silver per *geun* to the Qing merchant organizations of Hefengju (和豐局) and Guangxihao (廣信號), 3,000 *geun* each. Hefengju had to pay Yun 42,000 silver coins while Guangxihao 47,000 silver coins. Hefengju paid back all of the red ginseng but Guangxihao owed him 17,000 *nyang*, which later led to a lawsuit.¹⁷ In September 1888, Hyun Heung-taek sold 6,000 *geun* of government-owned red ginseng to Sun Zhaoji from the Qing merchant organization Yuzengxianghao (裕增祥號) for 90,000 *nyang*. The price of red ginseng per *geun* seems to be tantamount to 15 silver coins. The silver convertible note (銀票), issued by Yuzengxianghao, was delivered directly to King Gojong. The note was then used to repay a loan from the Qing's Zhaoshangju (招商局).¹⁸

¹⁵ *Zhuhanshiguan Baocundangan* (駐韓使館保存檔案) vol. 24, December, 1891 (光緒17年). “自光緒十三年經吳慶然手買到別福參一萬五千斤每斤作價十五兩合銀二十二萬五千兩開具銀票以當年九月季爲期交票取銀”

¹⁶ *Ku Han'guk Oegyo Munsō*, Chung-an vol. 1, Document No. 618 (1887.5.23), Document No. 624 (1887.6.21).

¹⁷ *Ku Han'guk Oegyo Munsō*, Chung-an vol. 1, Document No. 1031 (1889.9.9), Document No. 1036 (1889.9.11).

¹⁸ However, Yuzengxianghao was unable to pay the note and defaulted. A tedious lawsuit with Yuzengxianghaofollowed, which lasted until 1893. *Zhuhanshiguan Baocundangan*, vol. 24, 2-4 [Janu-

In February 1891, a Joseon official interpreter, Kim Sung-bok transported 8,500 *geun* of government-owned ginseng in 19 carts from the Jiuliancheng (九連城) of the Qing territory to the Sanhaiguan (山海關), where he was detained by Sanhaiguan officials.¹⁹ Kim's trading route started from Uiju (義州)—the main northwestern border town of Joseon to Jiuliancheng to Sanhaiguan, which overlaps with the traditional passage of the envoy's trade. In the spring of 1892, Hong Chi-sam, sent by the Joseon government, sold 210 *geun* of government ginseng on consignment from Jiuliancheng to the Yingkou merchant organization Yushenglonghao (玉升隆號)²⁰ but the sale was marred by embezzlement in the middle. This repetition suggests that the official interpreters' sale of government-owned ginseng was made through the existing envoy's routes and connections.

2) The Nature of Royal Ginseng Trade

Based on the case of royal ginseng trade, the following table briefly summarizes the main contents. Through this data, we examine the royal red ginseng transaction including changes in volume and price, trading locations and routes, buyers and sellers, and use of payments.

The royal allotment of packed ginseng was 15,000 *geun*, so the official royal ginseng trade was conducted within 15,000 *geun*. From the table above, we can see that the size of the royal ginseng trade was in units of hundreds and thousands of *geun*. The government's one-off payment of 15,000 *geun* of red ginseng in 1887, intent on arms trade, can be seen as an exception to the rule.

ary 5, 1890 (光緒16年)], 71-79 [August 22, 1890 (光緒16年)]; Ishikawa, 2020, 163-164. Ishikawa Ryota (石川亮太), Translated by Choi Min-kyung, et al., *Modern Asian Markets and the Joseon Dynasty* (근대 아시아 시장과 조선), Seoul: Somyong Publishing, 2020, 163-164.

¹⁹ *Ku Han'guk Oegyo Munsō*, Chung-an vol. 2, Document No. 1329 (1891.3.23), Document No. 1331 (1891.3.26).

²⁰ Zhuhanshiguan Baocundangan (01-41-030-27), Yuan Shi-kai (袁世凱) lawsuit (訴訟) no. 27, 1892 (光緒18年), '朝鮮通事金麟奎在山海關道衙門控追參價卷'

Table 2. Trade of government-owned red ginseng (1884–1894)

Date	Trading volume (<i>geun</i>)	Price (Silver Coin)	Seller	Buyer	Trading Places	Explanatory Note
1887	15,000	15 <i>nyang</i> per <i>geun</i> / 225,000 <i>nyang</i>	Oh Kyungyeon	Sun Zhaoji of Yuzengxianghao (裕增祥號)	-	5% duty / Purchasing arms from the Qing
June 1888	3,000	14 <i>nyang</i> per <i>geun</i> / 42,000 <i>nyang</i>	Yoon Kyuseop	Hefengju (和豐局)	Uiju	17,000 <i>nyang</i> unpaid
	3,000	14 <i>nyang</i> per <i>geun</i> / 42,000 <i>nyang</i>	Yoon Kyuseop	ZhangYingcheng of the Guangxinhao	Uiju	
	500	10 <i>nyang</i> per <i>geun</i> / 5,000 <i>nyang</i>	Yoon Kyuseop	ZhangYingcheng of the Guangxinhao	Uiju	
September 1888	6,000	15 <i>nyang</i> per <i>geun</i> / 90,000 <i>nyang</i>	Hyun Heungtaek	Sun Zhaoji of Yuzeng xianghao	Uiju	Repaying Qing's loan
February 1891	8,500		Kim Sungbok		Shanhaiguan	tariff exemption / Jiuliancheng to Shanhaiguan Transportation
Intercalary June, 1892	210	19.86714 <i>nyang</i> per <i>geun</i> / 4,170 <i>nyang</i>	Hong Chisam	Shao Luohong of Shunchan-gronghao (順昌榮號)	Jiuliancheng	tariff exemption / consignment sales

The transaction price in the royal red ginseng trade varies depending on the market price and grade quality of red ginseng. The price of red ginseng increased from 14 to 15 *nyang* per *geun* in 1887 and 1888 to 20 *nyang* in 1892, which is similar to the changing trend of the price of red ginseng traded in Niuzhuang (牛莊), the Qing.²¹ Overall, red ginseng was traded for 14 to 20 *nyang* per *geun*, equivalent to 210,000 to 300,000

²¹ Zhang, 1978, 335-336, Appendix 5.

nyang in silver with 15,000 *geun* of ginseng. Using the exchange rate of 1:13 between Qing silver and Joseon coins in 1884, then, this amount corresponds to 2.73-3.9 million coins. The amount of loans that Joseon borrowed from the Qing between 1882 and 1894 reached up to 200,000 and 300,000 *nyang* in silver,²² indicating how large the trade in red ginseng was at the time. Considering the Joseon government's total annual tax revenue in the early 1880s, which was about one million seok (石) (5 million *nyang* in coins) in rice, we can see the scale of the royal ginseng trade.²³ As the "inexhaustible source of finance," the royal ginseng trade became the best way to secure silver coins.²⁴ This high profitability and monetization potential of the red ginseng trade did motivate King Gojong to participate directly in ginseng, including *posam*, trade himself.

How much did the Joseon government tax the royal red ginseng trade? It is assumed that the royal trade would have paid the government the ginseng tax according to the 1881 Legislative Regulations. For one *geun* of red ginseng, according to the regulation, the ginseng tax was four *nyang* and two jeon in silver coin and 13 *nyang* in coin. Using the exchange rate of 1:13 between silver and coins in 1884, the ginseng tax for one *geun* of red ginseng is four *nyang* and two jeon in silver (54 *nyang* and six jeon in coins) and 13 *nyang* in coins, which adds up to 67 *nyang* and six jeon per *geun*. The ginseng tax on 15,000 roots of royal ginseng is calculated to be 1,014,000 *nyang*, which is indeed a substantial part of Joseon's finances at the time.

In the end, what was the royal red ginseng trade for? As previously demonstrated, the royal ginseng trade was carried out by King Gojong who dispatched official interpreters or entourage to carry out the trade. After selling the ginseng, the official interpreters reported the result of

²² Kim Jung-ki "A study of the Joseon government's adoption of Qing loans (1882-1894)" *Journal of Joseon History Hanguk Saron* 3, 1976, 274.

²³ Kim Jae-ho, "Fiscal Management of the Central Government in Late Joseon Korea," *Review of Economic History* 43, 2007, 35; Yoo Ba-da, "The Meaning and Limitations of Kim Ok-gyun's 1883 Loan Negotiation," *Journal of Joseon modern and contemporary history* 54, 2010, 39-40.

²⁴ Jang Jiyeon, 『韋庵文稿』 권7, 「漫筆」 '人蔘'

the trade to the king. Hyun Heung-taek received a silver convertible note from the Yuzengxianghao (裕增祥號) on the spot and “immediately gave it to the king” and said that he did not take a penny for himself.²⁵ Hyun’s deed was consistent with the account in ‘Hongsamji (紅參志)’, which states, “The king had the official interpreters sell the red ginseng for royal expenses and pay the transaction costs to the government.”²⁶ This citation suggests that the king was in charge of selecting sellers and overseeing the red ginseng trade. While the red ginseng trade was used to purchase arms from the Qing and to repay loans from the Qing, considerable profit on the sale of the trade seems to have gone to the royal treasury. The imperial finances during the Empire of Korea (1897-1910) were largely at the personal disposal of the emperor - King Gojong - to pay for imperial institutions, renovate royal tombs and palaces, and finance commercial interests.²⁷ That is why the high monetization potential of red ginseng drove King Gojong to convert 60% of *posam* into the royal ginseng and control the red ginseng trade.

Conclusion

In this article, I have examined the details of the authorized red ginseng trade in Joseon after the Opening of the Ports. During this period, the authorized red ginseng trade followed two trajectories: The traditional envoy’s trade and the newly launched royal ginseng trade. Monopolizing the ginseng trade by 1884, King Gojong was the main architect of the new ginseng policy and the ginseng trade, maximizing ginseng tax revenue and ginseng trade profits.

After the Opening of the Ports, Joseon attempted to change its red ginseng policy to respond to the new trade environment. In 1881, the Legislative Regulations (節目) were enacted for the purpose of increasing

²⁵ *Zhuhan shiguan Baocundangan* vol. 24, 13 “共合價銀九萬兩當收該號銀票即呈交國王並未圖分文”

²⁶ Kim T’aeg-yōng (金澤榮), *Sohodangchip* (韶漢堂集) Vol. 2, ‘Hongsamji (紅參志)’. 1911.

²⁷ Kim Yun-hee, “The Management and Character of Royal Finance in the Period of Empire of Korea (大韓帝國)” *The Journal of Joseon History* 90, 1995, 109.

the amount of ginseng for export and establishing Silver Tax for *posam*, which more than doubled the revenue. In international agreements signed with countries around the world after 1882, Joseon allowed red ginseng exports to the Qing and Japan under the same conditions but prohibited red ginseng exports to Western countries. However, actual red ginseng trade was limited to overland trade with the Qing to avoid high tariff burdens and maximize trade profits. When the Regulations for the Traffic on Frontier between Fengtian and Joseon in December 1883 restricted the size of the red ginseng trade for Joseon envoys and imposed a 15% tariff, King Gojong allocated 15,000 *geun* out of the 20,200 *geun* of ginseng for export to the royal court and the remaining 5,200 *geun* to the envoys. Since then Joseon's red ginseng trade was conducted on two tracks of envoy's trade and royal trade, both of which were under the control of the king.

After the Opening of the Ports, the Joseon envoy's red ginseng trade amounted to 20,200~25,200 *geun* of *posam*, but it decreased to 5,200 *geun* after 1884 and then increased to 10,200 *geun* after the Qing's restrictions on red ginseng trade were relaxed in December 1885. The Qing import tariffs on the red ginseng trade of the envoys repeated the process of exemption and exemption. And, the royal ginseng trade began in 1884 when 15,000 *geun* of ginseng was allocated to the royal family for export. The king dispatched official interpreters or close aides to conduct the ginseng trade and earned millions of *nyang*. In the royal trade, ginseng was sold for 14 to 20 *nyang* of silver per *geun*, totaling 210,000 to 300,000 *nyang* in silver for all ginseng trades in 1884, or 2.73 to 3.9 million *nyang* in coins at the exchange rate of 1:13. Remarkably, the route of the royal ginseng trade started from Uiju to Jiuliancheng to Shanhaiguan overlaps with the traditional envoy's route, and the official interpreters, charged for the royal trade, utilized the envoy's personal connections and trade routes.

After the Opening of the Ports, Joseon's red ginseng trade was complex in the sense that it had to meet the standard of the new world system outside of East Asia while keeping to employ the advantage of the old Qing-led world system in East Asia. King Gojong actively used

this uncomfortable balance so as to maximize the profits of the red ginseng trade for the increase of his royal treasury, to use the Qing for its security and economic interests, and to adjust Joseon to the new world system that undermined the traditional leadership of the Qing in East Asia. The red ginseng trade reflected the vigorous search of Joseon for state security and economic stability during the period of the Opening of the Ports.

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