

The International Politics of Japanese Tariff Revision, 1862–66: Reassessing Bakumatsu Foreign Policy

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The 1860s are traditionally portrayed as a period of collapse for the Tokugawa bakufu, years in which the bakufu ineptly and disastrously responded to domestic and foreign pressure alike. Not surprisingly, numerous histories of the period portray the lowering of tariff rates during the 1860s as another symbol of bakufu weakness and the loss of Japanese sovereignty in this decade. Moreover, many authors, such as William Beasley, Grace Fox, Conrad Totman, and Sugiyama Shin'ya focus their attention on the 1866 Edo Convention, which set a uniformly low tariff rate, and see it merely as a result of the summer 1865 diplomatic "crisis" over the opening of the port of Hyogo.¹⁾ During the last years of the Tokugawa regime, however, tariff reform was consciously seized upon by the bakufu as a means of maintaining the West's goodwill and blunting more threatening Western demands. The issue of tariff reform may therefore provide us with a different angle from which to assess late bakumatsu foreign policy. The record, I believe, is mixed, but unquestionably reveals a bakufu ability to greatly influence, if not determine, the course of events during this turbulent decade.

The Nature of the Tariff: Its International and Regional Context

The 1858 Ansei commercial treaties between Japan and the West established tariff schedules for both imports and exports, as was common in trading relations among Western nations. These tariff schedules when combined with provisions for extraterritoriality and most-favored-nation (MFN) status, came to be seen by Japanese in succeeding decades as evidence of the inherent inequality of the treaties. Not until the mid-Meiji period, however, did the issue of tariff reform become invested with a political significance tied to a growing nationalist backlash against the "unequal treaties." Indeed, one could argue that Japan did not fully throw off the yoke of the unequal treaties until 1911, when full tariff autonomy was regained.²⁾

There has been little, if any, extensive work done on the issue of tariffs during bakumatsu and early Meiji Japan, despite, or perhaps because of, prevailing historical opinion that regaining tariff autonomy was central to Meiji treaty revision policy. When tariffs are mentioned, they are treated in one of two ways: either from an economic standpoint or from an isolated diplomatic/political viewpoint. Examples of the former can be found in such a seminal work as Ishii Takashi's *Bakumatsu bôeki shi no kenkyû* (1944), which treated the 1866 tariff convention as part of a continuing pro-

cess of incorporating Japan into the mid-19th century world economy; this is also the approach of a more recent study by Sugiyama Shin'ya, which subsumes discussion of tariff rates within a broader examination of the origins of Japanese industrialization.³⁾ The second approach is taken by the Western authors listed above, who see the swift conclusion of the 1866 tariff convention as proof of the bakufu's inability to oppose the demands of the West.⁴⁾ It is important, however, first to view the tariff issue in an historical context, and then recognize its continuing political role in bakumatsu Japan. Such an approach will recover the active policy pursued by the bakufu and highlight the Japanese "voice" even during the final years of Tokugawa rule.

The historical context is important in clearing up an historiographical misinterpretation, namely, that the "unequal treaties" provisions denying tariff autonomy to both China and Japan were identical and were imposed on the two countries as part of a Western plan to place them in a subordinate colonial economic status. To begin with, it must be recognized that the 1860s were the high tide of the British Free Trade movement. Great Britain, since the 1850s, had been moving ever closer to a tariff-free trade policy. The British move for free trade was undoubtedly self-serving, in that British manufacturers had a comparative advantage second to none, particularly in textiles, iron, and glass, and thus would benefit the most in any trading relationship. But it is important to underscore that Britain did not limit its free trade strictures to underdeveloped countries. The 1860 Anglo-French Treaty of Commerce, for example, "marked a fiscal epoch," lowering tariffs around the globe (except in the United States, as will be seen shortly).⁵⁾ The Cobden Treaty, as the 1860 Anglo-French treaty was known (for its main proponent, free trade apostle Richard Cobden), was in fact the culmination of a decades-long process stretching back to 1825, in which Great Britain had all but abolished protective tariffs.⁶⁾ The 1860 Anglo-French treaty was the capstone of the movement. It lowered French duties on coal and English manufactures to under 30%, while Britain substantially lowered duties on French wines and brandy. In the decade after the signing of the treaty, British exports to France more than doubled.⁷⁾ This success furthered British attempts under Prime Minister Gladstone later in the 1860s eventually to reduce the number of tariffed goods from 419 to 48, only fifteen of which were considered substantial.⁸⁾

The United States during this period was undergoing a see-saw movement in tariff rates. While Townsend Harris was preparing to negotiate a commercial treaty with the bakufu during 1856–58, in Washington the 1857 Tariff was enacted, making the U.S. tariff the lowest among all free trade nations. Yet, within five years the 1861 Morrill Tariff Act instigated a decade-long rise in tariff rates, setting average duties at 18.8% (general duties doubled from 5 to 10%); by 1869, average U.S. duties stood at 47 percent. The following year, however, a massive tariff reduction began, immediately making 130 articles duty free, and reducing all manufacturing duties to 10% by 1872.⁹⁾

It is within this international context that the history of Japanese tariffs must be placed. It must first be shown that the Japanese tariff was not only significantly different from that of China's, but that it was also not entirely disadvantageous to Japan.

The issue of tariff schedules did not even arise until after the Harris treaty was completed on Ansei 5/1/10 (1858/2/23). The entire issue was settled in one day, 1/12 (2/25), and the schedules were appended to the treaty. Unlike the acrimonious debate over the number and location of treaty ports, the tariff issue did not appear to greatly concern either Townsend Harris or Iwase Tadanari, the main bakufu negotiator. Iwase first proposed a general duty (on both imports and exports) of twelve and a half percent, but reduced it to 5 percent at Harris's request. Harris, for his part, quickly surrendered the hope of having no export duty at all, accepting the five percent. Imports were divided into four classes: class I items were to be duty free; they comprised gold and silver, and clothing, books, furniture, etc. to be used by foreign residents. Class II imports were assessed at 5 percent; these included gear for ships and whalers, house timber, various foodstuffs, animals, raw silk, tin, lead, and coal. All intoxicating liquors (class III) were levied a duty of 35 percent. Finally, class IV included all other goods, with a 20 percent tariff rate.¹⁰⁾ As class IV included some of the West's major exports, such as cotton and woolens, finished textiles, glass and mirrors, wines and spirits, and mechanical goods such as watches, clocks, etc., the 20 percent tariff was by no means inordinately low. The Harris tariff schedule set the standard for the following Ansei treaties.¹¹⁾

The situation could not have been more different from China, where at nearly exactly the same time, the Qing Court's tariffs were being collected by the foreign-managed Inspectorate of Customs. For over half a century, Great Britain in particular had been attempting to force the Qing into creating a stable, equitable tariff system. A theoretical 20 percent across the board tariff was either supplemented or undermined, depending on the location and Chinese official, by corruption and other such activities. Not until the 1842 Treaty of Nanjing was Britain able to get legal sanction, if imposed by the use of force, for establishing a regulated tariff system at the newly opened ports. Abuses continued, however, and trade was adversely affected, with only Shanghai becoming a major trading port up to the mid-1850s. As a partial remedy, the Qing Court was persuaded to establish an Inspectorate of Customs in 1854 and appoint Westerners to run it. This was not entirely deleterious to China, for the customs officials managed to bring in a steady revenue to the treasury, but it was clearly a major infringement on Chinese sovereignty.¹²⁾ The Chinese tariff system was not settled, however, until the punitive 1858 Tientsin Treaty, which set a uniform tariff rate of 5 percent at all trading ports. This was given greater reach by the British right to send its ships far into interior waterways to trade, thereby expanding trade and bypassing the corrupt internal transportation system, a source of much pecuniary gain to numerous Chinese officials.

The Tokugawa bakufu faced nothing like this foreign control over its international trade. The negotiated nature of the Harris treaty carved out a middle ground benefiting both Japan and the West. Most importantly, the bakufu maintained control over the entire customs framework, employing its own officials, and garnering 20 percent duties on some of Europe's key exports. Whereas bakufu officials complained repeat-

edly in early trading years about the fiscal instability arising from the inequitable exchange rates and mechanisms, there was little, if any, distress over the tariff situation. Indeed, within half a decade of the opening of trade the bakufu began strategically to employ graduated tariff reform as a means of achieving political objectives.

The preliminary step: Tariffs and the London Protocol, 1862

The first indication that tariffs could be sacrificed to political goals came in the final stages of negotiating the 1862 London Protocol. This agreement, a substantial diplomatic victory for the bakufu, postponed for five years the opening of Edo, Osaka, and Hyogo to trade. Neither the bakufu senior councilors in charge of the negotiations, Andô Nobumasa and Kuze Hirochika, nor British Minister Rutherford Alcock had discussed the tariff issue during their various meetings; the two senior councilors knew that Western resistance to postponement had been weakening over the two years since they first brought up the issue and felt no need to make unnecessary gestures.

The idea of revising the tariffs was first proposed by the French during talks in Paris with the Japanese embassy headed by foreign affairs magistrate Takeuchi Yasunori. During discussions on April 19, French Foreign Minister Thouvenel suddenly demanded that the import duty on French wines and spirits be reduced to 5 percent from the current 35 percent. The Japanese ambassadors had not received any instructions regarding tariff revision from Edo, but were not faced with making a unilateral decision, for talks halted once Thouvenel revealed that Paris would agree to postponement only if the British and Dutch also assented.¹³⁾ The stage thus switched to London, where Alcock had already returned to help conclude negotiations. On his way back, however, Alcock had stopped in Paris to discuss the Japanese request with Thouvenel, and learned of the French tariff proposal.

Once in London, the Japanese ambassadors found that Alcock's willingness to argue in favor of postponement was at the last minute influenced by a British desire to adopt and expand the French desire to reduce tariffs. After a day at the racetrack, the ambassadors sat down to business with Alcock during the evening of June 5 at their London hotel. The British, explained Alcock, desired a reduction not solely in spirits for the French, but also in pane glass, which would be reduced to 5 percent from the current 20 percent; Alcock, however, was not demanding the reduction, but merely asking that the bakufu consider the issue once the embassy returned home.¹⁴⁾ Takeuchi quickly agreed to the proposal, and the following day met with British Foreign Minister Lord John Russell at the Foreign Office to sign the London Protocol. The penultimate paragraph in the Protocol read: "[the ambassadors] engage to suggest to the Tycoon and his Ministers to evince their goodwill to the nations of Europe, and their desire to extend commerce between Japan and Europe, by reducing the duties on wines and spirits imported into Japan, and by permitting glassware to be inserted in the list of articles on which an import duty of 5 per cent. is levied . . ." ¹⁵⁾

The arrangement could only be considered a victory for the Japanese. Takeuchi had resisted the efforts of the two greatest European nations to alter the Ansei treaties in

London and Paris's favor, but his flexibility allowed him to open the possibility of acceding to the European request without committing his government. Moreover, this had been done at the last minute to ensure fruition of the overall goal of postponement. Tariff reduction would proceed, but at a level and pace determined by the Japanese government. That the issue was viewed in Edo as a political one is shown by an analysis of the London Protocol by the foreign affairs magistrates of Bunkyo 2/9 (November 1862). The magistrates, headed by Takemoto Masao, concluded that "if the bakufu were to decide to lower the duties now, this would furnish [the Westerners] with evidence that our government does desire lasting friendship and does not seek to restrict trade. It would help to still the clamor of opinion . . . We think it best, therefore, that the Bakufu should make no difficulties . . ."16) The senior councilors rejected Takemoto's advice to lower tariffs immediately, but they did accept his opinion that tariff reduction could be used tactically to achieve political goals, as evidenced by Takeuchi's success in London. More importantly, even in the absence of clear political goals to be achieved, the bakufu from this point on adopted Takeuchi's approach of flexible response and measured concessions to maintain control over tariffs. This new policy would be put to the test first by the Americans.

The first step: The U.S.-Japan Tariff Convention, 1862–64 and the Paris Convention, 1864.

Even before the London Protocol was transmitted back to the Western representatives in Japan, the new American minister, Robert Pruyn, attempted to secure the abolition of duties on all Japanese exports as well as imports of tea-producing items. Briefly, green tea, although accounting for only approximately 11 percent of Japan's total exports in this period, was Japan's major export to the United States. This tea was initially exported as loose leaves to China, where it was packed for oceanic shipment; by the early 1860s, Japanese tea producers had begun to import the various tea packing materials (boxes, foil, etc.) from China and prepare the tea themselves for export. The foreign importers of these items, however, were levied no duty, and the bakufu quickly discovered that it and its licensed tea exporters were in essence losing money by having to import the packing goods while being restricted to a uniform 5 percent export duty. Accordingly, during Bunkyo 1/7 (August 1861), the bakufu requested to the treaty powers that imported tea packing materials be levied a 20 percent duty.¹⁷⁾ The issue languished, lost in the buildup to the Takeuchi Mission, until the following year, when Pruyn turned the request on its head.

One of Pruyn's main goals, shared by Rutherford Alcock as well, was to force the bakufu into building bonded warehouses at the treaty ports. These were storehouses where foreign merchants could deposit goods, duty free, until a sale was arranged; if no sale was forthcoming, the goods could be re-shipped home with no duty penalty. The Ansei treaties did not provide for such warehouses, requiring merchants instead to pay duties on goods as they were offloaded, whether or not they would be sold. The British had maneuvered around this system by arranging with the bakufu to have

British merchants pay the duty to each port's consul. The consul would hold the money until a sale was completed, then pay the duty (based on the final sale price) to the Japanese customs magistrates. Pruyn hoped to secure a similar situation for American merchants for the interim, while waiting for the bakufu to erect the warehouses.¹⁸⁾

Pruyn, however, presented a much more wideranging proposal to the foreign affairs magistrates on Bunkyu 2/5/26 (1862/6/23), recommending that all tea-packing materials be imported duty-free. Were the Japanese to get their desired tariff, he explained, the duty would total 25 percent, which would make the cost of tea too high. The current 5 percent rate on tea alone would ensure that trade would grow steadily. Pruyn repeated his argument in a meeting with senior councilors Itakura Katsukiyo and Mizuno Tadakiyo on 8/29 (September 22).¹⁹⁾ Due in part to internal political upheavals in the bakufu and the problems posed by the Namamugi incident, in which a British merchant was murdered in September 1862 by Satsuma domain samurai, the bakufu did not respond to Pruyn's suggestion, fearing, apparently, that this was just the beginning wedge in a campaign to make duty-free all items not covered specifically by the treaties.²⁰⁾ Frustrated in his first attempt, Pruyn held another meeting with foreign affairs magistrates Takemoto and Inoue Kiyonao on 10/15 (December 6). His proposal this time was even stronger, urging not only that all tea packing materials be duty-free, but that tariffs be abolished on all Japanese-produced goods for export.²¹⁾ After receiving no satisfactory response to this request, Pruyn informed Inoue that the United States would not automatically follow the London Protocol, if it did not make progress on tariff-related issues.

Inoue's response to Pruyn's threat was to urge the bakufu to take immediate steps to forestall losing the goodwill of the Americans. Itakura and Mizuno agreed, remembering the indispensable role Townsend Harris had played just the year before in securing Western agreement to postponement, and ordered foreign magistrates Inoue and Kikuchi Kōkichi (soon replaced by Takemoto Masao) to negotiate with Pruyn. Within two months, Inoue and Takemoto had successfully defended the general 5 percent export duty, and Pruyn dropped his demand.²²⁾ Pruyn did not hesitate to keep the British and French informed of his negotiations, however, and used the "complete support" of those ministers as an implied threat toward the bakufu. Nevertheless, Inoue and Takemoto managed to limit most of Pruyn's demands, and a draft tariff reduction treaty was concluded on Bunkyu 3/2/1 (1863/3/19). This draft included provisions to establish bonded warehouses, abolish the duty on tea-packing materials and processed tea, and limit to 5 percent the import duty on machine parts, medicine, beer, iron, tin plate, white sugar, and clocks.²³⁾

Despite having a full draft, however, the bakufu was still able to delay the signing of the agreement for over ten months. During the upheavals of the Namamugi and Shimonoseki incidents, including the bombardment of Kagoshima, the bakufu steadfastly refused Pruyn's repeated demands to formalize the convention. There were two ostensible reasons for the delay: Pruyn continued to push for an abolition of the export duty on Japanese goods, and the bakufu hesitated over the expense of building large

bonded warehouses, especially after members of the 1862 Takeuchi Mission described the warehouse system in Europe, which so enlarged trade as to all but assure a constant foreign presence in the treaty ports, above and beyond the still-small permanent foreign population.²⁴⁾ Inoue and Takemoto managed to parry Pruyn's objections with various excuses, including an assertion that with the shogun in Kyoto during the spring of 1863 no final decision could take place. Moreover, the bakufu did not weaken its resolve even when Pruyn reminded it of the increased British naval presence in Japan connected with the bombardment of Kagoshima. Pruyn agreed to wait until the shogun had returned from Kyoto during Bunkyu 3/6 (1863/8) and then attempted to reopen negotiations. Edo showed little sign of reconsidering its position, however, even when Pruyn finally began to demand an expedited resolution to the issue.²⁵⁾

The bakufu change of heart came about as Itakura and Mizuno began to contemplate the possibility of an embassy to Europe to secure the closing of Yokohama, the main treaty port. Foreign affairs magistrate Takemoto Masao had argued at the time of the Takeuchi Mission that tariffs could be used to gain political goals, and the senior councilors knew that Pruyn had kept the French and British informed of his tariff negotiations. With French officials pushing for a bakufu mission to France, the possibility of closing Yokohama clearly outweighed any considerations over tariff rates. Further impetus to such a decision was provided by French Minister Duchesne de Bellecourt, who again brought up the aborted wine tariff reduction during Bunkyu 3/8 (September 1863).²⁶⁾ As arrangements for the embassy to France continued during Bunkyu 3/10–11 (November–December 1863), the bakufu renewed negotiations with Pruyn.

A bit earlier, during the ninth month (mid-October) Pruyn had accommodated Edo by proposing that the provisions regarding the bonded warehouses be postponed until the summer of 1864, although the revised import tariffs would go into effect once the convention was signed.²⁷⁾ The bakufu interpreted this to mean that the actual signing of the provisions regarding the warehouses would be postponed, and, after reopening negotiations, informed Pruyn on 12/15 (January 23, 1864) that foreign magistrate Ogasawara Hironari and inspector (metsuke) Takachika Naosaburô were being dispatched to finalize the convention. The bakufu informed Pruyn that it wished to discuss the tariff revision concurrently with France and Britain; this was due to its new plan to conclude a tariff reduction and offer it to both countries as an enticement to close Yokohama.²⁸⁾ Ogasawara and Takachika quickly defeated a Pruyn proposal to honor a 30-day breathing space before the bakufu completed any tariff revision with other countries by arguing that "the time is drawing near for the departure of the ambassador [Ikeda, to France]" and thus the convention needed to be finished.²⁹⁾ The two sides reached agreement on 12/17 (January 25), and the final document recorded yet another major victory for the bakufu: the convention consisted of four articles, none of which compelled the Japanese government to establish bonded warehouses. Article I enumerated duty-free items, all related to the preparation and packing of tea, and Article II listed imports to be levied a 5 percent duty.³⁰⁾ The convention was to

come into effect on February 8, 1864 (Bunkyu 4/1/1). The enumerated articles in Article II were compiled with England and France in mind, for they included a reduction in duties on glass and glass ware (requested by Alcock during final negotiations on the London Protocol) and wines and spirits (requested by Thouvenel at the same time). The day following final agreement, 12/18 (January 26), the bakufu dispatched Takemoto to see French foreign minister de Bellecourt at Yokohama to inform him of the reduction in duties. Takeuchi then visited British charge d'affairs Neale, passing along the same information.³¹⁾ The convention was formally signed between Pruyt and the bakufu on 12/22 (January 30). On 12/27 (February 4), the eve of the embassy's departure for France, the bakufu officially announced the reduction in tariffs on wines and spirits to 5 percent and further added that duty on Parisien articles (primarily clocks and crystal) would also be lowered to 5–6 percent from 20 percent.³²⁾

Ultimately, the 1864 tariff reductions were a mixed victory for the bakufu. On the plus side, the bakufu had first of all postponed by nearly two years any reductions it had promised in the London Protocol to consider. Second, when faced with a renewed push (this time by the Americans) to revise tariffs, it had dragged out negotiations for the same two year period of time, giving it breathing space to respond flexibly to the demands. Third, it had managed to defeat two of the most far-reaching proposals, namely that all Japanese exports be duty free and that large bonded warehouses be built by the bakufu. Instead, the bakufu negotiators, primarily the foreign affairs magistrates Takemoto, Ogasawara, and Inoue, had granted certain Western demands, but most importantly, had balanced those concessions almost equally in the interests of the Americans, French, and British. Each Western treaty partner was satisfied by the revisions, and for the time being did not seek greater concessions.

The tariff revisions, however, were not enough to secure French agreement to close Yokohama. The French were not necessarily averse to the proposal, ready as always to follow Britain's lead, and only refused the bakufu request once hearing back from London.³³⁾ Moreover, Ikeda Takaaki, leader of the embassy, was unable to refuse a French request to conclude a formal tariff convention modeled on the one signed with the Americans in January. Nonetheless, this convention, completed on June 25, did not expand the American agreement, and thus represented no further concession on the bakufu's part.³⁴⁾ Ikeda's failure, however, to secure the main goal of closing Yokohama should not blunt the bakufu success in holding the line against further tariff reductions and in actively shaping the 1864 agreements. The experiences of 1862 through 1864 would serve the bakufu during the next major round of tariff negotiations.

The boldest gamble: The Edo Convention, 1866

A quick glance at the final act of tariff revision appears to reveal a sudden, major surrender of sovereignty by the bakufu. I have postulated here, however, that the 1866 tariff convention needs to be viewed as the ultimate stage in a half-decade long process. Such an approach erases the impression that the bakufu suddenly went into a

freefall vis-à-vis the foreigners in late 1865 and early 1866.³⁵⁾ For nearly a year and a half after the Paris Convention, the Western treaty powers made no new demands for tariff revision. The tariff issue, however, eventually became embroiled with two political issues, the long-sought imperial ratification of the 1858 treaties and a Western demand to open Hyogo and Osaka early to trade, and an economic one, the bakufu desire to postpone payment of much of the 1864 Shimonoseki indemnity of 3 million, demanded by the West after the powerful anti-foreign and anti-bakufu domain of Chôshû had fired on Western shipping during 1863–64. All four issues were linked initially by the new British minister to Japan, Harry Parkes, who replaced Rutherford Alcock.

Parkes had arrived in Yokohama during Keiô 1/i5 (1865/6–7), just before shogun Iemochi had gone to Osaka and taken command of the first bakufu expedition against Chôshû. Within three months, Parkes had passed along Britain's new demands to the bakufu, which included opening Osaka and Hyogo on January 1, 1866 (Keiô 1/11/15), two years earlier than stipulated in the London Protocol; imperial approval of the 1858 treaties; and tariff reduction. Were these to be granted, then Rutherford Alcock's 1864 offer to waive two-thirds of the Shimonoseki indemnity would be enacted. Parkes's major tactical change was to threaten to open negotiations directly with the imperial court, and he backed this up by browbeating the French, American, and Dutch ministers to accompany him to Osaka, backed up by another small armada, to meet with the shogun. The upshot of the Osaka demarche was a tactical bakufu concession, as well as a domestic bakufu victory. The Westerners had met primarily with senior councilor Abe Masato, who enlisted Hitotsubashi Keiki (who later became the last shogun, Tokugawa Yoshinobu) to press upon the court the necessity finally of approving the treaties. This was achieved at the cost of Abe being stripped of his rank and position by the court itself, an unheard of act. In order to maintain domestic peace, the bakufu acceded to the court's order, and dispatched Ogasawara Nagamichi to Kyoto to offer the shogun's resignation. This finally provoked the court into approving the treaties the bakufu had negotiated nearly a decade before.³⁶⁾

Ogasawara and fellow senior councilor Honjô Munehide did not capitulate to all of Parkes's demands. Indeed, they maintained the long-standing court-bakufu policy of limiting the physical presence of foreigners in Japan by flatly refusing to consider opening Osaka and Hyogo earlier than stipulated in the 1858 treaties. The court, of course, wanted to keep Osaka closed permanently, but the immediate problem was defeating this latest Western demand. The bakufu, therefore, quickly informed the Western representatives that imperial approval of the treaties had been given. In place of an early opening to Osaka, however, the bakufu stated that it was willing to discuss another round of tariff revision back in Edo. This tactic by Ogasawara and Honjo faced Parkes with a dilemma: whether to accept what had been given, or to carry out his threat to negotiate directly with the court. Having strict instructions from London not to undertake any military actions, Parkes's bluff was called. He and the other diplomats retired to Edo.³⁷⁾

Tariffs were thus on the table again, used in a bold gamble to prevent an open domestic breach between the court and bakufu over opening Hyogo and Osaka, and between the bakufu and the treaty powers over another physical expansion of the foreign presence in Japan. Overlooked by most histories is the Western failure to accelerate by two years the opening of Hyogo and Osaka.³⁸⁾ At least three times during Keiô 1/10 (November-December 1865) alone Parkes and the other representatives demanded that the two locations be opened immediately, and repeated the demand even after returning to Edo and meeting with senior councilors Mizuno Tadakiyo and Sakai Tadamasu.³⁹⁾ Yet linked with each of these demands was a proposal to discuss lowering the tariff, and it was on this that Mizuno and Sakai back in Edo focused. They were helped partially in shifting the focus of Western demands by the new American Minister, A. L. C. Portman, who on 10/13 (November 30), informed that bakufu that he (and the other representatives) were “returning to Edo and awaited the quick appointment of officials to discuss tariff revision.”⁴⁰⁾ The American minister had already given up on attaining the early opening of Hyogo and Osaka. By the end of January 1866, Parkes, too, had been disabused of his notion; Mizuno, Sakai, and Honjô steadfastly pushed the tariff agenda, and the issue of Hyogo and Osaka dropped by the wayside.⁴¹⁾

The tariff issue was not settled, however, and the bakufu appointed finance magistrate Ôguri Tadamasu to conduct negotiations; these he managed to extend over nearly half a year, despite the simple British proposal: a uniform 5 percent import and export tariff. Yet bakufu thinking was also changing over these months. As early as Keiô 1/11 (December 1865-January 1866), when the shogun ordered Honjô Munehide to Osaka to deal with Parkes’s demands, the senior councilors had begun to view lower tariffs as an unavoidable way to expand foreign trade, and thus replenish the bakufu treasury, which was seriously depleted from domestic expenditures such as the 1865 expedition against Chôshû (which was inconclusive) and from repeated indemnity payments to the West.⁴²⁾ Ôguri, then, was receptive to an alternate plan put forth by the new French minister, Léon Roches, whose policy disagreements with the overbearing Parkes were heating up. Roches had spend 1865 building up a closer French-bakufu relationship (including setting up the Yokosuka shipyards and establishing a joint Franco-Japanese trading company).

Roches now proposed to make Yokohama a free port, essentially the same suggestion made in 1864 by Foreign Minister Thouvenel to Ikeda in Paris. The attraction to the bakufu this time was Roches’s idea that the bakufu, by abolishing import duties, could tax Japanese merchants at the point of entry to Japanese cities; this would allow the bakufu to set tax rates at whatever it desired. The alternative was dealing with Western merchants, supported by their consuls, who would continually seek to evade the duties.⁴³⁾ Ôguri adopted the idea, hoping to maintain the current level of export duties.

This proposal represented a major breach between Roches and Parkes, and Ôguri fruitlessly tried to gain Parkes’s approval (with help from Mizuno) during Keiô 2/1–3

(February-April 1866).⁴⁴⁾ Parkes immediately understood that the Ôguri-Roches plan would make British imports more expensive at the final point of sale; moreover, the British merchant community had been pressing him, in lieu of completely free trade, to force the establishment in Japan of a China-inspired Inspectorate of Customs, run by foreigners.⁴⁵⁾

Ultimately, senior councilors Mizuno, Honjô, and Matsui Yasunao would sacrifice the Ôguri-Roches plan in a final gamble to keep British support in the coming crucial months. The two interrelated keys were a postponement of the latter half of the Shimono-seki indemnity payment and the upcoming planned expedition against Chôshû; funds were desperately needed for the military and the bakufu did not want to lose the goodwill of the British at this pivotal moment. After renewing their request for a payment postponement in late Keiô 2/3 (April 1866), the senior councilors could little oppose Parkes's original 5 percent tariff proposal, nor his new and radical demands that trading in the ports be completely open to all Japanese and that Japanese be allowed to travel abroad freely, which would mark the deathknell to the maritime edicts established over two centuries previously.⁴⁶⁾

Final agreement on the Edo Convention was reached 5/13 (June 25).⁴⁷⁾ The tariff provisions were not as far reaching as some histories suggest, for they were expansions of the 1864 agreements. A general 5 percent duty was levied on imports and exports (to come into effect on July 1, 1867), but specific duties on 89 imports and 53 exports were established; this left 24 import goods at the 5 percent rate. Eighteen duty free imports were declared, while only three exports (gold, silver, and copper) were so delineated. Prohibition of opium importation was maintained, as was the export of rice, wheat, and barley. The highest specific duty was 75 *bu* on 100 catties of raw silk.⁴⁸⁾ Article IV provided for the establishment of free bonded warehouses; this the bakufu agreed to only after defeating a British merchant proposal to allow for tariff rebates on re-exported goods. Article X, often seen as the most far-reaching, allowed for free passage abroad for all Japanese.

There were a number of Japanese victories in the convention. Most importantly, Article VII preserved bakufu control over the landing and shipping of cargo, and the hiring of boats, coolies, and servants; the governor of each open port was charged with negotiating with foreign consuls on removing such impediments. Moreover, Parkes believed that the specific duties on tea and silk to be too high, and arranged for them to be renegotiated after a two year period. Overall, though, Parkes knew that the agreement was on paper only, writing Foreign Secretary Clarendon that, "in giving the Japanese credit for these timely concessions to the progressive spirit of their countrymen, I am not insensible to the proneness of this Government to avoid the execution of engagements which conflict with a traditional policy."⁴⁹⁾ Free trade, nominally established by the 1862 London Protocol, was reasserted in 1866, but Parkes understood that the bakufu still held a tight rein over treaty port interactions. The bakufu, however, had answered foreign demands for lower tariffs, thus pacifying the Westerners and reestablishing a solid base for relations.

Conclusion

Three weeks after signing the Edo Convention, the bakufu opened the Summer War against Chôshû, plunging into a failed attempt to reassert its domestic authority. Central to the policy of tariff reform was a desire to maintain Western goodwill during the upcoming conflict. The results were mixed, for while the West did not actively oppose Edo, it did little to help it win. Great Britain, in particular, played a complex role. Harry Parkes joined the other Western representatives in proclaiming neutrality and in prohibiting their countries' ships from entering the Shimonoseki Straits during hostilities, as requested by Edo. On the other hand, Parkes made strong contacts with Satsuma and interfered with the bakufu supply route from Nagasaki, thus reducing the effectiveness of the invasion of Chôshû. In the final analysis, though, the bakufu lost the campaign due to its own inefficiency in matters both administrative and military. The end result was a fatal blow to Tokugawa authority and the beginning of the final movement of the Edo era.

Yet I have argued here that bakufu diplomatic policy was not solely ineffectual during the 1860s. The history of tariff revision shows a government dealing resolutely and creatively to numerous Western demands to reduce tariffs. Most striking is the continued bakufu adherence to a policy centered on political, not economic, goals. The bakufu was able to dictate the pace and course of tariff revision, while at the same time hewing to its primary goal of maintaining administrative control over trade in the treaty ports. Moreover, Edo strategically used the tariff issue as a means of controlling further Western incursion into Japan, as represented by demands to open Osaka and Hyogo ahead of the agreed schedule. The bakufu gave notice that it would not passively accept a Western reading of treaty relations, nor would it be rushed into giving up gains it had secured at the negotiating table. The irony, of course, is that, while winning in the diplomatic game, the bakufu lost the contest at home and disappeared within two years of its last major diplomatic victory.

Notes

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- 1) William G. Beasley, *Select Documents on Japanese Foreign Policy, 1853–1868* [hereafter BSD — Beasley Select Documents] (London, 1955), pp. 80–83; Grace Fox, *Britain and Japan, 1858–1883* (Oxford, 1968), pp. 182–85; Conrad Totman, *The Collapse of the Tokugawa Bakufu, 1862–1868* (Honolulu, 1980), pp. 161, 163; Sugiyama Shin'ya, *Japan's Industrialization in the World Economy, 1859–99* (London, 1988), pp. 35–36. For Japanese authors, see Ishii Kanji, *Sekai shijo to Bakumatsu kaikô* (Tokyo, 1982); Inoue Kiyoshi, *Jôyaku kaisei: Meiji no minzoku mondai* (Tokyo, 1955); and even Ishii Takashi, *Bakumatsu bôeki shi no kenkyû* (Tokyo, 1944).
- 2) The 1894 Anglo-Japanese Treaty of Trade and Navigation ended most of the 1866 tariff restrictions, but did not come into effect until 1899, concurrent with the end of extraterritoriality. Until 1911, however, fixed tariff rates of 5 to 15 percent remained for numerous items.
- 3) Ishii (1944), esp. pp. 13–15; Sugiyama (1988), pp. 35–36. Ishii believes that the tariff system,

while imposed on Japan, was necessary to foster expanded trade and help break down the feudal system of production and distribution. Sugiyama, however, argues that the tariff rates, in conjunction with existing controls on trade beneficial to the bakufu, helped protect the Japanese economy, even in the face of increased economic instability, despite the loss of autonomy.

- 4) See note 2, above.
- 5) R. J. Evans, *The Victorian Age, 1815–1914* (London, 1968), p. 128.
- 6) D. C. M. Platt, *Finance, Trade, and Politics in British Foreign Policy, 1815–1914* (Clarendon, 1968), pp. xxxvii–xxxix, 143.
- 7) *Oxford History of England*, vol. 13: *The Age of Reform, 1815–1870* (Clarendon, 1962), p. 179.
- 8) Evans (1968), p. 128.
- 9) Thomas H. Johnson, *The Oxford Companion to American History* (New York, 1966), p. 773.
- 10) See Townsend Harris, *The Complete Journals of Townsend Harris*, 2nd. ed. (Rutland, VT, 1959) [hereafter, CJ], pp. 554–55; Beasley (1955), p. 185.
- 11) The major exception was the 1858 Elgin Treaty, whereby Britain pushed through a 5 percent duty for its cotton and woolen manufactures. This still left certain textile goods as well as a host of other manufactures subject to the 20 percent duty.
- 12) For a discussion, see John K. Fairbank, *Trade and Diplomacy on the China Coast: The Opening of the Treaty Ports, 1842–1854* (Cambridge, 1954), esp. chs. 16, 19, 20
- 13) *Dai Nihon Ishin Shiryô Kôhon* [hereafter, DNISK] (Historiographical Institute, University of Tokyo), magnetic tape roll no. BU033-0257.
- 14) DNISK BU039-0086.
- 15) The text can be found in BSD, pp. 216–17.
- 16) The text can be found in Japanese in Katsu Kaishû, *Kaikoku kigen*, vol. 2, pp. 1544–48; an English translation, used here, is in BSD, pp. 218–21.
- 17) Yokohama was the major tea exporting center during this period. See Ishii (1944), pp. 95–96, tables on pages 84–97; Sugiyama (1988), pp. 140–45.
- 18) See a discussion in Ishii Takashi, *Meiji ishin no kokusaiteki kankyô* (Tokyo, 1957), pp. 142–44.
- 19) DNISK BU050-0967.
- 20) See Ishii's supposition in Ishii (1957), p. 144.
- 21) DNISK BU059-0663.
- 22) See record of discussion for Bunkyu 2/12/23 (1863/2/5) in *Gaimusho hikitsugi shorui: Kashiko jiken*.
- 23) DNISK BU077-0071.
- 24) Discussions of Bunkyu 3/3/1–2 (1863/4/18–19) at DNISK BU083-0775. Even after Pruyn assured them that large warehouses were not necessary, Inoue and Takemoto adopted the tactic of assuming that such demands would arise in the future; they continued using this argument until January 1864.
- 25) See, for example, Pruyn's letter to bakufu of September 27, 1863, urging a "quick settlement." DNISK BU118-0167.
- 26) DNISK BU114-0716.
- 27) Inclusion of Pruyn letter of October 19, 1863 in DNISK BU137–0454.
- 28) DNISK BU137-0454.
- 29) DNISK BU137-0653.
- 30) See copy of convention in *Foreign Relations of the United States* [hereafter, FRUS] (Washington, D.C.: U.S. Government Printing Office) 1864: 3, pp. 479–80. The items in Article I were sheet lead, rattan, gypsum, solder, oil for painting, firing pans, matting, indigo, and baskets; those in Article II: machines and machinery, drugs and medicines (not including opium), pig iron, sheet iron, iron ware, tin plates, white sugar, glass and glass ware, clocks, watches, wines, and spirits.
- 31) DNISK BU137-0791.
- 32) DNISK BU139-0006.
- 33) Lhuys asked Cowley to inquire what London's position was before making any decision. See *Parliamentary Papers: Correspondence with Respect to Affairs in Japan* [hereafter, P.P.] 1865: 57, No. 8, Cowley to Russell, March 20, 1864.

- 34) Text of Paris Convention in *Moniteur*, June 26, 1864. As with the American convention, tea preparation and packing materials were duty free (oil, indigo, gypsum, pans, lead sheets, packing boxes); wines, spirits, sugar, iron and tin, lime, machinery, and clockwork were assessed a 5 percent duty; glass, mirrors, porcelain, perfume, books, paper, and cutlery were levied a 6 percent duty.
- 35) As claimed by Totman (1980), pp. 156–63; and Fox (1968), pp. 182–84.
- 36) The best short, English treatment of the Osaka events can be found in Totman (1980), pp. 156–61.
- 37) See Ishii Takashi, *Meiji ishin to gaiatsu* (Tokyo, 1993), pp. 103–09.
- 38) Grace Fox, for example, says that the early opening was “not even desired” by the powers; Fox (1968), p. 182.
- 39) See Western demands at DNISK KE030-1093 (10/4; November 21), KE032-0383 (10/10; November 27), and KE033-0985 (10/27; December 14).
- 40) DNISK KE032-0600.
- 41) See meetings between Mizuno, Honjo, and Parkes on 12/11, 12/12 (January 27–28, 1866) in Yokohama; DNISK KE038-0949.
- 42) Ishii (1957), pp. 351–52.
- 43) Tanabe Taiichi, *Bakumatsu gaikôdan*, vol. 2 (1898; Tokyo, 1989), pp. 241–43. Tanabe was a mid-level assistant to bakufu foreign affairs magistrates.
- 44) DNISK KE042-0647; DNISK KE047-0993.
- 45) Tariffs are admittedly a difficult (and mundane) issue, but Western histories have done a woeful job of investigating their importance, even when they pay attention to 1866. Fox (1968) glosses over the long 1865–66 negotiations, and sees little more than Japanese capitulation (pp. 182–84); Gordon Daniels, *Sir Harry Parkes: British Representative in Japan, 1865–83* (Folkestone, 1996), pp. 47–49 does a better job, but eschews any contextualization of the issue in terms of long-term tariff revision or domestic Japanese politics; Richard Sims, *French Policy Towards the Bakufu and Meiji Japan, 1854–95* (Folkestone, 1998), an otherwise excellent book, completely misses the Franco-British wrangling over the tariff and lacks a good recounting of the issue (pp. 50–51); one of the better contextualizations, although too brief, is provided by Medzini (1971), pp. 114–16; Beasley (1955, 1972) does not explore the issue in-depth.
- 46) See discussions on 3/13 (April 27), 4/18 (June 1), 4/27 (June 10), 5/4 (June 16); DNISK KE052-1020, KE060-0590, KE063-0642.
- 47) Texts can be found at DNISK KE064-0718, and P.P. 1867: 74, Parkes to Clarendon, June 27, 1866, No. 1 and inclusions (used here).
- 48) 1 bu = 134 grains troy weight of silver; 1 catty = 1.33 lbs. English avoirdupois weight.
- 49) Parkes to Clarendon, July 16, 1866. P.P. 1867: 74, No. 3.