

From Customary Practice to International Law: Disputes and Responses of *Jiao* Merchants in East Asian Trade (1880-1905)

Yu-ju Lin

ABSTRACT

The *jiao* (brokerage cartel) was a merchant organization constituted by sea merchants who spoke Fujianese dialects or other related vernaculars. *Jiao* merchants were very active in the East Asian trading world in the nineteenth and early twentieth centuries. Furthermore, they created their own commercial and cultural groups. These merchants not only built up trade networks between Taiwan and the port cities of China and expanded across East Asia, but also formed dense intelligence networks through the transmission of messages first by letter and later by telegram between both sides of the trade.

Jiao merchants were dependent on long-distance, trans-regional or trans-country trade. What sorts of commercial problems were they likely to encounter? How did they attempt to employ the norms developed across merchant organizations in order to pursue profits, avoid trade risks, and settle disputes? Moreover, through war and the subsequent treaties, foreign merchants became a significant presence in the East Asian trade from the mid-nineteenth century on, bringing with them a revolution in maritime transport and communications. How did *jiao* merchants respond to the commercial disputes that arose between foreign and Chinese businessmen? In what ways did they draw on customary practice as well as international law to resolve such issues?

In sum, from the middle of the nineteenth century on, *jiao* merchants that engaged in trade across East Asia confronted a period of transition and transformation in means of conveyance, information transmission and international law practice. Due to the limitations of the historical sources, this article first focuses on the private correspondence of merchants in Lugang (a non-treaty port in Taiwan), Ningbo (a treaty port in China), and Nagasaki (a treaty port in Japan) from the end of the nineteenth century to the early years of the twentieth century. It reconstructs changes in the forms of information transmission

and maritime transport used by *jiao* merchants. It further examines how they employed customary practices to deal with all sorts of business disputes, both domestic and international. It then turns to commercial conflicts that occurred between Chinese and foreign businessmen once ports in Taiwan were opened to foreigners in 1860. Taking these as an example, it analyzes the types of disputes, how both sides negotiated and handled them, and the initial experience of *jiao* merchants with international law and its application.

Keywords: *Jiao*, Brokerage Cartel, Foreign Firms, Whole Ship Trade, Commissioned Trade, *Zongli Yamen*, Arbitration