Trade and Conflict at the Japanese Frontier: Hakodate as a Treaty Port, 1854–1884

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Introduction

In this article, I examine the extent of the transformative impact that becoming one of Japan’s first treaty ports had on Hakodate and its trade through an empirical examination of commercial reports, consular dispatches, and the accounts of visitors to the port. I argue that Hakodate’s rise to prominence as a commercial centre was more a result of domestic trade integration and political change than the direct result of its opening to international commerce.

Hakodate was in some ways an obvious choice as a port to open in the US–Japan Treaty of Peace and Amity of March 1854. One of the crew members of the Perry mission described Hakodate’s location as a “spacious and beautiful bay [...], which for accessibility and safety is one of the finest in the world.”¹ British visitors to Hakodate tended to agree with their American counterparts. The British minister to Japan, Rutherford Alcock, found Hakodate to be “easy of access, spacious enough for the largest navy to ride in, with deep water and good holding-ground, it is the realization of all a sailor’s dreams as a harbour.”² He went on to add that, with its striking mountain backdrop and position enclosed in the bay of a narrow peninsula, Hakodate bore “some resemblance to Gibraltar,” Britain’s bastion outpost guarding access to the Mediterranean.³

These glowing endorsements of the gifts handed down to Hakodate by the gods of geography were accompanied by a more mixed review of that most-favoured topic of small talk: the weather. Locals joked that “when

³ Ibid.
Futen (the god of winds) unties his bag, he always points its neck in the direction of Hakodate, and in winter, heavy winds were compounded by plentiful snow. Hakodate’s location on the southern tip of Ezo (now Hokkaido)—the northernmost of Japan’s four main islands—rendered its winters unmistakably severe by Japanese standards. Yet, whilst a few months of snow were certainly a disruptive influence on economic activity, the port itself remained free of ice throughout the year. Moreover, the drawbacks of winter were offset by Hakodate’s cool summer climate, which drew favourable comparisons with other open ports in East Asia. For example, an 1867 guide to these open ports remarked that “[t]he greatest charm of Hakodadi is its cool and temperate climate.” Indeed, one of Hakodate’s long-term foreign residents, the British merchant Thomas Blakiston, explained the favourable climate was the reason why he came from Shanghai to Japan’s northern treaty port in the first place. In summer months, Blakiston was joined by a small influx of foreigners—usually the family of foreign consuls or foreign merchants of other treaty ports—who sought sanctuary from the oppressive sweltering heat of summer months further south.

Thus, Hakodate was a logical choice as a port of refuge, but not only for overheated Western merchants and consular staff. The Perry mission also considered it a suitable place for American whalers to call for supplies and repairs as they ventured on voyages of cetacean plunder in the nearby seas. Additionally, for the various other treaty powers, Hakodate offered a safe anchorage for their naval ships as they projected their power over East Asia and over one another. For Russia in particular, an open Hakodate held strategic value as it offered Russian men-of-war a favourable wintering port with a modest climate and provisions in relative abundance when compared to Nikolaevsk (Amur), Petropavlovsk (Kamchatka), Sakhalin, and Vladivostok. The interest shown by Russia in the port created an expectation among the consular staff of other foreign

4 Edward Greey, The Bear Worshippers of Yezo and the Island of Karafuto (Sахalin) (Boston: Lee and Shepard, 1884), 21.

5 The Island of Ezo was renamed Hokkaido in 1869 following the Meiji Restoration, but was referred to interchangeably as Ezo, Yeso, Yesso, Yezo by most foreigners long after this. In this paper I will refer to the Island as Ezo when speaking of before 1870, and as Hokkaido thereafter. When using quotations, I will keep the name used in the original.


7 Thomas Blakiston, Japan in Yezo: A Series of Papers Descriptive of Journeys Undertaken in the Island of Yezo, at Intervals between 1862 and 1882 (Yokohama: Japan Gazette, 1883), 1–2.
powers in Japan that Russia would eventually seek to annex Hakodate and the rest of Ezo. In the end, such fears were to be played out on Sakhalin, but the overarching fear of annexation and the presence of foreign gunboats certainly prompted unprecedented efforts on the part of the Tokugawa Bakufu to fortify the area.\(^8\)

In short, Hakodate essentially offered refuge and access to rich whaling grounds; so when Hakodate (alongside Shimoda) was opened as one of the first two Japanese treaty ports, other Western nations quickly followed their American counterparts in securing treaty concessions that included access to the northern port. Nonetheless, whilst there was a general consensus that Hakodate offered a safe haven to ships, there were mixed reviews of its commercial potential. As the treaties with Japan were expanded in the late 1850s to firmly encompass commerce rather than mere “friendship,” Hakodate (in contrast to Shimoda) remained an open port, but it was eventually joined by Nagasaki, Kanagawa (Yokohama), Hyogo (Kobe), and others, all of which offered greater access to bustling, productive hinterlands and larger potential markets. Geography had been kind to Hakodate in granting her a fine natural harbour, but there was no escaping the fact that it sat in perhaps the most remote corner of the realm.

The island of Ezo, to which Hakodate provided a gateway, boasted a land mass slightly larger than Scotland, but had little more than one hundred thousand residents in the 1850s. Moreover, except for the Oshima peninsula of southern Ezo—upon which both the Matsumae domain and Hakodate were based—much of the island, although nominally managed by the Bakufu and a handful of other Japanese domains, was in reality populated by the Ainu, a people considered ethnically distinct from Japanese (wajin).\(^9\) Many Japanese at the time considered Ezo beyond Oshima as a place that was beyond the pale. Brett Walker has aptly described Ezo’s place in the Japanese polity around 1800 as “indisputably foreign but nonetheless within the orbit of Japanese cultural and commercial interests.”\(^10\) If Ezo was to be considered

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9 These ethnic boundaries were often quite ambiguous, or even staged, but nonetheless were highly significant. See David Howell, *Geographies of Identity in Nineteenth Century Japan* (Berkeley: University of California Press, 2005).

a part of Japan at all, it was as a territory that was at once both inside and out, a place where Japanese interests—principally itinerant merchants and operators of seasonal fishing stations—engaged the Ainu in unequal trade and employment relations in order to secure valuable furs and marine products. In most respects, Ainu communities were left to manage their own affairs and for much of Ezo there was little, if any, year-round Japanese presence.

The fragile Japanese foothold on Ezo rendered the territory potentially vulnerable to foreign incursion, and thus the Japanese attached greater political significance to it than its commercial importance otherwise justified. Although Hakodate was the second largest settlement on Ezo—a vast but sparsely populated frontier, a border region, and a place of rumoured spectacular riches hitherto untapped or squandered—the reality in the 1850s was that Hakodate was hardly one of Japan’s most vibrant port towns. Alcock may have endorsed the harbour, but he also
described Hakodate as “little better than a long fishing village”\textsuperscript{11} and expected it to prove “perfectly useless for purposes of trade.”\textsuperscript{12} Alcock’s successor as British minister to Japan, Harry Parkes, would similarly remark that Hakodate was “a terribly lifeless place,”\textsuperscript{13} yet not all visitors would describe it in such desolate terms. Some saw great potential in the port, and Ezo as well, however, there was no escaping that Hakodate was at the periphery of the Japanese political and economic realm, boasting nothing of the market access offered by other treaty ports in Japan.

This relative commercial insignificance begs the question of what value there is in examining such a peripheral port at all. The answer, I would argue, is found in its relative unimportance. Much of the historical literature has been geared towards the more significant treaty ports, especially Shanghai and Yokohama, and thus has tended to emphasize the transformative capacity of treaty ports in social, political, economic, and cultural terms. With this in mind then, we might aptly wish to ask the same kinds of questions of the less conspicuous among the treaty ports. In this paper, I seek to do just that, by asking whether its status as a treaty port was significant in the transformation of Hakodate—a transformation that saw it grow from a relatively isolated fishing village in the 1850s into a bustling modern port that boasted almost sixty thousand inhabitants by 1890.\textsuperscript{14} This task will be pursued by examining trade and commercial conflict in Hakodate between foreign and Japanese interests in four distinct periods: as a port of refuge 1854–59; as a port open to international trade 1860–67; as a war zone 1868–69; and finally, under the Meiji regime after 1869. In the course of the paper I stress that Hakodate’s transformation rested more on a wider liberalizing—or opening—of Japan’s domestic trade and efforts to colonize Ezo/Hokkaido rather than its openness to international trade. This is not to say that being a treaty port did not have wider consequences for Hakodate, but these were mostly cumulative effects or superseded by native agency. The small foreign resident population of Hakodate left no more than a minor imprint on the commercial landscape of the port, even if the Western connection has become a key selling point for the city’s tourism board. Ultimately, the history of Hakodate

\textsuperscript{11} Alcock, \textit{The Capital of the Tycoon}, 241.

\textsuperscript{12} Ibid., 202.


\textsuperscript{14} United Kingdom Foreign Office (hereafter UK FO), \textit{Report for the year 1889 on the trade of Hakodate}, 4.
as a treaty port reminds us that Western commercial interests backed by gunboat diplomacy were far from all-encompassing.

**Hakodate as a port of call, 1854–59: early encounters and trade**

Western ships had previously visited Hakodate prior to the Perry Mission. Russian vessels were frequenting the waters around Hokkaido by the late eighteenth century, and it was this Russian presence that first produced a more marked interest on the part of the Bakufu in border demarcation and Ezo affairs, prompting it to place Ezo under its direct control in 1799. This move was augmented in 1802 with the establishment of the Hakodate magistracy (Hakodate bugyō)—the administrative arm of the Bakufu’s presence in Ezo—which marked the start of Hakodate’s rise to prominence. Still, this threat eventually subsided, and in 1821 the Bakufu felt comfortable enough with the situation to return the guardianship over Ezo to the Matsumae domain, abolishing the position of Hakodate magistrate. In the interceding period, however, Hakodate had most likely become the second largest settlement in Ezo, second only to the Matsumae clan’s castle town. This was a position that Hakodate would soon regain as the Bakufu once again established the Hakodate magistrate in July 1854, less than two months after Perry’s visit, and in April 1855 placed most of Ezo under its direct guardianship.

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*Fig. 2: Map of the harbour at Hakodate in 1854 produced as a result of the survey conducted by Perry’s squadron. Source: Hakodate City Library, Hakodate.*
Two previous Russian visits to Hakodate had been carefully managed by the Bakufu since ample forewarning had been given prior to the arrival of those foreign visitors. In contrast, the visit of Perry’s squadron to Hakodate came as a complete surprise to the town’s commoners and officials alike, both because of the size and appearance of the fleet, and because the visit was completely unannounced. Just four days prior to their arrival in the northern port, Perry’s steam-powered vessels had left Shimoda, determined to examine the other port that their treaty had declared immediately open to American visitors. This meant news of the treaty was yet to reach Hakodate by way of the overland post when Perry’s squadron arrived. Robert Tomes, who was aboard one of the American ships, describes the scene:

Great consternation was produced among the people of Hakodate by the arrival of the American squadron in their waters. The inhabitants hurried out of town with their backs and their horses loaded down with goods and valuables; and as soon as the steamers came to anchor, some of the Japanese officials pushed off and boarded the ships. They showed marks of great anxiety on their arrival, and asked with very evident concern, the purpose of the American visit.15

With the ink barely dry on the treaty, Matsumae officials were caught off guard and were certainly unaware of the rights of the Americans to call at the port. As such they took no chances, working to stall an American landing while in the meantime ordering the port’s population to hide themselves and their property. With the treaty in hand, there was little the Matsumae officials could do, and after testing Perry’s patience for a few days, they finally relented and groups of the crew were permitted to come ashore. This did not prevent the authorities’ attempts to limit the interaction between their guests and the local population. George Preble, who came ashore, remarked in his diary:

We have not seen a woman in Hakodate. The soldiers who attend all our rambles send one of their party ahead to shut all the houses, and drive the women indoors. We often notice little holes torn in oiled paper windows and imagine the sharp eyes of the Japanese fair are peeping through them at the terrible rough bearded strangers.16

15 Tomes, Americans in Japan, 312.

Perry’s squadron prolonged its stay from a few days to a couple of weeks, surveying the bay and exploring the immediate vicinity, and as word came in from Edo confirming the treaty, the town’s population was allowed to go about its business as usual. As Hakodate returned to a semblance of normality, Tomes analysed commercial activity in the port:

> It is a place of considerable commercial importance, and carries on a large trade with various ports in Japan and the interior of Yesso [Ezo]. Fleets of junks are constantly engaged in carrying dried and salted fish, prepared seaweed, charcoal and deer’s horns, the products of Hakodate and the neighboring country, and bringing back rice, sugar, tea, tobacco, silks, cloths, lacquered ware, cutlery, and whatever else there may be a market for in the town and in the interior. During the short stay of about two weeks of the American squadron, over a hundred junks sailed from Hakodate for various southern ports in Japan. The inhabitants are mostly engaged in occupations connected with the water, and are either merchants, sailors, or fishermen.\(^\text{17}\)

The initial treaty was one of friendship rather than commerce, but it contained the ambiguity that visitors would be able to acquire provisions, and even if trade was not open, per se, commercial interactions became inevitable, and with them came disputes. We can easily imagine the difficulty in conducting transactions that must have resulted from the language barrier and different currencies, but also in the basic practices in which goods were marketed and purchased. Another crew member, Edward York, remarked:

> When they buy anything off each other, they sit down and talk it over for hours, and if the purchase is large, perhaps days, consequently they are somewhat astonished to see one of us walk into their shops, wanting nothing in particular, but making a pile of everything within his reach, asking the price of it all, paying the money down, disdaining small change and walking off without more ado.\(^\text{18}\)

The aggressiveness of the American buyer and his willingness to spend so much on nothing in particular must have simultaneously surprised and impressed Hakodate retailers. Indeed, Preble noted in his diary

\(^{17}\) Tomes, *Americans in Japan*, 314.

\(^{18}\) Plutschow, *Historical Hakodate*, 38.
that “the officers have a perfect favour for the purchase of Japanese things, and buy everything handsome or ugly, useful or useless, curious or ordinary.” Nonetheless, as the treaty did not yet permit trade without state supervision, the authorities oversaw transactions and sought to control both the scale and types of goods sold. This meant that officials (yakunin) often interfered in transactions, and their presence made many traders reluctant to deal with foreigners. In the earliest encounters, these issues sometimes led to confrontations between officials and foreigners. An engineer from one of Perry’s ships, for example, insisted on purchasing some Japanese cards that a shopkeeper did not want to sell. The intervention of a two-sworded man (a yakunin) in this case was met with violence on the part of the foreign buyer with the engineer kicking the yakunin in “the baggy part of his unmentionables […] to the great amusement of the shopmen [and] bystanders.” The immediate result was that the engineer “could get anything he wanted, and has the best collection of lacquer on board.”19 However, this was not the image that either side wanted to present and was a cause for embarrassment for both American and Japanese authorities alike. The solution to such regrettable disputes in the shops and alleyways about the town was to establish a specific bazaar held in closed-off temple grounds where foreigners could come to purchase goods under the watchful eyes of officials of both nations. Transactions here, though more restricted, carried the advantage that they would reduce the embarrassment caused by undignified behaviour of foreign crews by removing trade from the public eye.

Once the Bakufu had taken over the port again in July 1854, it strengthened this bazaar system, and, as it was allowed to do under the treaty, insisted that all transactions would have to go through them. Many foreign visitors would comment on how their attempts to purchase something in the streets in or around Hakodate were often met with failure. Perry McDonough Collins, a crew member aboard a Russian survey and diplomatic mission, observed the people were “strictly prohibited from trading with foreigners,” which meant “any article or commodity selected in the shops or stalls must be sent to the bazaar of the temple, where officers of government arrange with you for payment.”20 Many visitors suspected this arrangement allowed officials

19 Ibid.
to take a cut from such transactions. The aforementioned crew member alleged that “officials pay the merchant his ordinary price and pocket the difference paid by the purchaser,” which if true, would have cut the potential profits that local merchants could have obtained from transactions with foreign visitors. Freer commercial transactions would have to wait until July 1859, when the amended treaties officially permitted trading relations.

Prior to the commencement of open trade, Hakodate slowly settled into its new international role as a port of call for American whalers and foreign (predominantly Russian) naval vessels. Since few foreign ships visited, the main economic activity sustaining the port’s population continued to be supplying various marine products to southern Japanese markets. The number of foreign ships calling at Hakodate at this point was very low. In 1859, Alcock remarked that Hakodate “at present [is] chiefly used by whalers. The year previous [1858] thirty called in, twenty-nine American and one French—no English.”21 The traffic of men-of-war was much lower—rarely exceeding ten entries (some ships entered multiple times, inflating the figures)—although their presence was more worrying for the Bakufu. These too mostly called on the town mainly to procure supplies. Before Hakodate was open to international trade, its harbour would seldom have hosted two or more foreign vessels at once, alongside numerous Japanese vessels. McDonough Collins described economic life in the harbour as follows:

During our stay there were from four to five hundred junks in the harbor, frequently fifty arriving or departing in a day according as the wind favoured them. Their [domestic] import cargoes consist of rice, and articles of the growth, produce or manufacture of the southern islands, while their [domestic] export cargoes consist principally of fish, sea cabbage, furs, skins, lumber and timber, and various objects the produce of the sea. Their domestic trade is all regulated by the proper offices through the custom-house, and all their affairs appear orderly and well regulated. In their shops you find a considerable variety of objects [...] we procured potatoes, onions, tomatoes, eggs, chickens, fish, apples, pears, tea, lacquered ware and silks [while attempts to procure rice were rebuffed].22

21  Alcock, The Capital of the Tycoon, 249.
22  Collins, A Voyage Down the Amoor, 325–326.
Evidently, domestic trade dominated commercial transactions. Nevertheless, foreign visitors still proved disruptive. The oftentimes rowdy behaviour of the crews of foreign whaling ships, who under the treaty did not come under Japanese jurisdiction, was a cause of concern. There were also problems in procuring all of the goods demanded by foreign visitors, especially in maintaining the supply of meat, and as a result, “the crews of whalers were chiefly fed upon deer and bear’s flesh, as the cheapest meat.”

Yet as Hakodate was opened at just the time when the North Pacific whaling industry entered a period of terminal decline, the number of visits of whalers was never substantial. Indeed, the decline was compounded by the outbreak of the US Civil War, resulting in a halving of the annual number of visits of US whaling vessels in the 1860s from the thirty or so that had typically called in each year in the late 1850s. With reduced demand, the port was able to fulfil the role of procuring supplies for whaling vessels with relative ease.

Needless to say, visits of foreign men-of-war were the cause of most concern. This was especially the case because Japan’s commercial and territorial interests north of Hakodate, such as Sakhalin (Karafuto) and the Kurile Islands (Chishima), were claimed by Russia, the same nation whose gunboats were the most frequent guests of Hakodate’s bay. The fear of foreign imperial encroachments on the northern extremities of what Japan considered its realm proved the most tangible aspect of Hakodate’s physical transformation before the Meiji era. Hakodate needed strong defences, which resulted in the commencement of several construction projects. Most notable of these was the construction of a star-shaped fortress, known as Goryōkaku, which was based on out-of-date French designs à la Sébastien Le Prestre de Vauban, and the construction of a smaller fort sitting at the entrance to Hakodate Bay—the Benten Daiba. Although these projects proceeded slowly, they and other public works built under the auspices of the Bakufu’s Hakodate magistrate, brought in a large, if transitory, influx of population. Admittedly, this was not always to the benefit of public order, as attested to in a British consular report:

The opening of this port to European intercourse, and the numerous public works commenced by government, but never completed, enticed numbers of labourers, idlers, and fortune-hunters from all parts of Yesso and the north of Nipon to honour Hakodadi with their presence, and without wishing

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to assert that immorality is more general here than in any other part of Japan, I must confess that the population of this port undoubtedly consists of the scum of the inhabitants of the surrounding country. This fact serves to explain the behaviour of the Japanese towards us; the conduct of the Europeans, who reside here, although not blameless, has never been such as to engender hatred towards the whole race.25

Before the opening of the port to trade, a year-round foreign population of Hakodate was virtually non-existent. There was a transitory population consisting of the crews of whalers and naval vessels, but only a handful of foreign consular staff actually lived in the town. The first of these was the American commercial agent Elisha Rice, who arrived in Hakodate aboard a whaling vessel in September 1856.26 His appointment came with a small, even paltry salary, and so he would later gain a reputation for using his office to support his commercial activities, much to the chagrin of his peers. In the early years, his main task as commercial agent was to keep order amongst the rowdy crews of American whaling vessels, and perhaps this is the reason why the burly Rice—allegedly over two meters tall—was selected for the role. In his despatches, Rice often complained about this troublesome task. In one case, he described one particular crew with the remark “a more vicious, abandoned set of men I never saw.”27 As the Japanese authorities had no real authority over these foreign nationals due to extraterritoriality, Rice was largely left to deal with them alone.

Lengthy periods of toil at sea meant whaling crews were given to behaviour of plunder and excess when on shore. Rice described their theft of liquor and how “they entered dwelling houses and stores at pleasure and helped themselves without offering to pay—[for they had no money] and if any resistance was offered [they] would beat the owners and otherwise mistreat them.”28 His arrests of several whaling crew members in often violent circumstances for molesting the Japanese

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25  UK FO, Commercial reports received at the Foreign Office from Her Majesty’s consuls between January 1st and June 30th, 1862, 112.
27  Despatches from US Consuls in Hakodate, Japan, 1856–78, despatch dated June 30, 1858.
28  Ibid.
population may have drawn scorn from his peers, but they certainly did not envy him. Still, for all his rough justice, Rice gained a more favourable reputation among the Japanese population for publicly defending them against his own countrymen, as well as for his efforts to teach English to his Japanese staff and study-minded officials. He was the first foreign representative to build a strong relationship with the local authorities and they often acted on his advice. It is thought that it was Rice’s suggestion that led to the building of a brothel specifically geared toward a foreign clientele, having argued that such an institution would help control the public nuisance of rowdy whalers and sailors while simultaneously earning the town money. In March 1858, after receiving a positive response from the Bakufu in Edo to the proposal that confirmed the existence of a counterpart brothel in Shimoda, the Hakodate magistrate built this new licenced quarter. This decision came on the back of Rice’s more personal request for the “assistance” of a young Japanese female, made a few weeks after his arrival. This assistant, named Otama, served as Rice’s maid and mistress for several years, and is said to have received a substantial salary—most of it going, no doubt, to her otherwise poor parents—although later their relationship turned sour, and there are conflicting reports as to whether she ran away or was discarded by Rice. The story of Rice and Otama was not an exception, as some later merchants maintained Japanese mistresses. However, these arrangements, as well as the establishment of a licenced quarter specifically for foreigners, showed the extent of demand and a concern on the part of the local authorities that sexual relations could be potentially disruptive and thus required a degree of management. The local Japanese government took the initiative to regulate and control this particular commercial activity, compelling a handful of existing

29 Hodgson described him as “a man whose arm, as once used here and reported to Mr Harris, is a bowie knife, and whose companions are handcuffs and pistols.” UK FO, FO 262–264, despatch dated January 25, 1860.

30 Collins, A Voyage Down the Amoor, 325.

31 Ryūsen Sudō, Hakodate Kaikō Monogatari (Sapporo: Hokkaidō Shinbunsha, 2009), 133–137.

32 Ibid., 150.

33 The ultimate decision itself was also first referred to Edo, and arrangements were then made for Rice to select his “assistant” from among a handful of women from the town’s licenced quarters. His choice, a twenty-one-year-old Otama, was then subject to a closer inspection at bath time, before being taken up into his staff—against her will, as an unknown artist’s impression would have it: http://archives.c.fun.ac.jp/fronts/thumbnailChild/reservoir/1810629921 [Accessed on April 17, 2018].

34 Sudō, Hakodate Kaikō, 150–156.
prostitutes to serve the crews of foreign whalers and men-of-war for the sake of maintaining peace and public order.\textsuperscript{35}

In the 1850s, however, the new licenced quarter was the only obvious sign of urban construction that was directly a result of foreign intercourse, sexual or otherwise. In 1857, Edo had ordered that a foreign settlement like Nagasaki’s Dejima be built on reclaimed land just off the harbour; however, as Hakodate’s population of foreign residents was virtually non-existent at that time, the work was postponed. By the time it had begun again, the handful of Western merchants who had come to the port had already taken to living amongst the local residents. Thus, when the land-reclamation was completed, the lots earmarked for the foreign settlement were utilized for the construction of warehouses (godowns) by both Japanese and foreign traders rather than for residences.\textsuperscript{36} Foreign consuls in this period took up residence and conducted consular affairs in local temples, and almost a decade would pass before foreign-style consulate buildings appeared, giving the town a more cosmopolitan appearance. The only evidence of foreign life visible from the seafront were the American, British, French, and Russian flags flapping in Hakodate’s infamous winds, albeit from a mast in the grounds of a native Buddhist temple. The US consul, Rice, was based at Jōgenji Temple, and in November 1858 he was joined by an experienced and scholarly Russian consul, named Goshkevich, a veteran of the 1855 Russian Mission to Japan. Like the American consulate, the Russian equivalent initially resided in the grounds of Jitsugyōji, another local temple, as did the first British consul, Pemberton Hodgson, who came to Hakodate in 1859 with his wife and child.\textsuperscript{37}

The imprint left on Hakodate from this early period of interaction as a port of refuge and supply was not fully transformative. Hakodate’s physical landscape was changing with the attempts to reinforce defence; however, save for a brothel, few buildings had emerged as a direct result of foreign contact. The most noticeable difference must have been in the increasing (if not entirely new) disturbances of transient populations from foreign and Japanese shores. These included drunken foreign sailors and whalers, but also Japanese construction workers from the south who had come to build Hakodate’s fortifications. Such sojourners added to the long-established, regular stream of migratory labourers from the

\textsuperscript{35} Ibid., 150–160; Hakodate-shi, \textit{Hakodate-shi shi}, 2:1391.

\textsuperscript{36} Hakodate-shi, \textit{Hakodate-shi shi}, 1:596–598.

\textsuperscript{37} Ibid., 152–156.
northeast of Japan’s main island who came to work the fisheries in Hakodate and its vicinity, swelling the area’s population for a few months each year.\textsuperscript{38} With such little obvious sign of its new connection to the wider world and so few foreign residents, the newly arrived British declared, “I found little progress had been made […] Hakodate, nominally opened, was as hermetically sealed as in the days of the Portuguese.”\textsuperscript{39} This sense of Hakodate’s de facto isolation was shared by his superior, Rutherford Alcock, who had travelled with Hodgson to Hakodate in order to help him secure a suitable site for the consulate. Indeed, as he departed Hakodate, Alcock pitied the fate of Hodgson, who would now “be left alone, with one British subject to govern, and only two American citizens, and a Russian Consul with his staff for all society.” He continues: “I could not help thinking the bay must look desolate enough when no European ship is in its waters, and only half a dozen people of European extraction on shore! […] I could only hope the Consul of Hakodadi might carry within him, and about him, something to compensate such utter isolation and banishment in the prime of life.”\textsuperscript{40}

**Hakodate as Tokugawa open trading port, 1860–68**

The commencement of trading relations in July 1859 would eventually bring a more regular stream of visitors to Hakodate, increase its foreign population, and connect it to wider markets. However, this expansion was far from extensive. In effect, international trade consisted almost exclusively of the export of marine produce to China, usually conveyed in the ships of Western merchants to Shanghai, Hong Kong, Tientsin, or to any of those ports via Nagasaki or Yokohama. The domestic trade in these products saw Japanese coastal sailing vessels (*kitamae bune*) carry the products port-to-port on journeys that often terminated in Osaka, the Japanese capital of commerce. By all indications, these coastal shipping networks continued to be the main outlet for the fruits of Ezo fisheries, and whilst the opening to international trade had provided new outlets for this produce, it would be a mistake to suggest that it was a catalyst in Hakodate’s expansion. Under the Bakufu, Hakodate had already become established as a key distribution hub and clearing house for Ezo marine products. The first British


\textsuperscript{39} Ibid., 98.

\textsuperscript{40} Alcock, *The Capital of the Tycoon*, 250. In fact, Hodgson requested to be reassigned during his first winter at Hakodate, see: UK FO, FO 262–264, despatch dated February 27, 1860.
consul, Hodgson, who came at the beginning of the port’s opening to trade and stayed only one year—thus leaving before international trade could have a significant impact—remarked that there were “innumerable fishing villages” around Hakodate and that “the amount of seaweed is really incalculable; from Hakodate to Yenanai […], quite sixty miles if we follow the curves of the bays […]; every available inch is covered with it.”

Thomas Blakiston, a British merchant involved in running the goods to the Chinese market, knew that the large part was “carried to other ports in Japan by junk” (most likely he was referring to kitamae bune) and only what was left was “bought up by foreign merchants and exported to China, where the consumption of such food is large.” The items of trade in Hakodate thus did not change much as a result of the port’s opening to international commerce and neither did the economic structure of the area. If anything, the foreign trade only reinforced Hakodate’s position as a hub for the export of Ezo marine products, which gave the town its distinct character and smell. Blakiston recalled his impressions when he came to Hakodate in the mid-1860s as follows:

On my arrival at Hakodate, I was at once made aware of the principal occupation of the inhabitants, and the consequent trade of the place, by the all-pervading stench of dried fish and seaweed; in the streets, in the houses, on the mountain side, everywhere the same scent haunted me of fish, shell-fish, and seaweed, fresh, drying, and dried. Even like the eternal cocoa-nut oil in Ceylon, the food, the water, and everything one touched, seemed to be scented in the same manner. At every fishing village on the coast, the shingle is strewed with fish in different stages of decomposition, and kelp is hung out on poles; while oil is extracted from a certain small fish and put up in tubs for market, so that it is easy to detect the existence of a Japan Yarmouth at a long distance, entirely by the nose.

If Hakodate had not changed much in outward appearance, trade, or indeed in smell, then this was partly a result of the only modest influx of foreigners to the port after it was opened to trade, a flow that

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43 Ibid., 5.
seems especially small when compared to other treaty ports in Japan. The 1867 guide to open ports in China and Japan said Hakodate had “no regular European settlement”\(^4\) and the *Chronicle & Directory for China, Japan, & the Philippines* lists only thirty-four in 1868. Despite the paucity in numbers, a sense of community was said to have developed among the foreign community in Hakodate, even if they were not held in high esteem by the residents of other treaty ports, nor by their resident consuls.\(^4^5\) Blakiston describes the community’s size and camaraderie, placing the reason for this unity as a kind of opposition to the Japanese, who he refers to in derogatory terms in language typical of the European treaty porter:

> The number of foreigners (foreigner being the name by which all Europeans and Americans are known in the Far East) at the port of Hakodate when I visited it, inclusive of merchants, consuls, a Roman Catholic missionary, and some other residents, did not number over twenty, of which but four were women, two of whom were Russians. There was generally a Russian vessel of war lying in the harbour, which added its officers to the society of the place, and its drunken sailors to the streets of the town. Naturally, in so small a community, all nationality was dropped, and the residents were more like the members of one family, such etiquette as formal invitations and calls being discarded, for the more open and cordial hospitality induced by a common feeling of being strangers amongst a treacherous and deceitful race; and all seemed to look to one another for mutual protection.\(^4^6\)

At this point we might ask why a more sizeable foreign community did not emerge in Hakodate. The most obvious explanation would be that the remoteness of the place added to costs, and also, that the types of product produced in Hakodate’s hinterland were those in which European traders had little experience and faced substantial existing competition. An agent of Jardine, Matheson & Co., who visited Hakodate to assess its potential as a trading port, concluded that it “was quite certain there would be no business worth looking after.”\(^4^7\) The failure


\(^4^6\) Blakiston, *Japan in Yezo*, 5.

\(^4^7\) Quoted in Cortazzi, *Victorians in Japan*, 37.
of early foreign ventures such as Dent & Co. and Lindsay & Co., who speculated in 1859–60 in acquiring lumber via Hakodate, confirmed these derisory assessments. These investments were made in order to feed a Shanghai housing boom, but they encountered bottlenecks in supply at Hakodate, and eventually a fall in prices at Shanghai left both firms with “heavy losses.”

Without any major firms able or willing to setup in Hakodate, the foreign community consisted of only a handful of consuls, missionaries, and merchants. These merchants were unable to get a foothold in any particular trade, and instead became somewhat specialized in the shipment of cargo to distant markets due to the advantages in speed and reliability that their ships gave them over the native junks.

The main explanations foreign merchants and consuls gave for the “dullness in trade” were government interference in markets and a lack of local demand. In a commercial report, Hodgson stated that “the people are for us, but the government is against us,” and although this was rather cryptically put, it was a sentiment that would be repeated in virtually every commercial report in the 1860s. Hodgson’s replacement, John Enslie, would allege that the government controlled trade in various marine products through a handful of firms, which he called “mere creatures of government” and whose “rights are so strictly maintained that no other person has ever been known to infringe this privilege.” Consuls also suggested that the government covertly raised duties on foreign imports to levels far in excess of those stipulated in the treaty, collecting “an extra duty of twenty per cent […] from the Japanese merchants, before they are allowed to sell European merchandise to their countrymen.”

Added to the charges of monopoly, exactions and hidden barriers to trade levelled against the authorities were others berating the Bakufu for its resolve to keep a watchful eye over all transactions. This included complaints about the authorities’ power to interfere by making it a requirement for Japanese merchants to obtain official permission in order to transact with foreigners. The power

48 UK FO, Commercial reports 1862, 109.
49 UK FO, Commercial reports from Her Majesty’s consuls in China, Japan, and Siam, 1866, 7.
50 UK FO, Commercial reports 1862, 109.
51 UK FO, Correspondence respecting trade with Japan, 1860, 7.
52 UK FO, Commercial reports 1862, 109.
53 Ibid., 111.
of this position, it was said, also made it possible for the authorities to “claim an exorbitant percentage or squeeze” on such transactions.\textsuperscript{54}

On one such occasion in 1863, a Prussian merchant named Gärtner (an agent of Kniffler & Co.) entered into a contract to purchase silk from some merchants from the Nanbu domain. The terms of the contract were five thousand Mexican silver dollars in advance; but as security for this sum advanced, should the contract not be fulfilled, Gärtner required a lien on their property in Hakodate. The contract was then taken to the custom house, and shown to the officials, who it is claimed “became indignant that it had been made without their interference.” The officers in charge then demanded that unless they received one thousand kobans, the contract would be terminated and they would be reported to the governor for “having given a foreigner security upon their land and houses, which, he said, was a disgrace for any Japanese to have done.”\textsuperscript{55} Experiences like these led many foreign merchants and consuls to conclude that “reports spread about the generality of Daimios being opposed to foreigners is erroneous” and that instead these reports were spread by the Bakufu “for the express purpose of preventing any possible intercourse with them, and guarding more jealously the monopoly of foreign trade which the Tycoon [the Bakufu] enjoys.”\textsuperscript{56}

Merchants themselves would complain about the manipulation of exchange and unfair treatment on the part of the Japanese authorities when it came to disputes between Japanese and foreigners. British merchant and long-term resident, Alex Porter, suggested to his consul that “in cases of dispute between foreigners and Japanese, as in cases of contracts or otherwise, it is but poor satisfaction the foreigner gets generally [...] they will prolong a case and make it as tedious as possible, throwing every difficulty in the way.”\textsuperscript{57} This sentiment was shared by the aforementioned Prussian merchant who also suggested that officials would act “sooner injuring than favouring the trade of foreigners.”\textsuperscript{58} A French counterpart, Denis, concurred, remarking that “my opinion of the government of Japan is, that they do all they possible [sic] can to mar the trade with

\textsuperscript{54} UK FO, \textit{Commercial reports received at the Foreign Office from Her Majesty's consuls between July 1st, 1863, and June 30th, 1864}, 141.

\textsuperscript{55} Ibid., 141.

\textsuperscript{56} Ibid.

\textsuperscript{57} Ibid., 143.

\textsuperscript{58} Ibid., 146.
foreigners.” The complaints of merchants, particularly the British, were also directed at the ineffectiveness of the local officers of their own governments, i.e. the consuls who were supposed to protect their trading interests and enforce their treaty rights. Blakiston offers the clearest expression of this widely held view among merchantmen that a combination of Japanese customs officials and foreign consuls effectively strangled their potential to turn a profit in Hakodate:

Speaking of the custom house, at that time, I should mention that all business with foreigners was transacted by that department; and a great deal of annoyance and inconvenience often caused merchants by the petty matters which were brought up by the Japanese officials as grounds of complaint, which had ultimately to be settled with the consul, or, as was the case with almost everything, referred to the central government at Edo. During my stay at Hakodate I saw a good deal of these difficulties; and I found that our consuls, feeling that they might not be backed in straightforward and firm conduct by the minister at the capital, were forced to have recourse to diplomacy, at which the Japanese invariably beat them; or when there was any doubt, which there often may be with respect to the trade regulations of a patchwork treaty, they sided with the Japanese. Such is, of course, very disagreeable to mercantile men, and great and frequent were the complaints against the mode in which British interests were looked after in Japan. The Americans often managed better; for the hands of the consuls not being so tied down by strings of regulations and cautions [read: the American position was as commercial agent rather than consul], they frequently took a very effective mode of settling a difference.

Besides government interference, there were other salient obstacles to establishing a profitable foreign trade in Hakodate. Among these was the fact that Japanese merchants often lacked the capital, or were unwilling to risk what capital they had, in transactions on the scale required for foreign firms to turn a suitable profit; likewise, there were few foreign firms willing to advance large loans to their Japanese counterparts. On numerous occasions, contracts were not fulfilled, and this in turn created a “mutual distrust” between Japanese and foreign merchants.

59 Ibid., 147.
60 Blakiston, Japan in Yezo, 7.
According to the British consul, the blame for this situation appears to have fallen on both sides, but ultimately the result was disastrous for foreign merchants, as the Japanese already had an available market for their produce elsewhere in the archipelago. The consul concluded that, as “several large firms have experienced considerable losses through their contracts with English and American merchants [...] many Japanese are unwilling to transact business with foreigners, and prefer to trade with their countrymen; for although the profits they realize are infinitely less, they do not risk their capital.”

For Japanese merchants considering the degree of risk involved and faced with capital scarcity, the domestic trade carried in junks to ports throughout the country still held its appeal in the mid-1860s. Few Hakodate merchants—who had the key to the export trade as they controlled access to the principal export items—were willing to entrust the bulk of their cargo to foreign merchant houses.

Another fundamental problem of foreign trade in Hakodate was its unbalanced nature, with exports dominating the trade (figure 3). Imports were faced with “little or no demand” due to the limited population of

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61 UK FO, Commercial reports 1863, 204.

62 Ibid., 205.
Ezo, and because the small volume of items of foreign manufacture
which were on view in Hakodate tended to be imported from elsewhere
then transhipped to Hakodate. Until the Boshin War of 1868–69
and thereafter, exports continued to make up more than three quarters
of the trade in value of Hakodate, and in some years exceeded ninety
percent of the total. Approximately three quarters of exports were
comprised of marine products, principally *konbu* (kelp), and almost
all of it was destined for the Chinese market. Foreign trade had yet
to alter the fundamental pattern of Hakodate’s domestic trade in which
marine products made their way out, and a supply of rice—not yet produced
in Ezo—and a range of other types of southern produce made their
way to Hakodate from the rest of Japan. Foreign merchants were unable
to carry a significant import trade themselves to Hakodate. As the
British consul aptly observed, “Hakodadi depends greatly upon Nipon
for all the necessaries of life,” and so as in the export trade, foreign
merchants only tended to play a role in imports by handling the cargo
of Japanese merchants. With foreign traders unable to offer much in
terms of produce to sell on their own account, the fundamentally
unbalanced nature of external trade in Hakodate ate into profits, and thus
did not give rise a sizeable foreign mercantile community. Gärtner described
the situation in 1864 as follows:

The best proof of the little or no prospect of Hakodadi trade
is that after five years being opened for foreigners, only six
merchants thought it advisable to go into business here, out of
which one, agent for one of the finest houses in China,
liquidated and left last year, of course, only for the simple reason
that the business would not pay.

One way in which the small foreign mercantile community was able
to survive was through smuggling. This practice was so common
that the British consul admitted in his commercial report for the year
1865 that “the whole trade of Hakodate is nearly all done by smuggling.”
Rather typically of British consuls, he added that such practices came
as a “consequence of the manner in which the Japanese Government
interfere where they should not,” and he also alleged that the
government was in on the act, referring to “instances on record in which
the Custom-house officials have gone to the houses of foreigners at night.

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63 UK FO, *Commercial reports 1864*, 143.
64 Calculated from several British consular and commercial reports.
65 UK FO, *Commercial reports 1864*, 146.
in order to sell some copper, the sale of which is prohibited.” The American consul, Rice, concurred about the smuggling out of prohibited goods—though he was also suspected of facilitating and profiting from it himself—stating that “every foreign merchant here, is more or less guilty […] I have known eleven hundred (1,100) piculs of rice to be smuggled on board of a foreign vessel in one night, and not one leaves this harbour with less than three to two thousand piculs on board.” A British ship’s captain who certainly was in on the act explains such practices (in somewhat broken English, the errors are as they are in the original) as follows:

More than half the taxable stores were Smuggled on shore every Voyage we made to Hakodate all free articles were landed in the regular way to avoid suspicion when leaving the ships with Smuggled goods if the officers were around we used to stand out the harbour with the boat when far enough away tacked and stand in shore we never were caught […] after landing our stores we would be taken to certain places by a guide and shewn were the packages (of copper coins) were hid, sometimes in Grave yards, and we backed them down to the boat.

Blakiston, who is also known to have engaged in smuggling, explains in more detail the types of goods that were smuggled and the reason why copper in particular was a particular source of profit:

At that period the duties on exports and imports were generally five per cent, ad valorem, with the exception of wines and spirits, on which it was 35 per cent; while the import of arms and munitions of war was prohibited, as well as the export of grain, copper, and a few other articles. On account of the low value of copper in Japan, a good deal of the native copper cash was smuggled to China, where, being very similar to the Chinese cash, it passed current. The duties on spirituous liquors were also seldom paid, resident merchants being allowed to land as stores what they required for their own consumption, and, owing to the prohibitory tariff, the rest was smuggled.

66 UK FO, Commercial reports 1866, 7.
67 Despatches from US Consuls in Hakodate, Japan, 1856-78, despatch dated December 31, 1863.
68 Plutschow, Historical Hakodate, 130.
69 Blakiston, Japan in Yezo, 7.
Fig. 4: Number of Foreign Ship Visits to Hakodate Port by Country of Origin, 1863–72. (Note: multiple port calls by a single vessel were counted multiple times). Compiled from British consular and commercial reports.

All kinds of goods were smuggled in and out of Hakodate. In one infamous example in 1866, the staff of the British consul, with the consul himself the ringleader, were implicated for smuggling Ainu bones out of Hakodate.\textsuperscript{70} The Ainu remains had been dug up one night from a graveyard on the edge of an Ainu village around Mori, some thirty kilometres from Hakodate, and although the culprits thought they had got away with it, as it turned out, they had been watched by some villagers who then informed the Hakodate magistrate. With a growing interest in Europe about the mysterious Ainu people—who some contemporary scientists thought might be a lost tribe of Israel—their skeletons were potentially lucrative items as specimens of study. Having been informed of the grave robbery, the magistrate raised the issue with the British consul, demanding the return of the bones and the punishment of the culprits. Consul Vyse tried to play down the affair but was ultimately pressured into presiding over a court case. Predictably, the case was dismissed by Vyse due to lack of evidence and the trial was itself little better than a cover-up, as some of the assessors were accomplices in the crime. Suspecting as much, the Hakodate magistrate referred the case to Edo a second time. Eventually, the three accused decided to confess, and Vyse reopened the case and found the three accused guilty, carrying the punishment of twelve to eighteen months with hard labour. Yet some of the bones had still not been returned and, it was claimed, had been thrown into the sea. Further investigations revealed that they had been sent

\textsuperscript{70} For the full papers of the British investigation following this incident see: UK FO, FO 46/88.
back to England to Vyse’s brother, who it appears was in contact with the British Museum about acquiring the items. Vyse was forced to resign, and the affair was finally settled in May 1867, when three boxes containing “one body, three heads and trunks” were returned to the Ainu village concerned by the British Minister to Japan and some compensation was paid.\(^\text{71}\)

The Ainu bone scandal left a bad impression on the native inhabitants of Hakodate. What this case also highlights is the blurred line between consul and merchant, with the British consular staff embroiled in illicit trading activities. The dullness of regular trade was partly behind the prevalence of smuggling, and the result was that only a modest growth in foreign traffic was observable in its first decade as a treaty port. In 1861, the British consul counted thirty-two foreign merchant ships or whalers in his returns for the year, besides sixteen visits by men-of-war. In 1862, there were 37 merchant and whaler visits; in 1863, 43; 1864, 74; 1865, 45; 1866, 55; and 1867, 61 (see figure 4). This was by all accounts a slow and uneven growth in traffic (especially when contrasted with Yokohama), which according to official returns had not yet reached a million Mexican silver dollars in value by 1867. Indeed, the only years in which the official trade of Western merchants at Hakodate did exceed this figure was in 1869–70; with the peak of 1.8 million Mexican silver dollars coming in 1869, a year in which Hakodate had become a war zone.

**Conflict as business opportunity: Hakodate under the “Ezo Republic” 1868–69**

The Meiji period started in 1868, when the southwestern domains (re)instated imperial rule via a coup d’état. In subsequent battles, they defeated Bakufu troops and an alliance of domains from northeastern Honshu in the Boshin War.\(^\text{72}\) The new government, which toppled the Tokugawa regime, had established itself in Ezo in the midsummer of 1868—a time when battles were still raging in northeastern Honshu. The budding Meiji period in Ezo was, however, briefly and violently interrupted. Between December 1868 and June 1869, a group of three to four thousand Tokugawa retainers—unhappy with their clan’s treatment after their leader surrendered authority to the Emperor—joined by some...

\(^{71}\) Cortazzi, *Victorians in Japan*, 44–45.

\(^{72}\) For a detailed account of the Boshin War, see Tōru Hoya, *Boshin Sensō* (Tokyo: Yoshikawa Kōbunkan, 2007). For the final phase of the Boshin War, i.e. the battle of Hakodate, and the fallout, see Takehiko Higuchi, *Hakodate Sensō to Enomoto Takeaki* (Tokyo: Yoshikawa Kōbunkan, 2012).
others fleeing the conflict in the northeast, descended upon Ezo under the leadership of Enomoto Takeaki (also known as Enomoto Kamajirō), the vice-admiral of the fledgling Tokugawa navy. In Ezo, Enomoto hoped to gain recognition for his plan to establish the island as a semi-independent Tokugawa domain, which would both recognize imperial rule and serve it. He aimed to achieve this by taming the island’s wilderness and converting it into a productive agricultural realm, which would in turn protect Ezo from Russia. Enomoto petitioned the new imperial government on several occasions to this effect, only to be rebuffed.

In the meantime, Enomoto and his followers set up a government—which has somewhat misleadingly become known as the “Ezo Republic” (Ezo Kyōwakoku)—and gained recognition from the foreign consuls in Hakodate as the de facto authority in Ezo.73 The administration established in Ezo was in some ways strikingly progressive for the time, and, it is alleged, they held Japan’s first democratic elections, albeit with an electorate limited to the higher ranked samurai. After pacifying resistance in Ezo, the newly elected president (sōsai) of Ezo, Enomoto, moved quickly to re-establish trade and diplomacy in Hakodate, and set up his headquarters at the Goryōkaku fort in nearby Kameda. Well aware that his prospects for reconciliation with the new Meiji regime were slim, Enomoto sought to entangle foreign powers in the dispute and garner their sympathy so as to improve his bargaining hand. Enomoto had spent

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a number of years as a student in the Netherlands, having been despatched by the Bakufu, so he spoke Dutch fluently and English at a reasonable standard. But his training had not been limited to language; the actual purpose of his visit to the Netherlands was to learn military strategy as well as the workings of diplomacy and international law. The American consul, Elisha Rice, described Enomoto’s regime to the American Minister to Japan as follows: “[they] have conducted the affairs of government in a most satisfying manner […] [and are] much more liberal and enlightened than either the previous or present governments.”

The intellectual and diplomatic credibility of this Ezo regime went together with a formidable military force, which included some of the best trained troops in the country and included a group of renegade officers of the French military mission to Japan who had disobeyed their country’s neutrality order to join their former trainees on the Tokugawa side. Enomoto’s military force was quick to overwhelm the initial Meiji government contingent in Ezo and the Matsumae domain resistance. Indeed, as Enomoto’s force set foot in Hakodate, they were in possession of Japan’s most prominent warship—the Dutch-built Kayō maru—and several other prominent military vessels of foreign build—including the Banryū maru, gifted to the Shogun by Queen Victoria (ironically the ship’s English name was Emperor). Eventually, however, the failure to successfully petition the Emperor, combined with a huge dose of bad luck—the Kayō maru was wrecked in a storm—and the limited prospects of sustaining his troops in Ezo without demobilizing them first, meant that Enomoto’s regime was short-lived. After thoroughly modern land and naval battles, Enomoto surrendered at Goryōkaku in June 1869, his forces having been overwhelmed by the superior numbers of the Meiji government’s invading forces and warships, which included an American ironclad.

Enomoto’s regime and the military conflict in Hakodate affected its operation as an open port, and the period sheds much light on treaty port society. Having spent years abroad, Enomoto knew trade and economic concessions were one way to garner support from potential foreign

74 Giichi Gamo, Enomoto Takeaki (Tōkyō: Chūō Kōronsha, 1988).
75 Plutschow, Historical Hakodate, 65. British despatches also make several favourable remarks about Enomoto’s regime in late 1868 and early 1869, for several examples refer to: UK FO, FO 262–146.
76 A contemporary eyewitness account is offered in the consular despatches, but also made it into the Western press, notably the two following reports in the London Illustrated News, “Hakodadi, Japan” (June 5, 1869) and “The Civil War in Japan” (September 11, 1869).
allies, and despite the efforts of the new Meiji government to prevent all trade with its would-be opponent, the Ezo regime was able to continue trade and offered further concessions to foreigners. The most notable case was that of Prussian merchant-consul Gärtner, who gained a ninety-nine-year lease on substantial landholdings near Hakodate for building a European-style farm for European colonists. In terms of trade policy, the Ezo regime recognized the existing treaty rights of foreign signatories, but as one would expect, did not enforce the bans on the import-export of certain items, especially imports of weapons, military supplies, rice, and exports of copper.

As a result of this exceptional wartime demand, Hakodate’s trade trebled in value in 1869 under the Ezo Republic, and this is not to mention illicit trade, which undoubtedly took place. Whatever the real scale of trade, the returns at least showed that both the volume of trade and number of foreign vessels calling at Hakodate peaked in 1869, never to reach such levels again (see figure 3). In the later Meiji period, the port drifted again into insignificance, at least from the point of view of western traders. In the short term, however, war and the Ezo Republic were good for foreign business, with merchants rushing to provide weapons, ammunition, rice, and other provisions, and other military supplies to ready buyers on both sides of the conflict. As a result, for the first time in Hakodate’s history as a treaty port, the demand for imports soared. In most years, exports accounted for 75–95 percent of Hakodate’s trade, but in 1869, trade almost balanced (44 percent of official trade was made up of imports) because of the demand created by the need to feed and equip the Tokugawa retainers who had stormed the port in December 1868.

During the Boshin War, fortunes were made in Hakodate even before Enomoto’s group arrived, especially in the conveyance of troops to and from the shifting seat of war in northern Honshu in the latter half of 1868. Foreign vessels were chartered at exorbitant rates by the domains engaged in the conflict and often called at Hakodate on their way to pick up supplies because the grip of the new Meiji regime was weakest there in comparison to the other open ports. For example, on June 15, 1868, the British consul, Eusden, reported that “between 800 and 1000 of Aizu’s [Aizu] soldiers touched at this port on their way to their country

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77 The contract is available at Hokkaido University’s Northern Studies Collection.

78 UK FO, Commercial reports 1870, 73.

79 Calculated from data presented in figure 3.
in foreign vessels chartered by their Prince,” which was remarkable, considering that Aizu was perhaps the principal opponent of the Meiji regime at this point.\textsuperscript{80} The US consul, too, reported on the hasty conveyance of troops, loose monitoring of trade and the remarkable business opportunity for anyone with a steamship:

On the 26th September, the Am. [American] Steamer “Augusta” entered this port with a full cargo […] and that night took in cargo, cannon powder etc., three hundred soldiers, and left at five a.m. next day for Nambu, sixty miles distant (for which the agent received ($4,000) four thousand dollars) without entering at this Consulate or the Custom House. On her return the 28th and entering the 29th, I fined the Captain five hundred ($500) dollars, which he readily paid, said he could afford it and was glad to get off on those terms. Small fortunes have been made by the owners of several such small steamers, within the past few months.\textsuperscript{81}

Despite official neutrality, which meant British subjects were prohibited from selling weapons to either side of the conflict, it appears that British merchants were at the forefront of supplying arms in Hakodate and elsewhere. Thomas Blakiston, the British consul Richard Eusden noted, had made several orders for rifles that had “been stored away without previously informing me.”\textsuperscript{82} Blakiston’s was certainly not an isolated case. There is also evidence that points to cooperation between Thomas Glover, a renowned Nagasaki-based British merchant, and Hakodate-based Alex Porter to supply arms to belligerents as the conflict shifted from central Japan to the northeast and eventually Hakodate.\textsuperscript{83} The consular reports from Hakodate mention British vessels, which “came in full of gunpowder and ammunition bound for Neegata [Niigata, the scene of intense fighting in late 1868]”\textsuperscript{84} and were known to have “landed rifles and gunpowder at Aquita [Akiita, also the scene of intense fighting in late 1868] which annoyed the [Meiji]

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\textsuperscript{80} UK FO, FO 262–146, Despatch dated June 13, 1868.
\textsuperscript{81} Despatches from US Consuls in Hakodate, Japan, 1856–78, despatch dated October 20, 1868.
\textsuperscript{82} UK FO, FO 262–146, despatch dated September 28, 1868.
\textsuperscript{83} See the report on the court case “Lane, Crawford and Co. v. Glover and Co.” heard at the Supreme Court of China and Japan which was carried in \textit{The North-China Herald}, January 18, 1870.
\textsuperscript{84} UK FO, FO 262–146, despatch dated October 7, 1868.
\end{flushright}
authorities here very much.” Indeed, even as the British official position shifted towards the recognition of the Meiji regime as the Japanese government, British merchants continued to supply Enomoto’s regime in Hakodate to the extent that 1869 saw the number of British merchant vessels calling at the port more than double from thirty-two the previous year to seventy-one (see figure 4).

Wartime gains proved a temporary bonanza, but did not impact the regular trades of the port. Thus, with the Boshin boom over and a return to peace, albeit now under the Meiji regime, foreign merchants found themselves struggling to consolidate their temporary gains and create a sustainable business in Japan’s northernmost treaty port. With peace there was a return to trade imbalance, with foreign merchants again unable to develop a steady import trade, as weapons, war material, and provisions were no longer finding a market. In 1871, when a semblance of normality had returned to Hakodate and its custom house’s bookkeeping, three quarters of Hakodate’s foreign trade in value consisted of exports, and in turn, eighty percent of these exports were marine products destined for China.

Fig. 6: Impression of Hakodate produced in 1868 (artist unknown). Source: Hakodate City Library, Hakodate.

Hakodate in the early Meiji era

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85 Ibid., despatch dated October 27, 1868.

86 Calculated from several British consular and commercial reports.
Foreign traders in the early Meiji years simply returned to the niche that they had previously carved out for themselves, shipping Ezo marine products out of Hakodate to the China market. This niche was of course the result of the advantage that the steamship held over local junks in carrying perishable goods to distant markets in a safe and timely manner. Moreover, the Bakufu’s restrictions on its own subjects engaging in long-distance trade ultimately ensured that direct conveyance from Hakodate to China was the reserve of foreign traders in the 1860s. As the Boshin War came to a close, there were hopes that this carrying trade practised by foreign merchants could be expanded to the Japanese domestic trade in marine products from Ezo, which was far larger than that with China. In this regard, however, hopes to carry the domestic trade diminished and for the most part the 1870s saw foreign merchants reposition themselves as shipping agents for local Japanese merchants in supplying the Chinese market. By the end of the decade this position was itself in terminal decline due to competition from Japanese-run shipping lines. In 1874, the British consul reported that the demand for the services of foreign merchants’ ships was “diminished by the natives importing and exporting in their own sailing-ships and steamers.” Mitsubishi in particular, now in possession of several steamships and with favourable connections to the Meiji regime, weakened the grip of foreign merchants on the international carrying trade. In 1879, the British remarked that if Mitsubishi were to expand its international shipping routes calling at Hakodate—which it did—then “there will be no more chance for any foreign vessels.” Mitsubishi succeeded in efforts to “monopolize the whole coast and local carrying trade.”

Even though direct foreign trade with Hakodate was in terminal decline and the demand for the services of steamers operated by foreigners was falling, general economic conditions in Hakodate in the 1870s were the exact reverse of this trend. The British consul reported a population of no more than fifteen thousand people in 1871, but as the end of the decade approached this had more than doubled despite several serious fires. Indeed, the famous traveller-explorer Isabella Bird described

87 See the British commercial reports for Hakodate in 1869 and 1870, for example.
88 UK FO, Commercial reports 1874, 1.
89 UK FO, Commercial reports 1879, 2.
90 Ibid., 6.
91 UK FO, Commercial reports 1872, 43.
the port on her visit to Hakodate in 1878 as “a flourishing city of 37,000 people.”\textsuperscript{92} Having spoken to the consuls and other foreign residents she went on to describe the trade of the port as follows:

Hakodate is annually falling away as a foreign port. In fact, its foreign trade is reduced to nothing […] If it were not for the number of ships of war which visit every summer, and for the arrival of a few visitors in impaired heath, it would be nearly as dull as Niigata. But as a Japanese port it is an increasingly thriving place. It is unprofitable for foreign vessels to come so far to this one point, now that Japanese steamers, which can trade at all ports, are so numerous. Foreign merchandise is now imported by Japanese merchants in Japanese ships, and the chief articles of export—dried fish, seaweed, and skins—are sent direct to China and the main island in native vessels. Fine passenger steamers of the Mitsubishi Company run between Hakodate and Yokohama every ten days, and to Niigata once a month, besides cargo boats, and junks and native vessels of foreign rig arrive and depart in numbers with every fair wind.\textsuperscript{93}

In the Meiji period, Hakodate was thriving, and this burgeoning prosperity owed little to the port’s status as a treaty port. In fact, as Bird explained, Hakodate need not be an open port to benefit from an infusion of foreign products, as these products were often cleared in Yokohama and then transshipped to Hakodate, as they would be in any other part of the Japanese realm. The Meiji period saw Hakodate expand less because of its openness to international trade, but more due to the liberalization of domestic trade and the greater opening of Hakodate’s hinterland, Ezo, which by then had been renamed Hokkaido.\textsuperscript{94} Early Meiji reforms, such as the abolition of domains, significantly reduced internal trade barriers and furthermore, the creation of a uniform currency and standardization of weights and measures reduced transaction costs in trade between regions. These developments better integrated the domestic market to the benefit of Hakodate’s expanding trade, of which international trade increasingly became a marginal component.

\textsuperscript{92} Isabella Bird, \textit{Unbeaten Tracks in Japan: An Account of Travels in the Interior Including Visits to the Aborigines of Yezo and the Shrines of Nikko and Ise, Volume II} (London: John Murray, 1881), 5.

\textsuperscript{93} Ibid., 6.

\textsuperscript{94} The economic and ecological effects of the Meiji period fishery reform are described in detail in David Howell, \textit{Capitalism from Within: Economy, Society and State in a Japanese Fishery} (Berkeley: University of California Press, 1995).
By 1884, total domestic trade at Hakodate stood at just over 15 million Mexican silver dollars, whilst international trade was not even a thirtieth of this. Indeed, at this point the value of international trade was so meagre that it stood lower than its 1865 level.\textsuperscript{95}

The expansion of internal trade that was behind Hakodate’s rise to prominence was supplemented by a surge of interest in developing the resources of Hokkaido. The effort to develop Hokkaido was among the more prominent projects of the early Meiji years, and involved the establishment in 1869 of a generously funded special government organization, the Kaitakushi (usually translated as either Development or Colonization Commission), to oversee the settlement of the interior of Hokkaido and the development of its trade and industry. As the Kaitakushi was principally concerned with developing the more remote interior of Hokkaido, some thought that its projects might be to the detriment of Hakodate. This was not to be the case because even though direct spending largely overlooked Hakodate, the fruits of interior development in Meiji Hokkaido had a positive effect on Hakodate. Blakiston observed that even if “endeavouring to divert trade and settlement from it, the government was blind to the fact that of every dollar they expended, and every immigrant they induced to settle in Ezo, half of that dollar, and half of that settler, or half of the result of his labour, found its way to Hakodate.”\textsuperscript{96} As the clearing house and transhipment hub for Hokkaido’s products, particularly in its celebrated marine products, the broad expansion of economic activity in Hokkaido had obvious linkage effects on its main port and generated vibrant commerce. Though he himself was a foreign merchant, Blakiston had no qualms in dismissing the foreign impact on Hakodate’s transformation; instead he unequivocally attributed “the growth and modernization of Hakodate […] to the advantages it possesses as a mercantile base for Ezo.”\textsuperscript{97}

\textbf{Conclusion}

Over the course of the three decades following the signing of the unequal treaties which established Hakodate as a treaty port, there is no doubt that Hakodate underwent a significant transformation. As a treaty port,
Hakodate’s population surged, its physical appearance was greatly altered, and the scale of its trade greatly expanded. Nonetheless, unlike ports such as Shanghai and Yokohama, the extent to which this was a specific result of its status as a treaty port, and the accompanying presence of foreign residents and sojourners, is open to question. Foreign merchants who came to Hakodate largely failed to develop a significant trade for themselves, but as is shown by their turning to illicit trade—even grave digging—this failure was not for want of trying. Instead, foreign merchants struggled to elbow their way into a long established trade dominated by entrenched Japanese commercial interests. Moreover, the main produce of Hakodate’s hinterland—kelp and other dried marine products—were those in which Western merchants had no obvious advantage, and the port’s remoteness offered limited prospects for the import of western goods. This was a striking contrast to Yokohama, which offered access to a hinterland that produced goods, such as raw silk, that were in high demand in Europe, and also provided access to large markets in the capital and the economically vibrant Kanto region. For all the transformative capacity of Western mercantile capital in the nineteenth century, the specifics of local market conditions and the marketability of a locality’s produce remained major constraints on this expansion.

As Simon Partner has argued with regard to Yokohama, treaty ports could be important sites culturally as well as economically, especially as sites for the co-production and transmission of mutual imaginings. This cultural impact is visible in Hakodate to some extent, such as the way it markets itself today as a tourist destination, but from the perspective of this paper’s focus—trade—Hakodate’s position as one of only a handful of ports in Japan open to international commerce at the time was of secondary importance. The main produce of Hakodate, the methods and networks of their production, and the main markets for their sale continued largely unchanged throughout this period, even as the volume of trade itself began to expand rapidly together with the port. Hakodate’s rise to prominence owed less to its own opening to international trade, than to the breakdown of internal trade barriers throughout Japan following the Meiji restoration, and the more extensive opening of Ezo/Hokkaido to Japanese commercial interests which ultimately brought more of the island’s produce to market at Hakodate for distribution throughout Japan.

This is not to deny that the wider foreign intrusion had a noticeable impact on Hakodate. The introduction of western technology such as the steamship changed the logistics of the distribution of Hakodate produce, and the fear that a foreign power might claim Ezo/Hokkaido by taking advantage of its defensive vulnerability and its ambiguous status within the Japanese polity, prompted the Bakufu to take a more active role in Ezo affairs. The context of Western gunboat diplomacy is a crucial part of this story, but it is important to recognize the active and creative response to the imposition of unequal treaties in Hakodate, as elsewhere. Following the opening of the port to Western capital, the local authorities—Tokugawa and Meiji—sought to strengthen their position in Ezo/Hokkaido with expansive construction projects which brought significant benefits to the port’s economy. Moreover, despite Western competition, local merchants successfully maintained their grip on the ports’ principal trades. The case of Hakodate reminds us that Western merchant capital was not omnipotent and all conquering, even in the context of a treaty port which provided consular representation and extraterritorial rights. By the 1870s, the performance of Japanese merchant capital began to betray the sense of self-superiority held by many Western treaty porters, as firms like Mitsubishi began to appropriate steamship technology and take over international shipping routes. Only seventeen foreign-owned merchant steamers called in at Hakodate in 1888—the lowest since it had become a treaty port—in the same year, the port hosted 2,235 visits by Japanese-owned steamers carrying a record trade.  

99 UK FO, Report for the year 1888 on the trade of Hakodate, 5.