

Ec101 Selected Topics in Economics: The Economy and the State in Late Imperial China, 1600-1911

T, Th 1—2.30

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Course Description:

The rapid economic development in China after 1978 and particularly the high-speed economic growth after the mid-1990s have attracted increasing attention to the historical background of this great economic transformation. Scholarship in recent decades has demonstrated the development of a vibrant market economy in China in between the late seventeenth and early nineteenth centuries with many key characteristics similar to the market economy in pre-Industrial Revolution Western Europe. Why, then, didn't an industrial breakthrough occur in late imperial China?

This course focuses on the interactions between the state and economy in late imperial China from comparative and social science perspectives. In the first two weeks of the course, we will introduce some basic historical background and critically examine the causal structure of "growth without development". Upon this basis, we will explore specific topics in agrarian economy, city and market, merchant ethics, state-market interactions in famine relief, industrial development and capital formation, and monetary system and public finance. Beyond observing parallels between pre-Industrial Revolution Western Europe and late imperial China, we will also examine some of the institutional defects of the Chinese economy (state?) and how they affected the transformation of China into a modern economy in the late nineteenth century.

Organization and Method of Evaluation:

We will meet twice a week; each week will have a lecture and a one-hour seminar. The lecture will present the Chinese case from comparative and analytic perspectives. In the seminar, we will discuss the readings and the connections between empirical materials and theoretical arguments.

From week 2 on, students are required to submit a one-paragraph response to the assigned reading before coming to the class.

Student evaluations will be based upon three factors:

Participation in class discussion and weekly responses: 20 percent

Final exam (some factual and short analytic questions): 20 percent

A short analytic essay at the end of the term: 60 percent

Readings:

Week 1: Introduction: State and economy in late imperial China

Susan Naquin and Evelyn S. Rawski, *Chinese Society in the Eighteenth Century* (New Haven: Yale University Press, 1987), pp. 3-31 and 138-212.

Week 2: Growth without development? (1500-1842)

Mark Elvin, *The Pattern of the Chinese Past* (Stanford: Stanford University Press, 1973), pp. 298-315.

John K. Fairbank and Merle Goldman, *China: A New History*, enlarged edition (Cambridge: The Belknap Press of Harvard University Press, 1998), pp. 167-186.

Week 3: The agrarian economy

Philip C.C. Huang, *The Peasant Family and Rural Development in the Yangzi Delta, 1350-1988* (Stanford: Stanford University Press, 1990), pp. 44-92.

Kenneth Pomeranz, *The Great Divergence: China, Europe and the Making of the Modern World* (Princeton: Princeton University Press, 2000), pp. 69-107.

Recommended:

Robert Allen, *Enclosure and the Yeoman* (Oxford: Clarendon Press, 1992), introduction.

Week 4: Merchant ethics

Max Weber, *The Protestant Ethic and the Spirit of Capitalism* (New York: Charles Scribner's Sons, 1976), "Author's Introduction", pp. 13-27 and chapter 2 "The spirit of capitalism," pp. 47-78.

Richard J. Lufrano, *Honorable Merchants: Commerce and Self-Cultivation in Late Imperial China* (Honolulu: University of Hawai'i Press, 1997), pp. 1-98.

Week 5: City and market

William T. Rowe, *Hankow: Commerce and Society in a Chinese City, 1796-1889* (Stanford: Stanford University Press, 1984), pp. 1-89 and 177-210.

Week 6: Famine relief: The perspective from the state bureaucracy

Pierre-Etienne Will, *Bureaucracy and Famine in Eighteenth-Century China*, translated by Elborg Forster (Stanford: Stanford University Press, 1990), pp. 79-148.

Pierre-Etienne Will and R. Bin Wong, *Nourishing the People: The State Civilian Granary System in China, 1650-1850* (Ann Arbor: Center for Chinese Studies of the University of Michigan, 1991), pp. 195-232.

Recommended:

Carol H. Shiue, "Local Granaries and Central Government Disaster Relief: Moral Hazard and Intergovernmental Finance in Eighteenth-Century China," *Journal of Economic History*, volume 64, Issue 1 (March 2004): 100-124.

Week 7: Famine relief: the perspective from state's interactions with the markets

Pierre-Etienne Will, *Bureaucracy and Famine in Eighteenth-Century China*, translated by Elborg Forster (Stanford: Stanford University Press, 1990), chapter 9, "Controlling Prices," pp. 208-225. chapter 12, "The evolution of the state's economic means," pp. 289-301.

Helen Dunstan, *State or Merchants? Political Economy and Political Process in 1740s China* (Cambridge, MA.: Harvard University Asia Center, 2006), pp. 307-345.

Week 8: A revisionist view of the Chinese economic history

Madeleine Zelin, *The Merchants of Zigong: Industrial Entrepreneurship in Early Modern China* (New York: Columbia University Press, 2005), pp. 1-114.

Kenneth Pomeranz, *The Great Divergence: China, Europe and the Making of the Modern World* (Princeton: Princeton University Press, 2000), "Technology?" pp. 43-68

Week 9: The state and money

Lin Man-houng, *China Upside Down: Currency, Society, and Ideologies, 1808-1856* (Cambridge: The Harvard University of Asia Center of the Harvard University Press, 2006), chapters 1-3.

Hans U. Vogel, "Chinese central monetary policy, 1644-1800," *Late Imperial China*, Vol. 8, No. 2 (1987), pp. 1-51.

Recommended:

Thomas J. Sargent and Francois R. Velde, *The Big Problem of Small Change* (Princeton: Princeton University Press, c2002), pp. 261-332.

Week 10: The state's fiscal institution

R. Bin Wong, *China Transformed: Historical Change and the Limits of European Experience* (Ithaca: Cornell University Press, 1997), pp. 231-251.

R. Bin Wong, "Taxation and good governance in China, 1500-1914," in Bartolome Yun-Casalilla and Patrick K. O'Brien eds., *The Rise of Fiscal States: A Global History 1500-1914* (Cambridge: Cambridge University Press, 2012), pp. 353-377.

Wenkai He, *Paths toward the Modern Fiscal State, England, Japan, and China* (Cambridge, MA: Harvard University Press, 2013), introduction and chapter 6.

Recommended:

John Brewer, *The Sinews of Power: War, Money and the English State, 1688-1783* (Cambridge, Mass.: Harvard University Press, 1988).