MISCELLANEOUS

ANOTHER LOOK AT CHINA, MONEY, SILVER, AND THE SEVENTEENTH-CENTURY CRISIS


BY

HARRIET T. ZURNDORFER

It may be one of the most important achievements of late twentieth-century historical writing that area specialists of Asia consider the significance of their meticulous archival research, usually written in particularized, learned publications, for wider audiences.¹) But more often it is the case that world historians, or experts in European history, lacking the necessary language expertise for such academic research, utilize the work of Asia historians to discern broad patterns for comparison and correlation.²) *Fountain of Fortune* is unique in that it challenges both China specialists and the non-specialists who apply the results of sinological study to global developments in the past.

In this well-written and provocative volume, Richard von Glahn focuses on state monetary policy from the Song dynasty (960-1279) to the beginning of the eighteenth century, and connects the history of Chinese money to financial institutions, and to much broader economic matters, including the impact of international bullion flows. Based on a wealth of sources, including the dynastic histories of the Song, Yuan (1279-1368), Ming (1368-1644), and Qing (1644-1911) periods, institutional compendia such as the *Da Ming huidian* (Institutes of the Great Ming), contemporary personal observations of government officials and other literati, as well as recent publications on China written in Chinese,

¹) One of the first examples which comes to mind is the spectacular work of Jonathan Spence who has been able to translate the results of his studies on late imperial and twentieth century China into highly readable narratives for the general public. See Spence 1984, and 1996. On more academic speculations about the study of Asia in Western history, see Embree and Gluck 1997, pp. xv-xviii; 3-20. Compare Zurndorfer 1998b.

English, and French, and not least, an enormous number of Japanese studies of both Chinese and Japanese economic history, *Fountain of Fortune* is a well-documented, thorough investigation of China’s economy in the late imperial era.

The volume confronts a number of common interpretations about economic change, including: (1) the “early modern” thesis which associates the penetration of silver from Japan and the New World with accelerated commercialization in Ming China, comparative to the genesis of capitalism in Europe; (2) the “seventeenth century crisis” thesis which attributes the decline of the Ming dynasty in the 1630s and 1640s to economic problems precipitated by deep contractions in silver imports. A number of scholars have posited that “the seventeenth century crisis in China occurred within an East Asian world-economy affected by general global phenomena related to climate and disease, and furthermore connected by indirect economic conjecture to the Atlantic Weltwirtschaft then emerging.”

Von Glahn also impugns those scholars who prescribe Chinese economic and social history in terms of Western developmental theories, including the Marxist “sprouts of capitalism” paradigm. He argues that the “symbolic representations” of a market economy have predisposed “scholarly scrutiny” of the function of Chinese money in theory and in history. He also claims that “the real economic impact of silver on China’s domestic economy” has not really been investigated properly. The result of these ‘misreadings’, according to von Glahn, is to overlook the real significance of the social meaning of money in Chinese life.

In the next few pages, I attempt to summarize von Glahn’s findings, and then offer some of my own observations on his study.

*The Origin of Chinese Monetary Policies*

Von Glahn begins his investigation with an examination of classical Chinese monetary theory from the age of Confucius to the Song dynasty. He compares Chinese doctrines to those associated with the history of monetary concepts in ancient Greece: the “metalist” theory drawing upon Aristotle’s view that the

---

4) The “sprouts of capitalism” literature, focusing on eruptions in Chinese economic and social life during the sixteenth century, equates commercialization with capitalism, and envisions the penetration of a market economy into the countryside as the end of “feudal” relations of production. Von Glahn observes: “The ‘sprouts of capitalism’ paradigm made a deep impression on Western scholarship on China. Although historians in the West remain unpersuaded by its Marxist framework of analysis, they have assimilated the substantive findings of the ‘sprouts of capitalism’ . . . .” (p. 2). Compare Zurndorfer 1998b, p. 354.