

Helen Dunstan, *State or Merchant?: Political Economy
and Political Process in 1740s China.*

Cambridge, Mass.; London: Harvard University Asia Center;
Harvard University Press, 2006. xv+523pp.

Man-houng Lin, *China Upside Down: Currency, Society,
and Ideologies, 1808-1856.*

Cambridge, Mass.; London: Harvard University Asia Center;
Harvard University Press, 2006. xxi+362pp.

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Helen Dunstan's *State or Merchant* is an intellectual and political history of the domestic grain trade that covers a relatively short period in the middle of the eighteenth century, 1738-1752. Like many other scholars she focuses on the reign of the Qianlong emperor (1736-1796). Unlike many of her peers, however, she casts doubt on the idea of the Qing as China's greatest dynasty. She is highly critical of the decision-making abilities of the Qianlong emperor (well before he enters his dotage), deeming him suggestible and lacking in firmness, and arguing that the term authoritarian does not sufficiently describe him. She chides other historians of the period for being too willing to view the Qing world through the emperor's eyes. Like the scholars associated with the so-called Altaic school she emphasizes the

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importance of the Manchu heritage in understanding the dynasty and its decision-making process. Throughout the book she engages the work of Beatrice Bartlett, Gao Wanling, Kishimoto Mio, Peter Perdue, William Rowe, Pierre-Etienne Will, and R. Bin Wong, showing where their work supports hers and where she disagrees.

In the intellectual history sections of the book she examines the writings of officials to re-create the debate of the 1740s on grain. These were not scholars thinking abstractly about political economy but “bureaucrats confronting real-life problems of grain stockpiling and distribution” (p. 95). Dunstan argues that archival materials allow her to highlight in unprecedented fashion the complexity of this debate. She examines closely the writings of some radicals who came close to eliminating a governmental role in the managing of grain, although none sought to do so entirely. These radicals, mostly junior censors, “had a slow erosive power, but also directly influenced policy at important junctures” (p. 179). Dunstan creates a composite model of a liberal approach to economic policy and suggests that Qing officials came somewhat close to French eighteenth-century “grain-centered liberalism” (p. 8). Dunstan herself believes that the state granary system did not contribute to inflation and that officials who sought to make moderate, common sense reforms of grain management best understood the realities of mid-eighteenth-century China. Ultimately, although economically liberal ideas had rhetorical power, they lacked “the systematization that might have helped them take root” (p. 444).

Dunstan also provides a thorough consideration of the role of the state in the grain trade. She first establishes the vigor of the interventionist tradition in the eighteenth century, especially in preventing speculative hoarding. She then examines the political decision-making process of the willful Qianlong emperor regarding grain management, including his interactions with his high provincial officials. She shows

his confusion and frustration with the continuing, non-conclusive debate between radical and conservative officials. While demonstrating the influence of the grain radicals and highlighting a 1748 edict cutting grain stockpiling that moved the Qing state in a new direction, Dunstan carefully and exhaustively explores the complex reasons why officials and the emperor would want to reduce the role of the state in grain management. These reasons went beyond arguing for the efficiency of market forces unrestrained by government action or interference. A distrust of the bureaucracy, a desire by bureaucrats to lessen their responsibility for grain, Manchu resentment of the Chinese population's sense of entitlement, and especially pressing fiscal demands created by war all complicate the question of "state or merchant." Not elegant economic ideas but government need drove the new policy. "Policy revisions were not simple translations into practice of...rather sophisticated economic insights..." (p. 475), although the radicals provided justification for the new policy. Dunstan stresses her "consistent emphasis on the interest and significance of specific initiatives, specific arguments, and specific decisions at the specific points in time when they were made or taken" (p. 405). If under Yongzheng "the state...triumphed over market forces for the good of the consumer" (p. 69), Qianlong was both easily led and authoritarian. Like Philip Kuhn, Dunstan admires the high provincial officials who participated in the debate. In the end she sees the mid-eighteenth century as a watershed where the Qianlong emperor abandoned the persona of the benevolent Chinese sage-emperor for "a disciplinarian, militaristic ethos more in keeping with Manchu tradition" (p. 478). For the population, the state moved away from paternalism toward indifference.

Whereas Dunstan's book covers a relatively short period, Man-houng Lin's *China Upside Down* covers the better part of a century. Her work is consonant with important, recent work in modern Chinese history. Historians have for several

decades focused on the eighteenth and early twentieth centuries to the neglect of the nineteenth (which the pioneering generation of American China scholars had emphasized). Lin believes this focus has “somewhat dimmed the transitional role played by the nineteenth century” and now joins with scholars such as James Hevia to challenge long-held assumptions about the nineteenth century (p. 24). Moreover, following scholars such as Pamela Crossley and Rebecca Karl, she places Qing history in a broad international context that transcends the East-West dichotomy. Most strikingly, however, she has written an expansive book of a kind rarely seen in American academia today. Lin uses the *Annales* method of total history to boldly argue that China’s connection to the global economy and the silver crisis provide the keys to understanding a great deal of what happened in China during the nineteenth century. Lin challenges conventional ideas about China’s links to the world economy, the state’s relationship to society, the importance of opium imports, the dynasty’s survival into the twentieth century, the origins and suppression of the Taiping Rebellion, nineteenth century statecraft scholarship and the nature of China’s intellectual traditions, and Japan’s superceding of China as the dominant state in East Asia. Any one of these topics could have been the subject of an individual monograph.

Just as Dunstan’s book covers political and intellectual history, so Lin’s covers economic and intellectual history. Lin argues that by about 1775 China had become unusually dependent on Latin American silver and was “deeply involved” with the “outside world” before 1842. When independence movements and the Napoleonic wars in the early nineteenth century adversely affected production, silver became globally scarce, and China’s exports lost their markets. An economic downturn ensued. By looking at this broader context Lin argues that opium, the centerpiece of the nineteenth-century historical narrative, was not the major cause of the early and

mid-century economic hardship. Where the standard interpretation suggests mercantilist concerns were responsible for Great Britain turning to opium, Lin contends that it was the scarcity of silver and gold on world markets (p. 114). If China's exports had not lost their markets, it would not have suffered a silver scarcity. Lin argues that much of the previous scholarship on the outflow of silver had relied on the research of H. B. Morse, whose data she finds in some cases "scattered and sometimes inconsistent." Instead she gains a more global view of the crisis by looking at the Chinese Maritime Customs Publications and the British Parliamentary Papers. The appreciation of silver, the decline in tax revenue, and the inability to adequately pay officials and soldiers damaged the reputation and functioning of the state and brought into prominence merchants and markets. Silver supplied by the market appreciated while copper supplied by government mints depreciated; "rampant market forces overwhelmed people and the state lost control over society..." (p. 272). However, this situation was not to last; by the middle of the nineteenth century silver began to flow once more and China's exports re-established their markets. This was particularly the case from 1856-1886 and came about despite increased imports of opium and other goods. Thus the state could create commercial taxes to help defeat the Taiping rebels, begin the self-strengthening movement, collect enough revenue to ensure its survival, and reassert the predominance of state over society. Nevertheless, China lost its dominant position in East Asia because Tokugawa Japan was less dependent on outside silver and Meiji Japan was better able to promote its economic policies.

In the second half of her book, Lin shows how the silver crisis played a role similar to that of the Great Depression in the West in stimulating economic thought. The publication of scholars' collected works and wider access to palace archives now make a group study possible. Lin examines the writings of statecraft scholars on the

relationship between state and society and arrives at a number of important conclusions. The scholars drew from a Chinese tradition on monetary policy more flexible and varied than depicted by earlier scholarship. This was particularly the case in discussions of monetary policy for fiscal purposes. Lin also shows how Old Text as well as New Text Confucianism inspired statecraft scholarship. Lin contends that these scholars were neither restricted by particularistic ties as suggested by James Polachek nor representative of the “sprouts of capitalism” as argued by an early generation of PRC scholars.

Debate was vigorous in the early half of the nineteenth century, with two extremes falling between more or less intervention—greater faith in the state or greater faith in the market. Yet the “accommodationists” (more market, more pluralism, checks on the monarchy) dominated the first half of the century when the state was weak and the interventionists (more government) the latter half of the century when the state became reinvigorated. That ideas were firmly grounded in the social realities of nineteenth-century China explains why interventionism was so strong in China just as laissez-faire economic thinking triumphed in the West. This interventionism was not the inheritance of hoary Chinese tradition.

E. H. Carr long ago observed that historians are influenced by the world in which they live when they select research topics. While Dunstan’s book focuses on the grain trade in the eighteenth century and Lin’s focuses on the nineteenth century silver crisis in China, both examine the role of the state in the economy and proposals made by officials and scholars to lessen, intensify, or modify that role. These are issues that are of course very much with us today. Here, both authors ground the debate in a specific issue, the grain trade and the silver crisis respectively. They both look at a group of writers rather than focusing on an individual and both argue that scholar-officials exploring the role of the state in the economy were not bound or

limited by a restrictive Chinese intellectual tradition. Both scholars nicely highlight the full range of eighteenth and nineteenth century economic thought. Both see the possibility of influence by commercial interests. Dunstan hints that a grain lobby may have influenced Qing policy making and that radical junior censors possibly had contacts with merchants, while Lin indicates that statecraft writers, both accommodationists and interventionists, interacted with merchants.

The two books are a response to the initial scholarly explorations of market liberalism in Qing China. Both warn of the complex relationship between economic liberal ideas and governmental policy and of overly ideological interpretations of the economic liberals, Dunstan stating that market-conscious officials were not “proto-antisocialists, as if the postcommunist world had all the answers” (p. 467) and Lin that the accommodationists were not “searching for the ontological goals of ‘enlightenment’ or ‘capitalism’” (p. 307). Dunstan’s central point is that the existence of liberal views of grain policy did not translate directly into state policy, even when state policy did lessen the role of the state in the economy. Lin’s central point is that Chinese scholars did not think abstractly about the state’s role in the economy but were directly influenced by material conditions—the return of silver in the mid-nineteenth century meant a stronger state and the triumph in the scholarly realm of interventionist ideas. Thus in both cases we see that liberal economic ideas emerged out of a Chinese context but did not triumph in the mid-eighteenth and late nineteenth centuries. In the eighteenth century the state for its own reasons was less willing to intervene to help those in difficulty, and in the nineteenth statecraft scholarship that advocated a pluralistic society serving as a check on state power faded away.

In the intellectual history sections of their books, both Dunstan and Lin compare Chinese economic ideas with those of the West. Both are aware of the dangers of

Eurocentrism and do not assume development patterns similar to those of the West. Both discussions of economic liberalism are firmly grounded in Chinese reality. However, as I read these books I also wondered about economic thought and state policy in places more obviously comparable to the Qing: the great Asian land empires of the Mughals and the Ottomans, also ruled by conquest elites. How did their officials deal with the silver crisis and grain trade? Did their intellectuals also re-think the relationship between state and economy in the eighteenth century? Future research comparing these empires might reveal broader patterns concerning the relationship between economic ideas and government policy.