

## **Economics and Culture in Late Imperial China**

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### **Themes and Goals**

This unit is designed to examine the role of the economy in China's social systems. It also serves as a guide to understanding the family and its role in a developing economy during the late 19<sup>th</sup> and early 20<sup>th</sup> centuries. The student readings point to the role of the family and lineage in owning and operating corporate properties that provided wealth to the members. With the introduction of modern economic and industrial systems under Western imperialism, Chinese elites needed capital to invest in projects for collective wealth and national strength. Rather than simply turning to Western business practices, Chinese integrated their family and lineage systems into the modernizing market.

The unit explores the following questions:

- What was the role of the family in the late 19<sup>th</sup> and early 20<sup>th</sup> century Chinese economy?
- What is a lineage and what kind of role did it play in the economy?
- How was the emerging economy in the late Qing reconciled with the Confucian opposition to merchants and trade?
- What changes took place in the family over the 19<sup>th</sup> and 20<sup>th</sup> centuries as the economy developed and expanded?
- What changes took place in the economy as families and lineages evolved?

### **Background Information for the Instructor: The Family and Lineage**

Following Confucian code, Chinese families were organized into strong hierarchies with adults and males having power over young and female members. In many cases, Chinese families simply lived as individual nuclear units that both produced and consumed the food and goods needed for their own survival. However, due to traditional practices of inheritance many people lived in large extended families. Chinese traditions called on the family to divide all assets between each of the male members (rather than only the oldest male), a process known as "partible" inheritance. Because this system meant that the family's assets would be quickly divided into oblivion, even within the richest families, Chinese developed lineages, or extended families, that held at least some property in common. In imperial China, many lineages owned irrigated lands or other properties that they rented to their members or other villagers. They used the rents to

construct and maintain their ancestral hall and to educate members of the lineage for the civil service exams. By the early 20<sup>th</sup> century, some lineages engaged in more sophisticated production schemes including mining, department stores, and manufacturing.

### **Instructor Readings**

\*\*\* Essential Readings

\*\* Optional Readings

\*\*\* BAKER, Hugh D. R. *Chinese Family and Kinship*. New York: Columbia University Press, 1979. (See in particular, pp. 1-21, 49-64)

This highly readable anthropological survey of the family and lineage systems describes the role of the individual, the family, and the lineage in the social makeup of the Chinese village. Pay particular attention to the section “The Lineage and the Ancestral Trust” (pp. 50-55) as it describes the need for collections of nuclear families to own and administer corporate property.

\*\*\* ROWE, William T. “Success Stories: Lineage and Elite Status in Hanyang County, Hubei, c. 1368-1949” in Joseph ESHERICK and Mary Backus RANKIN, eds. *Chinese Local Elites and Patterns of Dominance*. Berkeley: University of California Press, 1990. pp. 51-81.

In this scholarly study, Rowe lays out very broadly several paths by which lineages from Hubei province became successful in the late 19<sup>th</sup> and early 20<sup>th</sup> centuries. In particular, he notes that along with the standard methods of landholding and bureaucratic service, many lineages turned to military work and commerce. The latter strategy is most important for our purposes because it shows lineages engaging in several forms of marketing pursuits in a developing economy.

\*\*\*POMERANZ, Kenneth “‘Traditional’ Chinese Business Forms Revisited: Family, Firm, and Financing in the History of the Yutang Company of Jining, 1779-1956” *Late Imperial China* Vol XVIII no. 1, 1997. pp. 1-38.

Begins with a nice introduction of Chinese lineages and economics then quickly moves into a case study of a gentry-led lineage that processed and sold food to southerners who had moved into northern China.

### **Case Studies**

\*\* ZELIN, Madeleine. “The Rise and Fall of the Fu-Rong Salt-Yard Elite: Merchant Dominance in Late Qing China” in Joseph ESHERICK and Mary Backus RANKIN eds.

*Chinese Local Elites and Patterns of Dominance*. Berkeley: University of California Press, 1990. pp. 51-81.

Zelin's article is part of a much larger study she has done on salt production in Sichuan Province (Western China) in the late imperial era. She writes in this article of several firms that are what she terms "lineage trusts" (*tang*). The article describes several lineage trusts that incorporated government salt monopolies with lineage salt producers.

\*\* HORNIBROOK, Jeff. "Local Elites and Mechanized Mining in China: The Case of the Wen Lineage in Pingxiang County, Jiangxi" *Modern China* Vol. XXVII no. 2, 2001. pp. 202-228.

Hornibrook's study examines the creation of a "lineage trust" by the Wen lineage in the highlands of western Jiangxi Province (Southeastern China). During the industrialization of the 1860s and 1870s, the Wens were called upon by powerful Qing (1644-1911) government officials to organize an array of small coalmines and boat haulers and to create a firm that would provide coal for a Chinese government-backed ironworks/railroad company. The Wens formed a company called Guangtaifu and established the headquarters in their ancestral hall. When this system proved too small for the needs of the empire, government officials were brought in to force the Wens to hand over their property. Wen leaders used their local power to try to stop the empire, but they were ultimately defeated.

### **Student Readings**

\*\*\*ZENG, Jifen *Testimony of a Confucian Woman: The Autobiography of Mrs. Nie Zeng Jifen, 1852-1942* Translated and annotated by Thomas L. Kennedy. Athens: University of Georgia Press, 1993. Chapter Three, pp. 36-48 and Chapter Five, pp. 57-69.

This autobiography, written by the daughter of Zeng Guofan, one of the most illustrious leaders of the late Qing Dynasty (1644-1911), describes the life of a family in the last years of the empire. In Chapter Three, "My Marriage and Life in Hunan," Zeng describes not only the gentry family's emphasis on taking exams and holding offices, but also mentions family incomes based on stock in provincial banks and interest accumulated in other bank deposits. Furthermore, in Chapter Five, "Life in Shanghai and Financial Ruin," Zeng explains that when her husband was forced out of government office, he secured money for the family through investments in several industrial firms. Zeng's autobiography serves as an indication of the centrality of money and economic interests in preserving and perpetuating family lineages.

\*\*\*TO, Raymond K. W. "Where Love Abides: A play in Three Acts" in Martha Cheung and Jane Lai eds. *An Oxford anthology of contemporary Chinese drama* New York : Oxford University Press 1997.

To's play, first performed in Hong Kong in 1986, depicts the life of an urban merchant family that makes and sells umbrellas in Canton, Macau, and Hong Kong in the early twentieth century. If you do not have time to assign the entire play, Act I (pp. 665-720) works well to introduce the So lineage's family-based umbrella business while also providing many insightful examples of Chinese familial relations and social customs.

\*\*\*CHEN, Fu-mei Chang and Ramon H. MYERS "Customary Law and the Economic Growth of China during the Ch'ing Period" *Ch'ing-shih wen-t'i* (Later known as *Late Imperial China*) Vol III no. 10, 1978 pp. 4-27. Available to subscribing libraries through the Periodicals Archives Online (PAO) database (search for the journal title "*Ch'ing-shih wen-t'i*.")

This article includes simple descriptions of lineage and community economic activities. In particular, on pages 20-21, the authors provide translations of two agreements between lineage members and other friends who wished to create a corporation in the 18<sup>th</sup> and 19<sup>th</sup> centuries.