

A STUDY OF THE EAST ASIAN INSTITUTE

HONORABLE
MERCHANTS

Commerce and
Self-Cultivation in
Late Imperial China

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University of Hawai'i Press
Honolulu

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Printed in the United States of America

97 98 99 00 01 02 5 4 3 2 1

Studies of the East Asian Institute, Columbia University

The East Asian Institute is Columbia University's center for research, publication, and teaching on modern East Asia. The Studies of the East Asian Institute were inaugurated in 1962 to bring to a wider public the results of significant new research on modern and contemporary East Asia.

Library of Congress Cataloging-in-Publication Data

Lufrano, Richard John, 1952–

Honorable merchants : commerce and self-cultivation in late imperial China / Richard John Lufrano.

p. cm. — (A study of the East Asian Institute)

Includes bibliographical references and index.

ISBN 0-8248-1740-0 (alk. paper)

1. Merchants—China—History. 2. Business ethics—China—History.

3. China—Commerce—History. 4. China—Economic conditions—1644-1912. I. Title. II. Series.

HF3834.L84 1997

380.1'0951—dc20

96-34019

CIP

University of Hawai'i Press books are printed on acid-free paper and meet the guidelines for permanence and durability of the Council on Library Resources

For my mother and father

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ACKNOWLEDGMENTS

The academic world of today can be as rough-and-tumble as the commercial world of late imperial China. The assistant professor, like the mid-level merchant, must survive in a highly competitive but minimally regulated environment. It is therefore with great pleasure that I acknowledge teachers, colleagues, and friends who gave selflessly of their time, advice, and moral support. Without their help, I probably would have closed up shop a long time ago.

The list includes, in alphabetical order, Timothy Brook, Wm. Theodore de Bary, Robert Duplessis, Sue Gronewald, Robert Hymes, Keiko Ikeda, Jane Kate Leonard, Andrew Nathan, Anne Osborne, William Rowe, Shang Hongkui, Tian Shan-chih, Tu Nien-chung, and Zha Jianying. I would also like to thank my graduate school adviser, Madeleine Zelin, and acknowledge the support and encouragement of my good friends Joseph Bosco and Peter Zarrow. Pei-yi Wu's guidance in studying the merchant manuals was invaluable. I would also like to thank Columbia University, Beijing University, and the Whiting Foundation for providing support during the early stages of the project and the history department at Barnard College for support during the latter stages. Finally, Madge Huntington and Carol Gluck of Columbia University's East Asian Institute unflinchingly stood by my side through thick and thin. Despite all this help, I remain responsible for all errors.

PROLOGUE

At the height of the Qing dynasty, the painter Xu Yang (active ca. 1750–1776) depicted the Qianlong emperor's 1751 visit to Suzhou, the flourishing metropolis and symbol of the vast Manchu empire's prosperity. Xu's long scroll includes a welter of detail that allows us an intriguing glimpse into the commercial world of mid-eighteenth-century China.¹ Shops neat and spare line the streets of the city center and waterways. Cloth shops abound—as might be expected in this heart of the textile trade—with their bolts of cloth piled tidily behind the counters, and shops selling boots, furs, hats, antiques, wine, ginseng, and writing brushes also jostle for commercial space. All these open-fronted commercial establishments face the street and display signs indicating their specialties. A wine shop sign, for example, boasts “Famous Homemade Wine” (*zizuo mingju*).

The city bustles with activity. The shopkeepers and clerks, clad neatly in gray gowns and red and gray caps, staff the shop counters, either waiting on customers or otherwise occupying themselves. People fill the streets. Peddlers wander through the crowd, plying their wares. A young boy, perhaps an apprentice, brings tea to a shop counterman. A customer in the boot shop sits on a bench trying on a pair of boots as the shopkeeper hovers nearby. Along the waterways, stevedores busily unload merchandise brought by boat from the countryside or from other cities.

At about the time Xu Yang painted his scroll, enterprising merchants were recording their own impressions of the commercial world. Perceiving yet another opportunity for profit in all this prosperity and seeking to defend their profession from the criticism of Qing agrarianist writers, they recorded their own knowledge and experiences in manuals to serve as guides for neophytes in commerce.

As trade expanded and more and more peasants were drawn into the commercial economy, the number of intermediate market towns and merchant establishments during the late imperial period increased. New opportunities to make money in business attracted people from many walks of life. Urban dwellers opened their own shops. Shopkeepers took on apprentices who needed training. Peasants attracted by economic opportunity or compelled by rural distress moved to urban areas and sought, eventually if not immediately, to make a living in trade. Toward the end of the eighteenth century and throughout the nineteenth century, people with varying degrees of classical education were forced to relinquish their dreams of official glory and embrace commerce to support their families.

Many of these people came to occupy the middle level of the commercial world as mid-level merchants. Modest traveling merchants or shop owners, they perched precariously between the peddlers and stall owners below and the wealthy, politically connected merchants above. They had reached an important rung on the ladder of social mobility, and their story is important in the social history of late imperial China. Torn by the need for material success and the desire for social respectability, they challenged social norms and modified elite culture. The manuals written for them preserved a merchant culture that had probably begun to develop as early as the Song and that had certainly coalesced by the late Ming. The detailed and wide-ranging essays found in their manuals reveal the hitherto unexplored world of the mid-level merchant.

INTRODUCTION



People in late imperial China with a modicum of money, education, and ambition, but without great wealth or powerful connections, faced a potential dilemma. On the one hand, they increasingly viewed commercial occupations as an attractive way to earn money and raise the status of their family.¹ On the other, they sought to protect themselves in a dangerous, minimally regulated economic environment; opportunity beckoned the talented and ambitious but by no means guaranteed success. They also hoped to remain upstanding members of a society dominated by a governmental and educational elite whose notions of respectability—transmitted through edicts, lectures, and morality books—lagged behind the rapid economic changes and whose values conflicted with the reality of their lives. This establishment urged them from birth to quash their ambitions and to accept their lot in life.

How, then, did aspiring merchants approach this dilemma of attaining economic success while remaining socially respectable? How did those concerned with morality and respectability handle the conflicts that arose when the values propagated by conservative moralists clashed with the reality of life in the marketplace? Did they reject, at least in part, the narrow, elite notions of respectability? Or did they alter their business practices or ignore economic opportunities in order not to offend the establishment? How did they operate their businesses in this minimally regulated environment? Did the merchants' efforts to protect themselves restrict the development of their business practices, stifle their entrepreneurial spirit, or prevent them from taking full advantage of economic opportunities? Finally, did the merchants' response to their dilemma resemble the response of other social groups to similar dilemmas, particularly that of elite families involved in both commercial and more orthodox pursuits?

People of the late imperial period (1550–1930) without great wealth or connections resolved their dilemma by adjusting, and in some cases rejecting, the narrowly defined orthodoxy of the establishment and gradually developing a culture that was suitable to their own needs and that recognized their importance to society. This culture also became acceptable to a more broadly defined and realistic social and cultural orthodoxy.

The foundation of this merchant culture was a process of character training labeled, for the purposes of this study, “self-cultivation.” This term immediately brings to mind Confucianism, and its usage here is deliberate. References to Confucianism and Confucian values indicate the core values of Ming (1368–1644) and Qing (1644–1912) dynasty Confucianism found in the Four Books and disseminated in primary educational works such as the *Xiaoxue* (The Elementary Learning) or the *Sanzi jing* (The Three Character Classic).² Through rigorous Confucian-influenced education, apprentices or aspiring merchants learned not only the commercial skills necessary for business but also how to deal with people and how to cultivate appropriate personality traits. In essence, merchants were taught to achieve an “inner mental attentiveness,” subdue selfish desires, distinguish good from evil, and practice reciprocity.³ A properly cultivated personality helped the merchants to avoid the pitfalls of their economic environment and to conduct their trade profitably without compromising their standing as respectable “gentlemen” (*junzi*). In fact, their status as “gentlemen” enhanced their commercial success. Consumers in late imperial China could not prevail upon any kind of governmental Better Business Bureau to determine the honesty of a tradesman or to seek redress from a dishonest one. A shopkeeper’s reputation as a respectable gentleman, therefore, served to reinforce the notion that his customers would receive fair treatment and would not be cheated or shortchanged.

Apart from commercial applicability, a reputation as a proper gentleman bolstered a merchant’s respectability in society at large. Despite the time-honored social ranking of scholar, farmer, craftsman, and merchant, even local retail traders and shopkeepers occupied a middling niche in late imperial urban society. As the number of new towns and cities grew, as the size of older towns and cities expanded, and as commercial activity became more significant to the empire during the late imperial period, a commercial occupation became increasingly important and sought after. Moreover, better mate-

rial circumstances enabled members of the subordinate classes to imitate the customs of the elite, if only modestly, especially as members of the elite were moving into China's towns and cities and providing convenient models to imitate.⁴ Many tradesmen undoubtedly wanted their importance to be acknowledged by society.⁵

Elements of the self-cultivation approach to business began to appear as early as the Song dynasty (960–1279), when members of the elite became concerned with transmitting the Confucian ideology to the subordinate classes and the number of market towns began to increase. This approach most likely reemerged or achieved greater coherency beginning in the late Ming and then was refined and recorded by the authors of merchant manuals during the early and mid-Qing.

In addition to providing for commercial success and social respectability, the vision of the world articulated by the Qing merchant manual authors addressed the spiritual and ethical needs of people in the commercial world. No matter how hard the elite attempted to adjust their own message to fit the needs of the subordinate classes, they could not compete with manual writers who were themselves merchants, who understood the problems and difficulties of their peers, and who sought to place fewer restrictions on tradesmen's activities. The Confucian-influenced merchant culture provided realistic guidelines for behavior in a changing world and psychological solace during times of trial. In particular, a merchant's sense of himself as a respectable gentleman provided fortification as he contemplated the constant competition from hard-working farmers and laborers trying to establish their own shops. Indeed, the threat of downward mobility drew mid-level merchants to Confucian values just as much as the promise of upward mobility.

This study examines local retail traders who did business within the boundaries of single macroregions and small and mid-level shop owners located in the empire's urban areas.⁶ Many of these merchants were based in intermediate market towns, which proliferated during the late imperial period as peasants became more dependent on the market and as urban populations grew. Some merchants occasionally indulged in wholesale trade, and others expanded their firms and garnered a certain amount of wealth. Most merchants, however, operated small household or family businesses with only one shop or place of business, employed only a few apprentices and clerks, and possessed no civil service degrees. The overwhelming majority, if not all, were men.⁷ All were below the wealthy and politi-

cally powerful merchants but above the extremely vulnerable peddlers and stall owners. I refer to them as mid-level merchants, more for brevity than elegance.

The origins of these mid-level merchants are diverse. Some came from the countryside while others advanced from apprentice to clerk to store owner. Moreover, late imperial society was characterized by great fluidity between the world of trade and scholarship. Some families, for example, in their long-range plans for social elevation, viewed trade or shopkeeping as an intermediate step toward the world of the elite. Similarly, those who were classically educated and who had either earned the lowest civil service degree, failed the civil service examinations, or abandoned aspirations toward officialdom even before taking the civil service examination—the “poor Confucians”—frequently turned to middle-level commerce to earn their livelihood.⁸

Earlier studies of late imperial merchant culture attempted to separate the chaff of Confucianism from the wheat of pragmatism. The presence of Confucian thought and values was assumed to indicate the absence of a separate merchant worldview or culture and the confirmation of an unchanging China in which monolithic Confucianism smothered the development of an independent and “modern” perspective even among humble tradesmen. The reality, however, is more complex. Confucian thought did dominate during the late imperial period, but it was actually pluralistic and protean.⁹ Various schools of interpretation rose and fell, terms often carried different meanings at different times, and different groups in society interpreted Confucianism in divergent ways. Indeed, at least by the late imperial period, elements of the Confucian tradition began to be accepted as a general moral code or as received wisdom. Confucian thought and merchant practice, therefore, were not incompatible. Values, attitudes, and practices could be adjusted to the modern world and yet be deemed respectable even if deplored by some segments of the elite. Elements of the Confucian tradition, moreover, could be used to avoid or overcome obstacles and to conduct business successfully in a minimally regulated, increasingly commercialized economy eventually beset by population explosion, governmental decline, and growing disorder.

Scholars of Chinese social and economic history who first dealt with the issue of a separate merchant culture in China, however, searched for a culture similar to the one that they believed had flourished in Europe. These scholars sought to explain China’s failure to

develop economically, and they found evidence to support their contention that China lacked a discrete merchant culture. Merchants, especially wealthy ones, eagerly wished to identify themselves with the Confucian culture of China's elite. The fluidity of late imperial China's social system allowed them to break easily into the ranks of the gentry and thus discouraged the development of a separate merchant culture. Although this notion has been challenged in recent years, it is still widely accepted.¹⁰

In his recent study of the eighteenth-century novel *The Scholars*, Paul Ropp proposed the existence of a "third, urban-based middle-class culture" in Ming-Qing China. Composed of nonelite merchants, artisans, entertainers, and even unemployed and underemployed scholars, this group did not yet constitute a full-fledged bourgeois class, but Ropp claimed its culture differed significantly from that of the elite above and the peasants below. "In terms of power, wealth, prestige, and literacy, this group can only be classified as middle."¹¹

Ropp's study contributes greatly to our understanding of the subordinate classes in late imperial China. To demonstrate the autonomy of their culture from elite Confucian culture, however, he relies in part upon Wolfram Eberhard's study of Qing merchant manuals. Eberhard, working in the 1960s, found in these manuals evidence of a pragmatic business ethic free of Confucian morality and resembling the commercial ethics of Western merchants. He contrasted this ethic of the ordinary merchant, which embodied a "business spirit," with the Confucianism of the gentleman-merchant, which lacked a "real business spirit." This business spirit was considered important because it served as one of the preconditions for industrialization. The two assumptions implicit in this argument are that the demands of commerce create a similar business (or middle-class) culture throughout the world and that Chinese merchant manuals directly reflect that culture.¹² A more thorough examination of these manuals, however, indicates a need to revise such views.

I do not disagree that the manuals may illustrate the presence of a merchant culture or worldview with some distinctive elements in Qing China. Rather, my study disputes Eberhard's characterization of that culture and his assumptions concerning its evolution. Although commercialization may foster certain universal values, merchant culture in late imperial China can only truly be understood as a product of its own civilization and historical era.

I examine the development during the late imperial period of a

merchant culture, here defined as the practices and values related to the pursuit of commerce, within the broad context of five concerns: an economic environment increasingly commercialized but lightly and indirectly regulated; the expansion of market towns; the movement of the elite from the countryside to towns and cities; the efforts of the elite to inculcate the subordinate classes with Confucian ideals and values; and an explosive population growth. This study rejects the separate but related arguments that a commercialized economy will produce a uniform merchant culture at all times and in all places and that merchants during China's late imperial period were thoroughly "Confucianized," and therefore had no culture of their own or were rendered incapable of really pursuing commerce. Commercialization certainly did affect the development of this culture, but not in any predictable way. As E. P. Thompson put it, "We can see a logic in the responses of similar occupational groups undergoing similar experiences, but we cannot predict any law."¹³

Confucian thought in its many forms pervaded almost all levels of late imperial society, gave its adherents social respectability, and was indeed sought after by members of some subordinate classes. But some members of the merchant community appropriated the Confucian system of values for their own purposes and used it in ways unforeseen and unintended by orthodox Confucian educators and the authors of popularized Confucian tracts. Mid-level merchants concerned with morality and respectability slowly percolated the Confucian values of the dominant classes through the filter of commercial needs throughout the late imperial period. The resulting brew served as a realistic counterpoint to the morality books and ledgers of merit and demerit. As is well known, morality books and ledgers of merit and demerit did respond to changing times and did promote individual social mobility, but did so according to their own terms. We will see below that the overwhelming majority of these works supported the agrarian order and had definite ideas about the proper role of merchants in that order. In contrast, relatively powerless merchants, immersed in merchant culture, could define themselves in their own manuals as respectable gentlemen and at the same time provide themselves with realistic guidelines for living in an uncertain and changing age and for successfully handling their business ventures.

Indeed, the merchant manuals reveal that shopkeepers and itinerant traders neither autonomously developed their own values nor docilely accepted the value system of the orthodox elite in full. The manuals thereby support Carlo Ginzburg's contention that "the people do not passively absorb what is fed to them. Instead they break it down and reassemble it for their own purposes."¹⁴ This recycling can be clearly seen in how the manuals apply certain Confucian values to commercial activities. The reader or apprentice was taught to anticipate and thus avoid problems in a minimally regulated economic environment through a process of Confucian self-cultivation that had developed in a different historical context for different purposes. Ginzburg's point is also nicely illustrated in the differences over specific issues found in the commercial manuals and in the morality books written in the interests of the agrarian order. The merchant-authors rejected advice contained in the morality books that worked against the interests of their merchant readers and bypassed or de-emphasized aspects of Confucianism valued by philosophers and the orthodox elite but irrelevant to their readers.

Therefore, how merchants interacted with a changing economy cannot be understood without reference to the efforts by the orthodox elite and government to inculcate merchants with Confucian values, and how merchants reacted to those efforts cannot be understood without reference to their material life. The Confucian philosophy had the potential both to repress the development of a merchant culture compatible with a commercialized economic environment, as can be seen from the morality books, and to facilitate that development, as can be seen in the merchant manuals. That a "pure" merchant culture existed beyond the reach of Confucianism, however, fails to acknowledge that "there is *no* whole, authentic, autonomous 'popular culture' which lies outside the field of force of the relations of cultural power and domination" and that "what is essential to the definition of popular culture is the relations which define 'popular culture' in a continuing tension (relationship, influence, and antagonism) to the dominant culture."¹⁵ We thus must recognize both the success of the elite in inculcating their modified values and the success of mid-level merchants in further modifying those values, even as they generally accepted the overall message of the elite.

The Structure of the Merchant Manual

Merchant manuals had their roots in the family instructions and in the route books (*lucheng yilan*) that were guides for gentry and merchants during the late Ming. Some early manuals can be dated to the last decades of the Ming. However, the merchant manual only fully emerged as a distinct genre during the eighteenth century.¹⁶

The merchant-authors of the manuals employed a coherent and consistent approach supported by realistic and detailed instructions on how their readers could become both prosperous businessmen and respectable gentlemen. The authors of the main texts considered here generally share the same overall approach to business.

Chinese and Japanese scholars pioneered the study of merchant manuals and have tried to clarify the context from which they emerged. The Chinese scholar Ju Qingyuan first brought the genre to the attention of other scholars in the 1930s. In the stalls of Beijing's famed book district, Liulichang, he discovered books written by merchants on their activities, experience, and knowledge, which he purchased for nominal sums (ten or twenty cents) and then republished and analyzed in two articles.¹⁷ Shiba Yoshinobu, in a more recent study of a late Ming guidebook, noted that beginning in the Song dynasty (960–1279), as competition for wealth and social position intensified, families expanded the range of occupations considered suitable for their members.¹⁸ A need therefore arose for more practical knowledge and information than offered by the classical texts. Shiba emphasized, however, that the pocket-sized late Ming manuals for travelers were not only merchant manuals, as some other Japanese scholars had claimed, but also convenient guidebooks for both merchants and gentry (*shi*—the landed and degree-holding elite). Beginning as simple geographical guides, these books soon came to include behavioral rules and practical information for both groups. Specific sections, he noted, did come to be devoted to commerce. Mizuno Masaaki, in a 1980 study, claimed that the late Ming guidebooks for gentry and merchants reflected the increased social mobility of the late imperial period.¹⁹ The book he studied, the *Xin'an yuanban shishang leiyao* (The Original Edition of the Xin'an Encyclopedia for Gentry and Merchants) contained strategies and advice for commercial success. Significantly, both Shiba and Mizuno examined late Ming books written for gentry and merchants from