

China and Historical Capitalism

Only recently has it been recognized in the West that the historical experience of the world has been as much the history of China as of the West. The primary subject of this book is the historical relationship that has arisen between the concept of capitalism and the idea of China. The concept of capitalism was formulated by European intellectuals to identify the social formation in which they found themselves. Portraying it either as an ideal system or as its necessary prelude, they regarded capitalism as unique to Europe and as an organic outgrowth of Western civilization. In the process, they rejected China as a model of civilization, considering it merely despotic, feudal, or stagnant. This Eurocentric judgement has hung over all subsequent thinking about China, even influencing Chinese perceptions of their own history. The aim of this collaborative project is to examine how the experience of capitalism as a European social formation and as a world-system has shaped knowledge of China. In addition the volume aims to establish new foundations on which a theory of Chinese society might be built, in order to perceive and understand Chinese development in less Eurocentric terms.

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China and Historical Capitalism

Genealogies of Sinological Knowledge

Edited by

Timothy Brook and Gregory Blue

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In honor and memory of
Joseph Needham
1900–1995

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Preface

This book has had its own long and complex history. The original idea of addressing the formation of European and Chinese interpretations of China in the light of the development of European capitalism we owe to Joseph Needham, who died in 1995 at the age of ninety-four. Needham stood out among Western scholars who have taken China seriously in the sense of using Chinese history to question assumptions about European and world history. He committed his work on the history of Chinese science and technology to the task of recognizing China's contributions to world scientific knowledge and scientific culture. Wanting to understand why Chinese science and technology had been comparatively advanced, only to be eclipsed by "modern" science in Europe after the sixteenth century, he set himself the task of historically reconstructing the Chinese scientific and technical traditions. During the Second World War he formulated his problematic in terms of the negative question of "why modern science had not developed in China but only in Europe," but he soon expanded his inquiries with the more positive formulation of "why was Chinese civilization much *more* efficient than occidental in gaining natural knowledge and in applying it to practical human needs" prior to the sixteenth century. The difference between Chinese superiority until that time and European superiority thereafter Needham credited not to a difference in civilizational genius, as many of his generation and their predecessors had done, but to differences in the historical circumstances shaping the two societies. In Needham's view, Europe underwent the social, economic, and intellectual transformations associated with the full development of capitalism whereas China did not, in large part for reasons of material organization that scholars only now are beginning to identify.¹

Needham believed that a more profound understanding of the nature of Chinese society would be required to develop a satisfactory explanation for the historical evolution of science in China, and he designated

¹ Needham 1969; Needham and Huang 1974.

volume VII of his *Science and Civilisation in China (SCC)* as the place in that series where this issue would be pursued. In his seventies he came to feel that other *SCC* commitments would make it impossible for him to devote his own time to this task, and so engaged collaborators for volume VII to investigate various aspects of the problem of comparing China's development with the emergence of capitalism in Europe, a subject also treated by Francesca Bray in her *SCC* volume on agriculture.² In 1977–78 he arranged for Gregory Blue and Timothy Brook to collaborate on volume VII by examining respectively European and Asian interpretations of Chinese society,³ both of which he acknowledged had exercised great influence on his own thinking. In 1983 he invited Immanuel Wallerstein to examine the conditions of the emergence of capitalism in Europe in order to establish how one might now best understand the specific character of European historical development. Unanticipated difficulties that arose in the course of editing our part of volume VII in the early 1990s led to its cancellation. We decided then, with some regret, to publish our work outside the framework of *Science and Civilisation in China*. To enlarge the scope of the volume, we invited Bin Wong and Francesca Bray to contribute chapters that would help to complete the intellectual trajectory that this book seeks to describe: beginning with the peculiarity of Europe and ending with the specificity of China.

For their comments on sections of this book as it was in progress, we wish to thank Martin Bernal, Joshua Fogel, Dieter Kuhn, Kenneth Pomeranz, and Elinor Shaffer. For their support given during the long gestation of this volume, we are grateful to the successive librarians of the East Asian History of Science Library, Cambridge. The editorial assistance of Ludgard De Decker in the final phase of producing the manuscript and proof reading it is gratefully acknowledged. To Richard

² She argues there that the technical conditions of production in northern Europe favored the development of large-scale farms capable of economies of scale. They therefore tended to encourage capitalist relations of production in agriculture, while the technical conditions of riziculture, which was labor intensive and skill oriented, did not. See Bray 1984: 6, 134–39, 198–202.

³ Having previously been struck by the palpable differences between Western sinological scholarship and orthodox Chinese Marxist historiography regarding ancient and imperial Chinese history, the two of us independently came to focus on issues of comparative “pre-capitalist” development prior to our collaboration with Joseph Needham. This we did through separate engagements with Perry Anderson’s (1974a) *Lineages of the Absolutist State*, then recently published, particularly the substantial appendix on the Asiatic mode of production, which included a thoughtful appraisal of Needham’s notion of “bureaucratic feudalism.” (Ray Huang, another collaborator on volume VII, brought this text to Needham’s attention.) As it was Bin Wong who first introduced Anderson’s work to Brook, we are pleased that he has been able to join us in completing this intellectual odyssey.

Fisher we owe the privilege and pleasure of publishing with Cambridge University Press. In closing, we would like to reserve our final thanks, if we may, for each other. When we set out on our wandering journey to create what this book has become, we had no inkling of the extraordinary length of time it would take to complete the journey, nor of the bonds of friendship that journey would create. We only wish that Joseph were still with us to share, as he would have, in that pleasure.

9 December 1998

TIMOTHY BROOK
GREGORY BLUE

Major dynastic periods in China's history

Shang	1766–1122 BC
Zhou	1122–249
Qin	221–207
Former Han	202–8 AD
Latter Han	25–220
Tang	618–907
Northern Song	960–1127
Southern Song	1127–1279
Yuan (Mongols)	1271–1368
Ming	1368–1644
Qing (Manchus)	1644–1911
Republic	1912–1949
People's Republic	1949–

1 Introduction

Gregory Blue and Timothy Brook

The historical experience of the world has been as much the history of China as of the West.¹ This modest fact has found recognition in the West only recently, and still only in certain circles. The dominance of models of society derived from the European experience in history and the social sciences has served to block this recognition. Too often the generalizations of social science – and this is as true in Asia as in the West – rest on the belief that the West occupies the normative starting position for constructing general knowledge. Almost all our categories – politics and economy, state and society, feudalism and capitalism – have been conceptualized primarily on the basis of Western historical experience. Until recently, China was sometimes taken into account, yet it mattered only to the extent to which it provided corollary proofs for European solutions to European questions. The teleologies of meaning attached to these concepts of analysis in European history have remained intact in spite of the often glaring counterexamples that China and the rest of Asia offer to Western observers. In this volume, we aspire to take account of China's historical experience in a different way: in the first three chapters, to probe the impact that Western genealogies of historical knowledge have had on how China is understood; and in the latter two, to suggest lines of flight from this dead end.

However diminished by Western systems of thought, China since at least the thirteenth century has been an object of intense contemplation for Europeans. Since Marco Polo dictated his account of the prosperity of Khubilai Khan's empire and even before, the West has been fascinated by the scale of this realm at the other end of the Eurasian continent. The dream of profitably trading with the world's most populous market famously inspired Christopher Columbus among many others to search for access routes to China and succeed in soliciting the resources of the expanding European states to back their adventures. The trade was financed by silver extracted from the windfall

¹ Or of any other part of the world, for that matter.

mines of Potosí in Bolivia, and it was sufficient to compensate for the otherwise unbalanced terms of trade for two centuries. Only thereafter did the balance of trade tilt decisively in favor of the West, and less by trends in the newly industrializing textile trade than by military interventions and the imposition of the British trade in opium. What followed was a combination of coercive measures similar to those imposed on the Ottoman and Persian empires, and for a time on Japan: the opening of ports to foreign commerce, the fixing of tariffs at low rates, the imposition of commercial and banking concessions for foreign enterprises, the provision of residence and evangelization rights for Christian missionaries and of extra-territorial privileges for Western (and later Japanese) nationals, and the ceding of territories of strategic or economic significance. The “China trade” continued to grow as this increasingly pervasive free-trade regime was enforced from the 1840s through the 1880s. During that period, China was wracked by major domestic upheavals, most notably the Taiping Rebellion, in which an estimated twenty million people died (approximately the number of total deaths in the First World War), and the famines of the late 1870s, in which nearly another ten million died. Diplomatic entanglements toward the turn of the twentieth century together with a sky-rocketing foreign debt precipitated a dramatic downturn in China’s international balance of payments, as well as in its international image.

Filled with a sense of urgency about their nation’s weakness, Chinese intellectuals struggled to determine why Chinese society had failed to develop effective, “modern” institutions and standards of living commensurate with the West and Japan. This problem had already been posed in the West since the late eighteenth century by social and political theorists, by historians and economists, and by statesmen responsible for defining their governments’ policies toward China. By the 1880s this question was absorbing Japanese thinkers as well. Into the second half of the twentieth century it has continued to serve in East and West as the basic intellectual horizon for scholarly research and practical planning with regard to Chinese society and China’s place in the world.

A natural explanatory strategy for addressing the problem of China’s weakness was to identify China as a discrete civilizational totality and to contrast it with the West, which was conceived as another such totality. The object of this strategy was to discover what was lacking in a Middle Kingdom whose place in the real world, far from being central, appeared more and more peripheral. The “naturalness” of this contrastive approach followed in large degree from the strong and exclusivistic senses of identity to be found both in China and in the West. If there was debate about what the fundamental deficiencies were, most people

favorable to reforming China took it for granted that China was poor and backward because it lacked qualities or institutions that Western societies possessed. It was likewise assumed that proper diagnosis of China's deficiencies would make it possible to improve its condition through the implementation of appropriate Western policies and institutions. If today this line of thinking brings to mind Edward Said's persuasive views about how Western imperialism brought about the "Orientalization of the Orient," by 1905 the Japanese example seemed to indicate that a combination of self-Orientalizing and extensive "learning from" the West could be effective in strengthening the state, asserting national sovereignty, and improving economic performance.

The strategy of constructing civilizational contrasts with the West involved several assumptions from which the conclusion seemed to follow that China was intrinsically inferior to the West. The first and most basic of these assumptions was the conviction that the West (or at least the segment of it that one admired) was possessed – whether culturally, socially, economically, or biologically – of a character or of qualities innately superior to those of other peoples. Another assumption was that the historical experience of Western civilization had been a closed process. Together these two ideas buttressed the notion that Western history was primarily a working out of innately superior capacities inherent in some exclusive way in Western society. Thus, in the period since antiquity – perhaps since the Greeks, but especially since the Germanic invasions – Western civilization was seen as having stood above outside influence or interactions with other cultures. While progressive thinkers commonly shared the view that the Western historical experience represented the norm of world-historical progress *per se*, anti-progressives were perfectly happy to depict progress as a dream shared by the lower classes and the "inferior races" alike.² Whatever their political orientation, nineteenth-century analysts almost uniformly assumed that Chinese society had remained essentially unchanged in an inferior state since antiquity. Because of these assumptions, the approach of contrasting civilizational totalities seemed to support the conclusion that China's inferiority to the West at that time, rather than being shaped primarily by recent trends in internal socio-political development or in international relations, was instead a long-term consequence of quasi-permanent structural features identifiable as deficient because they differed from features characteristic of the West.

The notion of Chinese changelessness had not always been taken for granted. At the beginning of the seventeenth century, in combatting the

² Gobineau and some of his followers considered capitalism, like the yearning for progress, as a mark of racial degeneracy; see Blue 1999.

idea that the “starry firmament” was fixed, Galileo used the metaphor of China, with which Europe had recently become better acquainted, to indicate the danger of believing that distance and difficulty of observation justified concluding that an object of investigation was changeless. Later in the century Chinese struggles against the Manchus and the upheavals at the fall of the Ming dynasty were well publicized in the West, and subsequent events and policies were regularly reported to European audiences by Jesuit missionaries resident in China as advisors to the Qing emperors. Though some commentators expressed doubt, the Jesuits reported the impressive fact that the Chinese population more than doubled during the eighteenth century. Yet, by the last quarter of that century, Western thinkers were coming to perceive China in a new light that assumed Western secular as well as religious superiority. Adam Smith still understood that China “had long been one of the richest, that is, one of the most fertile, best cultivated, most industrious, and most populous countries of the world.” He nevertheless considered it to have been “long stationary” and to have changed little in terms of “cultivation, industry, and populousness” since the time of Marco Polo.³ We single out Smith not because his assessment of China was extraordinarily novel or negative – indeed, it was mild compared to those of some of his contemporaries. We cite him because Chinese historical stagnation became a cliché over the following century, a cliché that European social theory mobilized to develop its understanding of capitalism (or, as Smith called it, commercial society). Though the Galilean vision of the universe as a dynamic system was becoming more widely accepted, Western thinkers were increasingly perceiving Asia as a whole, and China as a part of it, as historically static.

For nineteenth-century Western thinkers who identified capitalism as either the ideal economic system or the necessary prelude to an ideal system, capitalism was a unique and organic outgrowth of Western civilization. Curiously, as Bin Wong argues in this volume, the Smithian model of commercial society as involving a multiplicity of small, more or less equal producers realizing efficiency gains through the market seems actually to have been rather apt for describing later imperial Chinese society. However, from the late eighteenth century until the period between the two world wars, the notion of capitalist society was embedded in Eurocentric theories of stages of progress. While capitalism was thought of as standing at or near the pinnacle of historical development, China was thought of as a historically stagnant society that remained naturally near the bottom. Its only hope for economic

³ Smith 1937: 55.

progress was to turn its back on the past and to take lessons from the West. These notions were perpetuated through the Romantic, Hegelian, and positivist traditions of scholarship into the early decades of the twentieth century.

Given the power of the negative identity that “capitalism” conferred on China, almost every attempt to place China in our field of knowledge involves recurrence to a prior recognition of China and capitalism as a contrasting pair. The consequences of this pairing of ideas have been potent: capitalism is credited with having brought China into history, and China is discredited for having failed either to develop capitalism on its own or adopt it compliantly from the outside. Capitalism set the terms by which China had to fail, and China provided the example of failure from which capitalism could assert its civilizational identity and its superiority as an efficient form of political economy.

This book is our collective attempt to consider elements of the relationship between China and Western social theories of capitalism. We do not address the effects that Western capitalism has had on China’s political economy, nor do we examine the economic growth currently underway in East Asia. Our interest is rather in how capitalism as it has been conceived as a European social formation and as a world-system has shaped knowledge of China. We aim to identify distortions introduced in the understanding of China under the influence of cultural and ideological trends that took Western capitalist relations and patterns of development to be the norm for the world, and in doing so hope to contribute to devising more adequate understandings of Chinese society. To understand China better we must begin to see past the narrative of modern world history as the “European miracle,” and so develop less Eurocentric ways of understanding the world.

Pursuing this inquiry has involved framing three questions. The first is, what is distinctive about the emergence of a capitalist order in Europe? The assumption behind this question is that part of Europe underwent significant social, economic, and political changes between the fourteenth and sixteenth centuries that heightened its capacity to act in the world economy, and that these changes can be understood as constituting the early formation of European capitalism.

The second question is, how has the idea of the capitalist transformation of Europe affected how Europeans and Asians have viewed China? This question assumes that the relative repositioning of Europe and China in the world economy in the wake of Europe’s capitalist transformation had profound effects on knowledge in both places. Europeans came to regard their place in the world, and the place of other societies in the world, differently as a result of changes in the sphere of global

economic competition. So too, the Chinese assessment of what China was and had been was profoundly affected by the same expansion of Western dominance, not so much when the expansion was first under way, but after it was well advanced at the turn of the twentieth century when China found itself subordinated to the European capitalist world-system.

The third question is this: On the premise that our understanding of China has been distorted by the view that Western capitalism constitutes a universal historical outcome, how might we move beyond such distortions in analyzing Chinese history? As the structures of the Chinese economy and state did not have to approximate European state and society during or after a transition to capitalism, distinct institutional models and models of historical change may be required to capture different dynamics at work at the two ends of the Eurasian continent. A thorough reinvestigation of Chinese history that seeks to go beyond existing categories of historical analysis based primarily on the Western experience may lead to a rethinking of current models of world history, most conspicuously the story of “the rise of the West.”

The five chapters of the book proceed in sequence through these questions. Immanuel Wallerstein presents a conjunctural analysis that sees the emergence of capitalism in Europe as resulting from the working out of broad Eurasian trends in the particular conditions of one region of the medieval “Old World” trade ecumene. His analysis strongly challenges the traditions of attributing that transition to any timeless “spirit” of Western civilization or to an institutional miracle unrelated to what was going on elsewhere. Treating the emergence of European capitalism as a specific response to a general crisis that involved the entire Old World trading system, he analyzes the European “break-through” to a capitalist order as resulting from the peculiar breakdown of social and political restrictions that in other predominantly agricultural societies served to limit the growth of production and consumption. In placing the origin of crucial features of European capitalist societies in the late medieval period, this analysis throws light on long-term structural differences between Europe and Asia. It leaves open the issues of when and in which respects Europe achieved superior levels of economic performance.

In the second chapter, Gregory Blue turns to European representations of China from the sixteenth to the early twentieth century. Those representations were spurred by the gradual aggregation of a body of knowledge about a society that loomed distantly as one of Europe’s most significant “others.” This body of knowledge included a growing number of items of information about China which were bound together

with a porous mortar of interpretation that crumbled and was remade over time as the West faced changing political and economic pressures in the capitalist world-system around the globe, including in China. The early contacts through the Jesuit mission produced a generally positive view of Chinese society, but Western depictions became more disdainful from the late eighteenth century as European colonial power in Asia was strikingly extended and consolidated, and as demand for raw materials and markets for the West's newly mechanized industries drove capitalism to exploit the economic potentials of Asia more systematically. The consolidation of colonialism led either to writing a generically inferior past for the non-European world, or to ascribing a feudal past similar to Europe's but lacking the capacity to make the passage from feudalism to capitalism. Within this regime of knowledge China fared badly. Its troubled story of decline was offered to the world as part of the epochal tale of Europe's own successful modernity.

Timothy Brook continues the analysis of China's historiographical subordination to the capitalist West in the third chapter by moving from European narratives to those that Asian intellectuals constructed. By early in the twentieth century, Asian intellectuals were abandoning indigenous approaches to Chinese history in favor of European-derived analyses that focused on the non-development of capitalism in China. Struggling against the political disruptions that followed the incorporation of China and Japan into the capitalist world-system, many Chinese and Japanese subscribed to Western views of China based on the model of the passage from feudalism to capitalism. The European Marxist narrative of the growth and eventual overthrow of capitalism promised an eventual transcendence of China's non-capitalist backwardness and access to modernity without capitalism. In the past two decades, as capitalist modernity has become increasingly established in the Chinese culture area, the discourse of transcending capitalism may have receded, yet Chinese historiography at present remains focused on the development of capitalism more than ever, substituting genealogies of continuity for those of transcendence.

In the final two chapters, Francesca Bray and Bin Wong take our project of interrogating the Western foundations of sinological knowledge further by considering how Chinese and European history might jointly be conceived without simplistic recourse to models constructed around the rise of European capitalism. Bray examines long-term trends in Chinese material civilization to investigate the linkages among culture, economics, and politics that obtained in China. She concentrates on the shift of regional predominance from the north to the south, which occurred during the late Tang and Song dynasties, from the ninth

to the thirteenth century. This shift she relates to long-term shifts in the empire's mix of rural products, with northern wheat, millet, and silk as central to state revenues in the early centuries, but with rice and cottons, hailing primarily from south China, becoming the central products from the Song. In turn, she explores how changes in gender roles in farming and textile production heightened the anxieties of the elite and the Confucian state about moral disorder as the rural economy became increasingly commodified in later centuries.

Bin Wong turns our attention to the dynamics of China's internal economic transformations and the changing relation of the Chinese economy to the capitalist world system. Following both sides of this subject through the late Qing and the Republican periods and finally into the era of the People's Republic, he brings the discussion back to the central issue of finding adequate economic and historiographical theoretical tools for explaining the burgeoning commercialization evident in China from the Song, but particularly impressive from the sixteenth century onward. Wong takes up Adam Smith's model of a commercial society in which a multiplicity of small producers compete. While pointing out difficulties in the recent literature that depicts near perfect fluidity in labor and commodity flows across regions, he finds the Smithian model of commercial society useful for analyzing the evidence not only for early modern markets in Western Europe but also for those in late imperial and Republican China. In macroeconomic terms, however, Chinese made decisions about capital concentration, the distribution of economic goods, and the provision of sustenance that differed from the choices of Europeans, and had different consequences with regard to the formation of capital and the character of society. These choices, accordingly, have generated a different agenda for economic growth in China today.

The challenge this volume poses is not simply for China historians to break away from Eurocentric theories, difficult as that is, but for social theorists working within Western historiographic assumptions to recognize the challenge that knowledge of China constitutes to theory, and to reconsider the modern history of the world in this light. The point is to take China seriously in devising theoretical concepts that embrace the diversity of social reality, not just to fix on those elements of the Chinese record that confirm or deny particular aspects of existing Western (or other) social theory, but to treat China as a significant case that must be integrally explained by any theory that is to be considered adequate.

The deepening involvement of the People's Republic of China with the capitalist world-system since the economic reforms of the late 1970s, and the increasing success with which Chinese communities

outside the PRC have been able to compete in international markets, intensify the pressure to develop social theory in ways that can take China and all of East Asia into account. Some theorists, like economist Yukio Yoshihara, have sought to distinguish the contemporary historical formation of East Asian economies by characterizing them as “pariah” or “ersatz” capitalism.⁴ Others, like anthropologist Ruth McVey, find the dynamics of large-scale commodity trading in contemporary East Asia to be well within the definition of capitalism.⁵ Still others, such as world-systems economist Andre Gunder Frank, have taken the historical record of commerce in East Asia as grounds for questioning the validity of capitalism as an analytical category that sets Europe apart from Asia.⁶ As the debates on these issues continue, a condition of explanatory success will be a willingness to step back from European models where those models cast shadows rather than throw light. We hope that our consideration of the relationship between China and capitalism in this volume demonstrates the value of taking China seriously, and we encourage others to rethink social theory in the same spirit.

⁴ Regarding “ersatz capitalism,” see Yoshihara 1988. ⁵ McVey 1992.

⁶ E.g., Frank 1991: 171–72, 185–86; restated in Frank 1995: 186–90 and now most fully in Frank 1998. See also Bergeson 1995.