Lecture 5. Economic Philosophy in the Warring States Era

Two Models of State Formation in Warring States Era
(1) Central Plain: leagues of commercial cities
(2) Peripheral States: concentration of autocratic power

Autocratic State and Political Economy
-- Registration and taxation of economic resources
-- Ruler’s claim to non-agricultural resources ("mountains and marshes") formerly deemed common lands

Militarist-Physiocratic Model of Political Economy
-- Agriculture and labor still considered fundamental sources of wealth
-- Li Kui ( chancellor of Wei, 422 BCE): focus on agricultural improvement to "maximize productive potential of the land" (盡地力)
-- Indirect price controls in grain market

Shang Yang (Gongsun Yang, 390-338 BCE): recruited to Qin as senior minister (356 BCE)
-- Sweeping administrative and legal reforms
  (1) Established conjugal household as basic social & economic unit
  (2) Organization of society into military-style units of 5 families; mutual legal liability
  (3) Allocated land & slaves on basis of new system of military rank (ming tianzhai 名田宅)

Book of Lord Shang: compiled by disciples of Shang Yang
-- Hostility to commerce; encourages immigration, population growth, labor power of state

Political Economy of Proto-Guanzi
-- Guanzi: Most important collection of documents on political economy
-- Two main sets of ideas:
  (1) Eclectic consensus views of rising autocratic state (= Proto-Guanzi);
  (2) Later (Han) chapters sharing coherent view of mercantilist state (= Pseudo-Guanzi)
-- Proto-Guanzi: Ruler bears responsibility for ensuring welfare & prosperity of people; must balance inevitable conflicts between market economy & autocratic state

Providential State in Confucian Philosophy
-- Mission of ruler is to provide for material and moral welfare of people
-- Recognized necessity of commerce in economic life, but rejected values of marketplace

Mencius (fourth century BCE) & the "Well-Field" System (井田) of Land Distribution
-- Equal division of landholdings among people; egalitarian and communal society

Xun Zi (d. c. 235 BCE)
-- Defense of moral philosophy; but premised on doctrine of human nature as evil rather than good
-- Upheld Confucian ideal of "true king"; but also made accommodation for lesser type of ruler, the hegemon (ba 霸)