History 170E
Economic Philosophy in the Warring States Era
(5th-3rd centuries BCE)
Core states (Han, Wei, Zhao) operated as leagues of mercantile cities.

Peripheral states (Qin, Chu, Qi, Yan) developed more centralized autocratic rule.
Industrial & Commercial Centers in Warring States China
Urban Structure of Linzi 臨淄 (capital of Qi 齊)

- Walled city divided into main and palace cities
- State-run industrial workshops and coin mint located within palace city
- Marketplace located in main city
Bronze Passport

- Issued by the King of Chu in the late fourth century BCE, this passport exempted the bearer from excises on boats and carts.
- More typically, such passports would have been inscribed on bamboo (this elegant version, with the text inlaid in gold, was issued to a high-ranking Chu official).
Progenitors of the Militarist-Physiocratic State

§ Li Kui 李愧: chancellor of Wei 魏, 422 BCE: focused on “maximizing productive potential of the land” (盡地力)

§ Shang Yang 商鞅 (Gongsun Yang, 390-338 BCE): native of Wey 衛; official in Wei 魏, undertook drastic reforms after being appointed minister in Qin 秦 in 356 BCE

§ Book of Lord Shang 商君書: compiled by followers of Shang Yang
Militarist-Physiocratic State

- Farmer-soldier ideal (agriculture and war as the twin pillars of the state)
- Social rank determined by military accomplishment (Qin-Han system: 21 merit ranks, 7 for commoners and 14 for officials)
- Capitation taxes in coin and labor service assessed uniformly on all adults, including women
- Discouraged commerce; much industry (especially armaments) under direct state control
Guan Zi 管子

- Compiled in late first century BCE, but ascribed to Guan Zhong, minister of Qi in sixth century BCE
- Older portions ("Proto-Guanzi"): eclectic essays dating probably from 3rd-2nd centuries BCE
- Late ("Light and Heavy" 輕重篇) chapters ("Pseudo-Guanzi"): coherent mercantilist form of political economy, probably written in early Han
The “Four Classes” (*simin* 四民) in the *Guanzi*

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*GZ* = Guanzi
The Providential State

- Confucian philosopher Mencius 孟子 (mid-3rd century BCE): ruler must provide for needs of the people

- “The people are most precious; the altars of soil and grain come next; the ruler counts for the least” (民為貴，社稷次之，君為輕)

- “Constant livelihood” (hengchan 恆產) as precondition for moral instruction and cultivation

- “Well-field” system (jingtian 井田): egalitarian and communal ideals
Xunzi 荀子
(died c. 235 BCE)

- Confucian philosopher active at the Jixia Academy (philosophers’ circle at the court of Qi)
- In contrast to Mencius’s assertion that human nature is fundamentally good, Xunzi argued the opposite: human nature is evil
- Advocated more active role for the ruler to manage economic livelihood
- Apart from Confucian ideal of “true king” also made allowance for a lesser form of government under the “hegemon” (ba 霸)