The Magistrate's Tael

Rationalizing Fiscal Reform in Eighteenth-Century Ch'ing China

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Not long ago, all courses in modern Chinese history in the United States began with the firing of the first cannon of the Opium War. Even for Chinese scholars, the year 1840 has become the dividing line between ancient and modern in the evaluation of their country's past. The indigenous evolution of the Chinese polity has been obscured by a single-minded focus on its failure to respond to the challenge of Western imperialism. Recent work on population growth, commercialization, and the development of handicraft industries and agricultural specialization has shattered an image of a static late-imperial economy. But in the political realm, the specter of the decaying Ch'ing empire, so deeply imprinted on the minds of nineteenth-century chroniclers, still survives. Although we no longer speak of "unchanging China," the paradigm for understanding China's early-modern experience remains a weak, corrupt imperial state, barred from innovation by an archaic philosophical heritage. As a result, we often overlook the complexity of that experience and deny ourselves the opportunity to explore the real roots of China's nineteenth- and twentieth-century decline.

This book is about China before the "coming of the West." It is also about corruption, but more important, it is about change. The first century of Manchu rule in China was more than just a page in the history of barbarian adaptation of Chinese political forms. It was a period of vigorous reform that had important im-
lications for the potential development of a strong, modern Chinese state.

The main arena of reform in the early Ch'ing was fiscal policy. Building on China's preexisting tradition of bureaucratic rule, the new Manchu dynasty endeavored to use fiscal reform to enhance the power of the monarchy and strengthen the institutions of centralized government. They drew a clear distinction between the inner and the outer court that was reflected in the separation of the imperial purse and the state treasury. Efforts to forge a direct relationship between subject and ruler were accompanied by policies designed to diminish the power of the gentry and local strongmen whose mediating role under former dynasties had weakened the authority of the state. In order to improve tax collection, tax assessment was simplified and the land and head taxes were merged. At the same time, the Ch'ing clearly delineated which revenues were to be the province of local and of central administration, and they established a system of annual accounting to monitor revenue collection and utilization and ensure central-government supervision of all state income.

Taken together, these measures constituted a major step forward in the evolution of China's administrative apparatus. However, they could not contend with the underlying weakness of late-imperial finance. Corruption and tax evasion were a continuous threat to the fiscal stability of the early Ch'ing state. Chinese rulers in the seventeenth and eighteenth centuries faced many of the same problems as their contemporary counterparts in Europe: a weak agricultural fiscal base, poorly articulated distinctions between public and private revenues, and intense competition, both within and without the bureaucracy, for the limited surplus product of the realm. The existence in China of a mature bureaucratic system of rule, as well as the innovations introduced by the Manchu dynastic founders, exacerbated these problems by demanding morality in fiscal administration without providing sufficient funding at the local level to accomplish this goal. The great achievement of China's early-eighteenth-century reformers was the creation of a fiscal system which not only answered the needs of traditional political economy, but had the potential to develop into a system of government finance suited to the requirements of a strong centralized state.

The culmination of early Ch'ing fiscal reform was the "return of the meltage fee to the public coffer" (huo-bao kuei-kung), imple-
of interaction between emperor and court. Moreover, the Manchus brought to China new notions of imperial authority which in practice placed the emperor in a much more central position than he was accorded by traditional Confucian notions emphasizing the ritual centrality of the monarch. The direct role played by the early Ch'ing emperors in the formation of policy often contributed to the introduction of new ideas and new techniques in government. By the early eighteenth century, that role was reinforced by new institutions such as the secret-palace-memorial system, which both improved the emperor's access to information and his control over administrative affairs. Finally, the Ch'ing bureaucratic apparatus itself was far more centralized than that of the Ming, a fact that facilitated empire-wide reform and imperial direction of its implementation.

These conditions made possible the rational approach to solving China's fiscal crisis that was adopted during the 1720s and 1730s, but they did not guarantee that such bold measures would be undertaken. Each of the emperors during the so-called High Ch'ing was an able and dedicated ruler. However, differences in their personalities and in the political climate during their reigns had a profound effect upon the way in which they dealt with the problems of fiscal administration. The Ch'ien-lung emperor, last of the High Ch'ing triumvirate, deliberately sought a balance between the overly lenient policies of his grandfather, the K'ang-hsi emperor, and the excessive harshness that marked the reign of his father, the Yung-cheng emperor. It was not merely style that distinguished these two great rulers. K'ang-hsi reigned in an environment in which Manchu legitimacy was not yet established. His notorious refusal to attack corruption may have grown out of the necessity to placate a predominantly Chinese bureaucracy not yet reconciled to Manchu rule. His son no longer had to fear recriminations from officialdom or the literati. By the time the Yung-cheng emperor took the throne, China was united and at peace, and almost eighty years of Manchu rule had left no other realistic focus of loyalty for an elite whose status depended as much on imperially conferred ranks and degrees as on local wealth and influence. The Yung-cheng emperor was a tough and pragmatic man, but it is unlikely that he could have taken the steps that he did to rationalize administration and combat corruption and gentry privilege had he ruled at an earlier time.

In part, the peace and prosperity of the High Ch'ing must be attributed to the huo-hao kuei-kung reforms. Unfortunately, despite its contribution to China's early modern development, huo-hao kuei-kung ultimately failed. By the nineteenth century, China was indeed a country ravaged by corruption and torn by centrifugal forces which the government was increasingly powerless to resist. Nevertheless, the nature of our inquiry into modern Chinese history is changed dramatically when we realize that the "traditional" Chinese monarchy, which appears so resistant to change in the century of Western ascendancy, was not always so. We must learn to look at China in the late-imperial period as a dynamic state, struggling to devise its own formula for rational and efficient bureaucratic rule. If the huo-hao kuei-kung reforms were a failure, then we must ask why.

Nineteenth-century Chinese intellectuals sought the roots of bureaucratic corruption in the declining moral qualities of China's official class, and modern critics have tended to follow suit. Faced with the evidence in government statutes of strong sanctions against officials found guilty of fiscal malfeasance, scholars have postulated that the government was too weak or too lazy to enforce its own regulations, or that the force of custom was too great for any agent of the throne to overcome. In the end we are left with the unsatisfying notion that China was corrupt because China was corrupt. Such an explanation, or lack thereof, provides us with no basis upon which to judge the actual capacities of the late imperial state. Even more important, it allows us neither the data nor the analytical framework within which to compare the problems faced by Chinese dynasties with those of other premodern societies, or with those of Chinese governments in the twentieth century.

Personalities did, of course, play a role in the demise of huo-hao kuei-kung, as they did in its implementation. The Ch'ien-lung emperor, more than any of his predecessors, was a product of a Confucian education and a prisoner of Confucian myths of kingship. His desire to be judged a benevolent ruler led him to approach Yung-cheng's reforms with hesitation. On the one hand, he feared that support of huo-hao kuei-kung might be seen as contrary to the way of the ancient sages. On the other hand, he dared not reverse the policy so painstakingly implemented by his own father. In the end, Ch'ien-lung's efforts to satisfy both imperatives were indeed damaging to huo-hao kuei-kung, but they were not solely
responsible for the reemergence of institutionalized corruption in the late Ch'ing. More important were the constraints imposed on rational fiscal administration by the structure of the late-imperial socioeconomic system. If we are to understand properly the decay of the Chinese empire, then we must examine the impact of that system on the breakdown of imperial control of corruption. The gradual demise of huo-hao kuei-kung provides an excellent example of the limits of reform in the late-imperial period. Its analysis will alert us to the ways in which the government evaluated the task of maintaining adequate levels of revenues and the techniques that it used to do so. If the government did try to eliminate corruption and failed, then a study of the reform process should enable us to comprehend more fully the tensions within the late-imperial polity that led to China's nineteenth- and twentieth-century decline.

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THE ROOTS OF FISCAL INSTABILITY

IN THE ANNALS OF LATE-IMPERIAL CHINESE HISTORY, few emperors have achieved the fame of the second Ch'ing ruler, K'ang-hsi (1661-1722). His legendary humanity and benevolence as a ruler were given ample expression during a reign that lasted sixty years. Although the final decades of K'ang-hsi's rule were tainted by one of the most celebrated succession crises in China's long imperial past, he is best remembered as the emperor who brought peace to the land and restored conditions in which good government and the pursuit of learning could flourish. Little known or discussed is the negative legacy that K'ang-hsi bestowed on the empire. Yet the way in which this legacy was handled was to have a tremendous impact on the future of the Ch'ing dynasty and the development of the Chinese state.

When the K'ang-hsi emperor died in 1722 he left a state treasury containing only 8 million taels of silver.¹ This sum, equal to about 27 percent of the central government's total annual tax revenues,² could in no way be compared with the empty treasuries and royal indebtedness of K'ang-hsi's eighteenth-century European counterparts. Nevertheless, within the context of late-imperial Chinese economic thought such a figure was to be deplored. This was a political system that worshipped the balance of expenditure against
income and considered central-government reserves essential lest man be unprepared for the ravages that nature could bring. Depleted treasuries were certainly not new to China. In fact, their existence was so common that they played a central role in the traditional “dynastic cycle” explanation of the collapse of imperial regimes. When the talents and virtue of the imperial line were declining, when officialdom was becoming corrupt, and when the pressure of population growth was beginning to strain the resources of both the land and the state, it was expected that the imperial coffers would shrink. The previous Ming dynasty had presented a classic case of fiscal strain, resulting in increased surtaxes, popular resistance, growing military expenditure, and finally, inability to cope with foreign invasion. However, in 1722 the Ch’ing dynasty was not dying. On the contrary, there had been no major internal disorder since the defeat of the Three Feudatories and the pacification of Taiwan in the 1680s. Under the devoted sponsorship of the late emperor, scholarship and the arts were once again approaching the high standards of previous dynasties. For the most part, almost eighty years of Manchu rule had won for the alien conquerors the confidence and loyalty of China’s native population, especially the important scholar-gentry elite. To stimulate the economy and rehabilitate the areas devastated by nearly a century of rebellion and warfare, both the dynasty itself and private entrepreneurs were engaged in large-scale land reclamation and resettlement. Reforms were also being undertaken in administration and fiscal policy. The vigor of the dynasty was demonstrated even in the succession crisis, for the empire survived unscathed and even strengthened. The factionalism that surrounded the various princely contenders remained limited to small coteries of supporters and did not spread to engulf the entire bureaucracy. The emperor who emerged from the contest, Yung-cheng, was an independent, energetic, and able ruler whose achievements as monarch far outweighed the questionable means he may have used to accede to the throne. Clearly, this was not an era of imperial degeneration and declining official morale.

The strains on imperial finances had, in fact, been reduced since the early years of Ch’ing rule. At that time, even in areas firmly under imperial control, popular sentiment against the newly imposed barbarian authority continued to be reflected in tax resistance and arrears. Forty years passed before the whole of China was pacified and could be relied on for regular tax payments to the imperial treasury. In the areas most affected by warfare and rebellion, notably Szechuan, it was not until the mid-eighteenth century that productivity, and consequently tax remittances, reached the levels realized during the Ming dynasty. However, none of these problems are comparable with the burdens imposed on early Ch’ing finances by the initial commitments of their conquest. Military expenditures used up most of the state’s revenues during the early decades of Manchu rule. According to one estimate, of the 15.7 million taels spent during the first year of the Shun-chih reign (1644–61), over 13 million taels went toward military supplies and soldiers’ pay. Furthermore, total expenditures exceeded the annual income of the court by almost a million taels. Under these conditions, little was spent by government on public works or the general welfare.

State revenues did increase by the end of the Shun-chih period, to almost 30 million taels by Shun-chih 17 (1660), though part of this new income had to provide for the increased expense of governing an expanded territory. One important element in these expenses was the payments made by the state to support the Three Feudatories which grew out of Manchu efforts to subdue parts of the empire’s southern provinces. The Chinese generals sent to accomplish this task established instead quasi-independent satrapies which nevertheless continued to require provisioning and revenue support from the central government. During the Shun-chih reign that grant grew to 5 or 6 million taels per year. By the time of K’ang-hsi this sum had doubled and came to encompass about one-third of the annual income of the Ch’ing state. Thus, although the dynasty recognized the need to counteract official corruption and tax evasion, the main obstacle to fiscal stability during the years of Manchu dynastic consolidation was excessive expenditure, especially military expenditure. Once peace was restored in the realm, the expectation was that fiscal balance would be restored and that the size of the state’s coffers would match the glory of the regime in other spheres.

When the Yung-cheng emperor came to the throne in 1723, that dream of a vigorous and prosperous empire seemed on the verge of realization. More than a generation had passed since a major military expedition had added its burden to the state treasury and the Manchu court itself was notoriously frugal, being loath to make the same mistakes as its profligate predecessor. When the new emperor looked at his father’s treasury he did not revel in the accu-
mulation of 8 million taels, but was concerned about revenues several times that amount that should have been there but were not. Their absence was not the result of a dynasty spending beyond its means, but of a fiscal administration in which taxes that ought to have been sent to the central government were being dissipated elsewhere. Moreover, the Board of Revenue treasury was not the only one exhibiting shortages. The fiscal independence of the other government ministries in Peking, an inheritance from the Ming, had also left its mark. Even a cursory examination brought to light deficits in the stores of almost every treasury in the capital, in addition to serious discrepancies in central-government accounts.10

In some respects the problem of central-government finances was no more than a reflection of the developing crisis in provincial and local fiscal administration. If the central government was not receiving a large portion of its annual tax quota, it was because these lower agencies of the Ch'ing bureaucracy were not sending it on. Investigations into the state of provincial finances disclosed widespread arrears, some dating back a decade or more. Deficits in provincial and local treasuries were enormous. In Shantung the chou and hsien showed shortages exceeding 600,000 taels.11 Shansi equaled that sum merely by taking account of those deficits so old that those responsible were no longer living or so surrounded by corruption that the guilty parties could not be determined.12 In Kiangsi, the debts of individual officials ranged from ten thousand taels to as much as forty thousand taels each, and the unassigned deficit raised that province's liabilities by an additional one hundred twenty thousand taels. In Chekiang, the financial commissioner's treasury alone showed a shortage of three hundred thousand taels.13 Grain reserves also reflected the disorder in local finances. Granaries which according to the records were stocked to overflowing to guard against famine and to stabilize rice prices were found to be half empty. Some granaries did not exist at all except in the accounts of those officials charged with their maintenance.14

Behind the façade of Ch'ing power and prosperity was a fiscal system whose foundations were extremely fragile. Within a structure that was one of the most rational of its time, a fiscal tug-of-war was being waged between the central government and local governments, and between both and the representatives of the various interests among the local population on whom they depended. That the system had survived at all was a function of the adaptability of those who participated in it. How much longer Chinese finances could have persisted in this way we shall never know. For in 1723 one of the first acts of the new emperor was to declare total war on deficits and those who caused them. How Chinese finances reached such a state we can begin to discern by looking back at the development of fiscal administration in the late Ming and early Ch'ing.

The Legacy of Late-Ming Fiscal Reform

Like most preindustrial societies, China relied on levies on the produce of the land for the major portion of its tax revenues. Therefore, it is not surprising to discover that China faced many of the same problems encountered by other states attempting to assess and collect a reliable income from a tax base composed largely of small agricultural units. Where China differed from both its Asian and its European counterparts was in the degree of bureaucratization of the tax system.

In England, China's chief nemesis in the nineteenth century, the crown had, by the eighteenth century, come to rely primarily on indirect duties on the commercial sector of the economy. More comparable to China are France and Japan. In Japan, direct taxes on the land continued to be the main source of daimyo income, but collection was based largely on community self-assessment of tax quotas set in the han capitals. In France, not only the land tax, but commercial taxes as well, were collected primarily by tax farmers, who had a legitimate role within the French fiscal system. In both instances, the state's main interest was receipt of its quota. In the case of Japan, the solidarity of the village unit and the fact that the rural elite had been largely removed to castle towns seem to have prevented gross inequalities in assessment. These factors, as well as the already high rate of Japanese land taxes and the comparatively small size of Japanese administrative units, can probably account for the low level of corruption evident in the tax system. On the other hand, in France the chronic royal shortage of funds due to the twin demons, waste and warfare, made the French government willing to mortgage its taxes to tax farmers who would advance funds to the court on the strength of future receipts. In none of these countries was a large bureaucracy employed to determine the productivity of the land and who owned
it, and to collect from each individual taxpayer the government’s share. Likewise, in each of these three states those who governed below the level of the central government did so largely with their own resources and formed a power base separate from the throne.

In China, the state was also concerned with collecting its quotas, but here the early growth of the bureaucratic state, the demise of a feudal-style aristocracy, and the relative weakness of rural communal institutions were combined with increasing rationalization of the tax-collection process, culminating in the highly centralized fiscal structure of the early Ch’ing. Tensions certainly existed between local, provincial, and metropolitan interests, but at least in theory China’s vast territory was administered by a unified civil service, funded by taxes collected by and for the government itself. To a large extent it was the very sophistication of the Chinese bureaucratic and fiscal system that was its downfall.

By the eighteenth century, the main source of funds supporting the Chinese bureaucracy came from the head land tax (li-t’ing ch’ien-liang). For the most part, this and other direct taxes were collected by county-level magistrates with the aid of clerks and yamen runners who, with the exception of a small number of the latter, were unsalaried, though regular members of the subbureaucracy. Technically, all such revenues were the property of the central government. However, as we shall see, a portion of these taxes was left in the provinces to pay officials salaries as well as certain local- and provincial-government expenses. Hence, on paper at least, China had one of the most rational and centralized fiscal administrations in the world.

This had not always been the case. During the Sung dynasty (960–1278) provincial-government expenses were derived largely from the income of official estates granted to the incumbent for the duration of his term in office. By the Ming dynasty this system had been eliminated, but the distinction between public and private in fiscal matters was still unclear. Only slightly less ambiguous was the distinction between central- and local-government revenues. Although taxes were classified as either ch’i-yin (those to be sent to the central government) or ts’un-lin (those to be retained by the locales), these terms were often applied arbitrarily and items covered by each varied. Even retained income could be earmarked for the purchase of local products for shipment to the capital, and inasmuch as all deposits in granaries and treasuries were considered ultimately to be the property of the emperor, no funds could be disbursed without an imperial decree. At the same time, within the central bureaucracy each ministry received its own income directly from a multiplicity of tax-distribution points throughout the provinces. What seems to have saved this system from collapse was the predominance of taxation in kind and the existence of corvée obligations among the local populace, which provided local government with ample material and manpower resources.

Despite the government’s claims to centralized control of tax utilization, the Ming fiscal system as a whole was very decentralized. This contradiction can be chiefly attributed to the founder of the dynasty, who saw the Chinese economy as eternally undifferentiated and nonexpanding. This vision, combined with his distrust of bureaucrats, found its expression in the main vehicles for Ming tax collection and assessment, the li-chia and liang-chang. Both of these innovations were designed to protect the rural population from illegal claims on their resources and guarantee the delivery of taxes to the central government. This was to be achieved by reducing the influence of local government in the tax-collection process and by increasing local self-regulation. In the end they did neither, but though they gradually disappeared as formal taxation devices, many of the problems in Ch’ing tax collection evolved from them.

Under the liang-chang system, collection of the grain tax and its transportation were completely removed from the magistrate’s control and reified to local magnates whose personal wealth was sufficient to ensure that taxes would be remitted in full. However, largely as a result of its independence from the local administration, this system provided rich opportunities for the development of tax farming. The establishment of a separate tax-collection structure with its own staff could have provided the foundation for a specialized tax administration. However, the fact that the post of liang-chang was considered a kind of corvée, and was never integrated into the regular administrative hierarchy, deprived it of its rationalizing potential. By 1421, with the increasing monetization of the economy and the transfer of the capital away from China’s rice-producing heartland to Peking, the liang-chang system began to decline in importance. Its tax-collection functions were gradually taken over by the li-chia, and the ultimate receipt and transportation of the taxes to the capital once again became the duty of the magistrates.

Though the li-chia originally played an important part in the al-
location of corvée, by the late Ming it was primarily a system of rotating responsibility designed to prompt tax payments (ts'ui-k'ō). Responsibility for the tax quota of an entire artificial "neighborhood" fell to the incumbent holding the rotating post of li-chia headman. Few commoners wanted this job, because failure of one's "neighbors" to pay their taxes in full often resulted in bankruptcy for the headman's household. However, by interposing an informal tax-collection structure between the individual and the state, the li-chia made possible the arrogation of this tax-prompting power by unscrupulous gentry and commoners who saw in it a chance for profit. This was usually accomplished with the tacit consent of the magistrate, whose sole concern was to see that the tax quota was remitted in full. The result was frequent falsification of the receipts given to taxpayers and the collection of illegal surcharges on a large scale.  

During the last few decades of the sixteenth century a series of measures were undertaken independently by a number of officials throughout China, aimed at alleviating some of the weakness of the Ming system of tax collection. Known collectively as the Single-Whip reforms, these measures were designed to simplify and consolidate the diverse taxes levied on the people and to convert payments in kind and in labor service to payments in silver. Unfortunately, a lack of centrally directed coordination of the reforms meant that commutations were often confused and arbitrary and rates varied from place to place. Although tax payments were commuted to silver, the myriad categories into which they had been divided when paid in kind remained. As the censor, Liu Yingtung, pointed out in the first year of the new Ch'ing dynasty, "There are hsien with a regular quota of around three thousand taels, but it is divided into over forty designations. One item may require payment of only 1.6 or 1.7 taels, but surcharges of twenty or thirty taels are added on." Nor was any effort made to consolidate the large number of agencies to which the taxes from a particular place were due. Moreover, the failure to deal with inequalities inherent in the head tax led to a series of localized efforts at equal corvée which extended from the sixteenth century well into the period of Ch'ing rule.

What the Single-Whip reforms did accomplish by converting taxes to cash payments, was to subject local finances to a degree of scrutiny that was inconceivable when taxes consisted largely of goods and services. If Ch'ing peacetime deficits were more shock-

Bureaucratic Solutions to Structural Problems

Until the eighteenth century, few men in a position to influence imperial policy recognized or were willing to acknowledge that it was genuine need among local- and provincial-level officials that prompted irregularities in the Chinese fiscal system. For many years, temporary but far more immediate causes of shortages, such as war and rebellion, tended to mask the defects in the system itself. Moreover, the success of the local bureaucracy in compensating for its difficulties, at least for the time being, made the paucity of funding available for local use seem less acute than it was. However, most important was the political economy of traditional China. Formulated at a time when taxes were paid in kind, when officials still came from a privileged class with independent means, when informal or customary claims on the labor and productivity of the masses were generally recognized, and when little was expected of government, it now perpetuated myths that no longer accordered with Chinese realities.

Kuo-chi min-sheng were the watchwords of Chinese political economy in imperial times. Translated in modern terminology as
fiscal administration and people’s livelihood, they are better understood as a dual exhortation to provide enough taxes for the government to function without depriving the people of the means of subsistence. Because government was seen as existing to transform not the physical landscape but rather the moral landscape of the kingdom, it was not unreasonable that low taxation would be seen as a basic principle of good government. Rule by moral example was an inexpensive form of government. If the ruler, and by extension his representatives in the field, were virtuous, the populace would follow suit. Small outlays would be necessary for waterworks and for armies directed at external enemies, but large internal peacekeeping forces would normally be unnecessary, the people would be hardworking and content in their occupations, and harmony would reign over the land.

Of course, such ideal conditions rarely existed, but they did produce a formula for evaluating fiscal matters that was accepted by most officials in late-imperial times. Given the low level of taxation in China, it was expected that the people would pay their taxes in full. If they did so, officials need only manage the proceeds frugally for both the state and the people to prosper. If, instead of prosperity, the government was faced by mounting deficits, it could be due only to two factors: either taxes were not being received from the people or they were being received and subsequently dissipated through mismanagement or official peculation.

Beliefs such as these were not conducive to a fundamental restructuring of the imperial system of taxation and finance. Rather, reformers tended to attack each symptom individually in a manner that kept the basic framework of government finance intact. This is not to belittle the importance of such changes, as we shall see in the case of the reforms undertaken in the early Ch’ing.

Officials could and often did use the pretext of taxpayer default to cover a myriad of their own fiscal misadventures. In late-imperial China, however, claims that taxes had never reached the magistrate’s yamen were to be taken seriously. In an economy chiefly composed of small landholders, where even the very wealthy generally owned no more than a few hundred acres, taxpayers were particularly vulnerable to the vagaries of nature. Flood or drought could easily deprive whole counties of the ability to pay their full quota. Most dynasties dealt with temporary disabilities of this kind by granting tax remissions and by allowing the less fortunate to spread their liability out over a number of years. This sort of taxation on the installment plan became extremely widespread during the Ch’ing for dealing with arrears of all kinds. The frequency of natural disaster and the remissions and relief that they necessitated constituted one of the reasons that Chinese governments would prefer to keep a net surplus and not simply a balance of expenditure and income in their treasuries.

Less easily controlled were instances of deliberate nonpayment. Grouped under the category of tax resistance (k’ang-liang) in the tax codes, these could range from refusal to pay taxes as an open political protest to secretly bribing yamen personnel to lower obligations or expunge arrears from the yamen records. Once these moves were discovered, however, punishment coupled with retrieval of the arreared sum was the usual prescription. Real inability to pay could be wrongly assigned to this category and dealt with in the same way, especially when an area failed in its petition for disaster-zone status, when tax records were tampered with so that an inordinately large portion of the quota was levied on a locale’s weaker inhabitants, or when surtaxes and illegal levies made it impossible for the peasantry to pay its regular tax obligations.

Both of the above instances concern the failure to pay taxes. Far more insidious were cases where the taxpayers had fulfilled their obligations to the state, but the state received little or none of the funds collected. Such cases usually involved embezzlement by intermediaries and were grouped under the heading of pao-lan or tax farming. Tax farmers were local yamen functionaries, members of the local elite, or simply local gangsters who contracted with the peasants to collect and pay their taxes for them. In its purest form this meant that, in return for a small fee, the peasant was saved the time and expense of carrying his taxes to the county seat. However, peasants often were coerced into entrusting their taxes to tax farmers or were prevented from turning in their own taxes by strongmen who, in cooperation with local yamen functionaries, controlled the county’s tax-collection centers. In either case, the tax farmer could keep all or a portion of the taxes collected, depriving the government of its quota and making the taxpayer appear to be in arrears.

Even when the government did receive the people’s taxes, this did not guarantee that the full amount would be applied to the functions of government for which they were intended. Between collection and allocation or remittance to the central government there were numerous opportunities for the dissipation of such
revenues through official mismanagement, extravagance, or outright theft by the official or members of his staff. It was to overcome the depredations of these fiscal parasites that many of the early Ch’ing reforms in tax collection and assessment were introduced.

Centralization of Tax Accounting

At first glance there seems to be little to distinguish Ch’ing fiscal administration from that of its Chinese predecessors. The same taxes levied by the Ming and delineated in the Comprehensive Books of Taxation and Services (Fu-i ch’i’an-shu) were adopted by the new government and made the basis of its own finances. The division of taxes into ch’i-yaun and ts’ui-lun and the relative taxes allocated to central and local government were also a readily accepted legacy of the Ming. After nearly a century of war and rebellion, the most important measures undertaken by the Manchu conquerors were those aimed at promoting productivity and agricultural recovery. None of them involved any fundamental restructuring of the fiscal apparatus, but rather they employed traditional methods of expanding the tax base while relieving the tax burdens on the people. Land reclamation was encouraged by means of both tax exemptions and rewards of official rank to those who succeeded in resettling large numbers of people on barren land. The court itself was careful to exercise austerity in its own expenditure. Imperial benevolence was manifested in frequent tax remissions. And, as the supreme sign of the new dynasty’s good will and adherence to the dictates of traditional Chinese political economy, in the last decade of his reign the K’ang-hsi emperor paid tribute to the infinite fecundity of man and the finite area and productivity of land by freezing the head tax at the 1711 level. Yet behind this façade of continuity there were taking place several important changes that set the stage for the fiscal crisis and the reforms of the Yung-cheng period.

If the fiscal system established by the Ming founder was characterized by decentralization and the substitution of informal for formal mechanisms of control, the system that evolved during the early Ch’ing was the opposite. The first generation of Chinese under Manchu rule witnessed the gradual development of a highly centralized system of tax administration and the evolution of a new, direct relationship between the taxpayer and the government.
out how much land was currently under cultivation, and how taxes on that land should be collected, remitted, and retained by local government.  

More than anything, the 1646 edict indicates how little the government knew about the practical working of its own fiscal administration. It was not until five years later that Metropolitan Censor Wei Hsiang-shu memorialized the emperor to request that the supervisory functions of the Board of Revenue be regularized through annual reports on finances from the provinces.  

The expenditure of state taxes is controlled by the Board officials and income is controlled by the provincial financial commissioner. The amount of income is not clear. Therefore, the amount of expenditure is not clear. I request that starting in SC 8 (1651), the financial commissioner of each province, at the end of the year, calculate the taxes of the entire province and compile an itemized account to be presented to the governor, governor-general, and judicial commissioner for auditing. On the one hand the governor shall compile a routine memorial with the totals and send it along to the Emperor with a “yellow account” (huang-ts'ê) for his perusal. Another “clear account” (ch'ing-ts'ê) shall be compiled and sent to the yamen in the capital for auditing. In this way we can prevent duplicity on the part of the financial commissioners and also check on the irregularities of Board officials.

In SC 9 (1652), the practice of sending annual accounts of paid and unpaid taxes to the Board was approved.  

The principle of annual Board audits was established, further legislation concentrated on refining the rules governing deadlines for reporting, items to be reported, responsibility for verification of accounts, and punishments for falsification and delays.  

Some sense of the nature of these refinements can be obtained by examining several orders promulgated under the K'ang-hsi emperor. In KH 11 (1672), the emperor became concerned about the failure of officials to investigate discrepancies in accounts. He ordered that thenceforth, in the reports of the annual accounts (isou-hsiao ts'ê), the total taxes reported collected by the chou and hsien must correspond to the amounts found in the lists sent to the people to inform them of their tax obligations. Furthermore, the actual amounts collected, the original quotas, the financial commissioner’s totals, and the detailed figures submitted by the chou and hsien had to tally.  

Such data would seem to be a minimum requirement for accurate audit of provincial finances. That the emperor saw fit to issue an edict specifying their inclusion indicates that considerable confusion existed as to what information was required by the Board. Moreover, by requiring submission of accounts at each level of the administration, an attempt was clearly made to institute a system of checks to avoid embezzlement or fraud at any level.  

This system of surveillance was further clarified in KH 28 (1689). At that time, regulations were established whereby a governor or governor-general would be punished for failure to memorialize deficits in the provincial treasury and to impeach the officials responsible. An edict was also issued requiring that the governor of each province personally inspect the provincial treasury each year at the time of the annual accounting. When there were no deficits, this fact was to be memorialized and commendations requested for the officials who had filled their quota. In addition, at the end of the year, each prefect was to compile an account of the items collected and approved for delayed collection in the chou and hsien under his jurisdiction, and investigate them personally. When cases of “collecting more and reporting less” (ch'eng-to pao-shao) were discovered, it was the duty of the prefect to report this immediately to his superior.  

Responsibility for investigating other revenue stores was also codified. Taxes kept in the treasuries and granaries of the grain intendant and post intendant were to be inspected by the financial commissioner. Those stored in the various prefectural treasuries and granaries were the responsibility of their respective circuit intendants (tao). Where no deficit or arrears were found, the prefects were to be recommended to the governor, who would issue rewards to express encouragement.  

This allocation of supervisory responsibility was to take on particular importance when large-scale inquiries of deficits and arrears (ch'ing-ch'êa) were undertaken later in the dynasty. Responsibility for making good shortages was placed on the official himself if the shortage had been reported by his superior at the time it occurred. However, in cases where shortages had not been reported, whether due to negligence or cover-ups, the supervisory official was also required to share in repayment (fen-p'ei) and was occasionally charged an additional fine at the rate of as much as ten times the original amount due.  

The primary focus of the annual accounting system was the ti-
ting ch'ien-liang, those taxes derived directly from levies on the population by head and from private land under cultivation. Not only was this the largest single source of central-government revenue, but its volume was fixed by quota and was therefore more easily controlled. In addition, it was the one source of government revenue that was shared statutorily with the provinces in the form of “retained taxes.” Inasmuch as the purpose of the tsou-hsiao system was to control both income and expenditure, the ting ch'ien-liang was obviously given special attention. In response to a memorial in KH 7 (1668), the special nature of the land and head taxes in relation to the tsou-hsiao reports was clearly outlined. All taxes collected by the chou and hsien but not emanating from the ting were to be reported in the same manner used prior to the reform. These included the salt gabelle, duties on tea, customs duties, the reed-land tax, tribute grain, tribute presented by local aboriginal chiefs, miscellaneous duties, the pawnshop tax, contract tax, brokerage tax, taxes per head of livestock and mules, fines and payments to atone for crime, and so on.

At the end of the year, the magistrate compiled detailed accounts of the taxes collected and those still outstanding in his chou or hsien. These accounts were then turned over to the financial commissioner, sometimes through an intermediary such as the prefect or circuit intendant. The financial commissioner himself drew up the four-column accounts for the whole province, listing the balance to be carried forward, new receipts, expenditures, and the present balance. In turn, he submitted a draft to the governor or governor-general, whose staff transcribed it in the form of a “yellow account” for the emperor and a “clear account” for the Board. These reports included a summary of how much ting ch'ien-liang was collected, how much was paid and in arrears, how much was remitted to the capital and retained in the province, how much was transferred to the military, how much was used to buy local products for the capital, and how much was left over.

This new system of auditing not only meant that provincial officials had to justify their accounts at the end of the year, but also gave the Board of Revenue authority over the way in which local revenues were used on a day-to-day basis. Although enforcement must have been difficult, the law now required that no local retained funds could be allocated without prior Board authorization. Even funds that had been so budgeted could not be disbursed until another report had been made indicating the exact amount that was required at the moment of allocation. At the end of the year, the Board compared the local official's annual accounts against these “receipts” in the capital to make certain that all items of income and expenditure balanced, and that all expenditures had been approved in advance. After an item-by-item audit, the Board would either accept the accounts (chun) or reject them (po) and return them to the governor for revision or clarification. Although the work of verification and compilation was carried out at lower levels of the provincial administration, culminating in the financial commissioner's report, the ultimate responsibility for promptness and accuracy again lay with the governor and governor-general. If a magistrate was found guilty of delaying his tsou-hsiao report, or of compiling confusing accounts designed to conceal fraud, he was to be impeached immediately by the governor or governor-general. If the latter failed to report irregularities perpetrated by their subordinates, or were lax in their supervision and failed to discover malfeasance that was later revealed, they were held jointly responsible.

In view of the large number of deficit cases uncovered in the first years of the Yung-cheng reign, the efficacy of this system of centralized control may be doubted. As we shall see, it was possible to evade careful scrutiny of accounts by bribing the Board officials and clerks. Moreover, the penalties for delays were minor and were prorated according to the length of the delay. Sanctions for discrepancies were also light, ranging from demotion of one grade and transfer for a magistrate or prefect to a fine of one year's salary (feng-yin) for a commissioner or circuit intendant and six months' salary for a governor or governor-general. This was not considered a great hardship, inasmuch as feng-yin was itself a token sum. Moreover, during part of the K'ang-hsi period, official salaries were suspended to help pay the costs of pacification campaigns. Even when they were granted, the salaries of officials and yamen staff were often arreped in full or in part by the governor to pay for expenditures not covered by ts'ui-lu funds, a practice euphemistically called ch'ien-feng or "contributions of salary."

However ineffective this system of scrutiny may have been in the early years of the dynasty, it did establish a standard for local and provincial accountability in the area of public finance that was strengthened under later emperors. In particular, it marked a further refinement of the Ming system by placing supervision of both collection and expenditure under one agency. Not only did this
contribute greatly to the centralization of fiscal authority, but it also enhanced the central government’s interest in improving tax-collection and local-accounting procedures. The form of the tsou-hsiao ts’e itself can be seen as contributing to the development of local budgets. Moreover, without such a system, the investigation of deficits undertaken in the Yung-cheng period would have been impossible. Finally, by placing all legitimate income clearly under the control of the central government, the tsou-hsiao system of annual accounting also contributed to the crisis in local funding that led to the reorganization of provincial finances in the early eighteenth century.

Centralization of Tax Collection

The aim of the tsou-hsiao system of annual accounting was to prevent revenue loss resulting from official waste and corruption. However, the early Ch’ing government also devised methods to rectify the defects in the Ming fiscal apparatus that had prevented taxes from ever reaching the local and provincial coffers. Whereas the Ming had attempted to utilize local elites as instruments of government policy and had failed, the Ch’ing remained committed, until the nineteenth century, to the principle of a direct relationship between the government and the people. In the realm of tax administration this meant waging an unending campaign against both official and nonofficial intermediaries who took on the role of tax farmer, and creating an informed public that could both do without such middlemen and resist their efforts at control of tax collection.

The first step in this direction was taken as soon as the Manchus entered China. In part because the dynasty had not yet been able to compile its own editions of the Fu-i ch’ian-shu, the new rulers turned to the use of “easy-to-read lists” (i-chih yu-tan) to inform taxpayers of their annual rates. Yu-tan were not unknown in the Ming dynasty. However, the memorialists requesting the use of “easy-to-read lists” in 1644 placed a new emphasis on their effectiveness in cutting through the confusion of regulations, quotas, and tax rates as they appeared in the Fu-i ch’ian-shu. This was not intended as a mere stopgap, but as a way to improve tax collection in the long term by providing both officials and taxpayers with an easily understood enumeration of the actual amount of taxes each household owed.  

Whatever the hopes of its original formulators, the system of i-chih yu-tan failed as a panacea for China’s fiscal ills. By KH 24 (1683) they were discontinued because officials and yamen runners were found to be using the costs of their production as a pretext to levy surcharges on the people. In place of the defunct “easy-to-read lists,” the emperor ordered all county-level administrative units to set up stone tablets in front of the yamen informing the people of the tax rates in the vicinity according to the Fu-i ch’ian-shu. Unfortunately, this system once more left the peasantry prey to the machinations of middlemen, because few villagers made regular trips to the county seat where they could see these tablets. Even those who did undertake such a journey would still have to estimate their own personal liability and manage to insist on that amount in the face of the conflicting and often much larger claims of yamen runners and tax-collection clerks. Thus, the task facing government was twofold—to find a new way to inform the peasants of their individual tax liabilities and to free the taxpayer from those institutions that perpetrated the hold of middlemen over them.

The most culpable of such institutions was the old Ming li-chia. By the early Ch’ing this system of rotating responsibility for tax remittance had become little more than a vehicle through which local strongmen and bullies (bao-lih chien-kum) took control of an area’s taxes. Domination of the collection process by third parties fostered extortion. In some places the practice of levying surcharges through the li-chia was so well established that the methods used had even been given names. If all the li in a hsien shared in the annual payment of these fees it was called juan-t’ai. If, on the other hand, each li and chia took turns paying, it was called ying-t’ai. Whatever the name, the result was the same: added burdens for the people and diminished revenues for the government.

The means devised to overcome these malpractices was the system of “rolling lists” (kun-tan). Unlike the “easy-to-read lists,” “rolling lists” were not simply grafted on to the li-chia, but were meant to replace them. Under this new system, households were still grouped together in units called li. However, the Ming arrangement of households into artificial decimal units, regardless of physical proximity or social relationship, was abandoned. “In a single hsien, a li might have five households or ten households.” The basis for establishing these new units was that they be natural
groupings of households whose relationships with each other went beyond tax collection. The kind of information provided on the "rolling lists" was also more extensive than the system they replaced. Under the name of each household in the li was clearly delineated the amount of land its members owned, how much tax was due on that land in silver and in kind, how much should be paid in the spring collection period, and how much should be paid in the fall. These payments were then further divided into ten installments and the amount due in each installment was also set out in detail.

The most important feature of the "rolling lists" was not what it was, but what it was not. It was not a system of collecting taxes. It was only a means of notifying the taxpayers of the taxes due. In the edict promulgating the use of "rolling lists," special emphasis was placed on informing the populace that each taxpayer was to wrap his own taxes and deposit them personally in the county tax chest. No one was permitted to act for the people in this regard, whether it be the old li headman, silversmiths, yamen personnel, or any other third party. The "rolling lists" would guarantee tax payments not by making one man responsible for delivery of everyone's taxes, but by making rotation of the list itself contingent upon each household's fulfilling its obligations to the government. The list containing all of the above-mentioned information would be issued to the first name and passed on in turn to the others. As the list came to each household it was to pay its individual tax. When one installment period was completed, the list was passed around again for the second period. If a taxpayer destroyed the list, did not pay in full, or failed to pass the list on to his neighbor, he as an individual was to be investigated, arrested, and severely punished.85

If taxpayers were to be responsible for wrapping and depositing their own taxes, in turn they had to be protected against false accusations of arrears. Under the system inherited from the Ming, chou and hsien magistrates entered the amount of tax received from each taxpayer on special receipts bearing the magistrate's official seal (yin-p'i ao). Two copies were made for each payment. One was kept by the magistrate and one was given to the taxpayer as proof of payment. Abuses were common. Most often, on the pretext of needing the second copy to provide yamen runners with evidence when investigating and prompting payment of arrears, taxpayers were deprived of their own copies. Unscrupulous offi-
cials and clerks would then record the paid taxes as unpaid or would record payment at less than the amount actually collected.86 The helpless taxpayer was left with no recourse but to pay his taxes a second time or produce a bribe in order to avoid being harassed by tax-promoting runners.

To solve this problem, "three-stub receipts" (san-lien yin-p'i ao) were introduced. Each receipt had three sections. One was retained by the magistrate, one was turned over to the taxpayer as proof of payment, and one was kept by the yamen runners to compare with the other two in prompt payment of arrears (ying-pi).87 It was hoped that the addition of one piece of paper would not only deprive the magistrate and his underlings of any pretext for withholding taxpayers' receipts, but would also ensure the magistrate's superiors of a record against which to compare the former's remittances to the capital.

Imperial Benevolence and Fiscal Administration

"Rolling lists" and "three-stub receipts" represented an important advance over the Ming system of tax assessment and collection. By placing the emphasis in tax collection on the individual household in a direct relationship with the government, these early Ch'ing reforms served as a local counterpart to the centralizing efforts within the bureaucracy manifested in the tsou-hsiao system of annual accounting. Yet, just as the latter was plagued by evasion and manipulation, so did "rolling lists" and "three-stub receipts" fail to wipe out tax farming and the oppression of the masses by rapacious yamen functionaries.

Seeing the problems facing them strictly in terms of tax evasion and bureaucratic corruption, late Ming and early Ch'ing reformers naturally sought to root out the sources of government shortages through refinements in the existing system of imperial finances. As important as these refinements were, they were all bureaucratic solutions to what were perceived as fundamentally bureaucratic problems. The weakness of such measures is epitomized in the case of the three-stub receipt. When, in the Yung-cheng period, this system was found inadequate in preventing official and clerical corruption, it was replaced by the four-stub receipt. But even a ten-stub receipt would not have solved the problems that gave rise to this corruption in the first place.

One source of difficulty was the laxity with which the govern-
ment handled offenders. We have already seen that the sanctions accompanying the implementation of annual accounting were insufficient to dissuade the most determined officials from exceeding deadlines and tampering with their fiscal records. As will be seen, the incomplete state of most tax registers after the long period of dynastic transition also impeded the government’s efforts at fiscal control. The existence of such obstacles could only have contributed to the K’ang-hsi emperor’s personal leniency as a ruler, a trait for which he was famous. For K’ang-hsi, gaining the confidence and support of the local elite and the overwhelmingly native Chinese bureaucracy was as pressing a task as increasing government revenues. Leniency, as a personal quality, may have suited the emperor’s temperament, but in the early years of the dynasty its importance was clearly political.

Leniency was common in the handling of both of the traditionally recognized causes of government shortages. When the level of unpaid taxes rose too high, the K’ang-hsi emperor would simply declare a tax amnesty. For example, in KH 43 (1704) the emperor cancelled all the tax debts of the entire populations of Shansi and Shensi. In KH 50 (1711), he excused Chihli, Fengtien, Chekiang, Fukien, Kwangtung, Kwansi, Szechuan, Yunnan, and Kweichow from 8,377,100 taels in land and head taxes. At the same time, in order to lessen the burdens on the people, the emperor cancelled accumulated arrears of more than 1,185,400 taels.

Even in cases of obvious official corruption, K’ang-hsi seems to have been exceedingly hesitant to apply strict disciplinary sanctions. In 1685, the Director of Grain Transport memorialized on corrupt practices in the shipment of tribute grain to the capital. The Council of Ministers deliberated the case and recommended the impeachment and removal of the officials involved, but the emperor’s edict on the affair advised instead that the guilty parties simply be given a stern warning against any future repetition of such activities. As malfeasance of the kind they were accused of had long since become common practice, it was, K’ang-hsi felt, unfair to single these men out for punishment. The emperor was equally lenient in the face of mounting official deficits. Despite regulations requiring officials to repay all deficits incurred during their terms in office, he ruled in a case in 1702 that such repayment was too difficult and asked that the Grand Secretariat find another solution to the problem.

An excellent example of the more “benevolent” approach taken toward tax offenders during the K’ang-hsi period can be seen in the handling of so-called “hidden lands” (yiin-ti). Hidden lands were the product of the widespread concealment of newly reclaimed land from the tax registers. Some of this concealment was perpetrated by individual peasants who reclaimed small plots and either deliberately or through ignorance of the law never reported them to the authorities. However, according to later investigators, much of the land was reported to the officials, who themselves collected the taxes and did not report these additions to the tax rolls to the central government. Thus, the problem of hidden land can be seen as encompassing all of the defects in early Ch’ing fiscal administration: incomplete records, tax evasion, and official peculation.

In KH 51 (1712), an exchange of views took place that highlighted the contrasting approaches advocated on the issue of hidden land. The debate developed over the poor progress being made by Szechuan province in restoring its tax income to that collected during the late Ming. The original quota was 1,616,600 taels. However, by 1710 the most that could be wrung out of the province was 202,500 taels. Szechuan Governor Nien Keng-yao was appalled that after nearly seventy years of Ch’ing rule, revenues in the province had been raised to only a little over 10 percent of what they had once been. In part, he blamed officials who used the occasion of reporting new land for taxation (shou-liang) as a pretext to extort fees from the people. Consequently, the people often did not report reclaimed land.

Nien took a hard line on the problem. The only way to ensure increasing quotas was a strict policy of rewards and punishments. He suggested, therefore, that promotions be granted to all chou and hsien magistrates who could increase tax collection to 40 or 50 percent of the Ming quota. On the other hand, promotion would be blocked for those who could not reach at least 20 percent of the quota. Any official failing to collect even 10 percent of the taxes collected in the Ming would be demoted and transferred, and those showing no increase over present levels would be deprived of their rank and office.

A more moderate approach was advanced by the censor Tuan Hsi. Tuan pointed out that the main cause of Szechuan’s low level of tax revenues was the depopulation that had occurred in the province during the uprisings of the late Ming. Even a diligent gov-
error like Nien himself had been able to add only 26,000 taels to the tax rolls. Whereas Nien would claim that the wealth, in population and cultivated land, was there to be tapped if only the law gave him the weapons to do so, Tuan felt that such a policy would benefit only the corrupt. Virtuous officials would find these figures impossible to achieve and would be impeached. Unscrupulous officials seeking promotion would force the innocent to confess to hiding land they did not have in order to reach the magic numbers they needed. Even though Tuan’s plan supported a thorough investigation of hidden land and omitted taxes (yin-lou) and punishment of any official who used the process of reporting new land to engage in extortion, its main emphasis was moral exhortation. Raising Szechuan’s quotas could be accomplished only by ordering officials to encourage the people wholeheartedly to report their land and by punishing those who evaded taxation. Nothing was said of those officials who succeeded in getting the people to declare the fruits of reclamation but who never passed this added income on to the state.

Needless to say, it was Tuan’s method of gentle persuasion that was endorsed by K’ang-hsi. Benevolent rule was upheld, but hidden land, along with other forms of embezzlement and tax evasion, continued to be a problem long afterwards. Nevertheless, it was not simply laxity that led to the deficits discovered by Yung-cheng when he inherited the empire from his father. Had that been the case, the strengthening of sanctions and the tightening of official discipline imposed by Yung-cheng from his first day as emperor would have been enough to solve China’s fiscal problems and the reforms of the 1720s would never have taken place. It was certainly with no more ambitious prescription in mind that the new emperor initiated his attack on the fiscal chaos that was his birthright. Once the campaign was launched, it disclosed weaknesses in the Ch’ing fiscal system that went far deeper than anything admitted by the formulae of the traditional political economy and would require far more fundamental changes than the patchwork refinements and exhortations to virtue so popular in the past.


dince the days when free traders and missionaries first insinuated themselves into Chinese society, Westerners have clung to an image of a China ruled by a corrupt bureaucracy in which the “squeeze” or bribe was the usual means of achieving objectives. When the Yung-cheng emperor first took up the reins of power, he also saw corruption as the root of his government’s fiscal difficulties. Such an analysis made possible the Westerners’ sweeping denigration of the Chinese system of rule. Ironically, for the Chinese the all too visible evidence of corruption in their ranks facilitated uncritical acceptance of fiscal arrangements that had long since been removed from the administrative structure for which they were designed. If government deficits and arrears were the result of evil deeds by evil men, all that was needed was the intensification of moral exhortations and the punishment of the worst offenders. It was by these means that generations of Chinese reformers sought to restore the health and purity of the system as a whole.

No one would deny that fiscal malpractices abounded in late-imperial China. Nor would anyone deny that the chief victims of these evil deeds were the common people. However, if we view corruption strictly in terms of the venality of the ruling strata of Chinese society, we miss the opportunity to understand why it
if money had to be requisitioned from the central government in times of urgent need.\textsuperscript{17}

By the end of the Yung-cheng reign, the legitimation of a single surcharge on all land and head taxes had evolved into a complex program, adapted to the unique fiscal requirements of each province in a large and varied imperial state. Customary fees had been brought under control, and commercial and industrial revenues had been openly enlisted into the service of local government. Even a portion of the central government's own tax quota had been diverted to provincial coffers in the interests of fiscal reform. Problems still remained, and in the ensuing decades their resolution would more than once test the viability of the new fiscal order. Nevertheless, when the third Ch'ing emperor died, a system of rational local finance could stand as one of his greatest bequests to his successor and to his subjects.

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\textbf{LOCAL VARIATIONS AND UNDERLYING PRINCIPLES}

Together, the development of the palace-memorial system and the operations of local finance under the \textit{huo-hao kuei-kung} reforms reflect an important transformation in the structure of decision making during the early Ch'ing. Both were manifestations of the Yung-cheng emperor's efforts to manipulate the lines of official communication in order to bypass the organs of central bureaucratic decision making and establish a direct link between the emperor and his representatives in the provinces. The purposes of this realignment of power were twofold. On the one hand, it allowed the emperor far more initiative and control than had been enjoyed by any previous Ch'ing emperor. More important, however, was the creativity that this change in the power structure permitted in the reform of administration. Without Yung-cheng's strengthening of the palace-memorial system, from an occasional avenue of information on crop and weather conditions to an institutionalized link between emperor and official for the reporting of all aspects of local affairs, the \textit{huo-hao kuei-kung} reforms could never have taken place.

Information transmitted in secret palace memorials first alerted Yung-cheng to the real fiscal instability of local administrative units. It was in his replies to palace memorials that the emperor was able to orchestrate personally the direction of reform. Despite
local variations and underlying principles

officials at the top of the provincial hierarchy. This strategy was designed not only to encourage provincial officials to take a greater role in local fiscal decision making, but to deflect from the emperor’s own person the responsibility for any subsequent failure of the reforms. By appearing not to have a personal stake in the decisions made in connection with the implementation of the reforms, Yung-cheng could step in and initiate changes if they were necessary, without seeming to contradict his own orders. It was for this same reason that the original proposal for reform was introduced as a “grass roots” plan from the Shansi bureaucracy and not in the form of an imperial edict.

From our previous descriptions of the huo-hao kuei-kung reforms we can see that differences in economic resources, regular tax obligations and even the commitment of local officials to reform led to variations in the timing and structure of local fiscal reorganization. The emperor’s own insistence on local initiative and planning in order to retain some of the flexibility inherent in the informal funding system might lead us to view the reforms as lacking a unifying set of principles, regulations, and goals. In fact, nothing could be farther from the truth. Local accommodations were made in the items of revenue included in local fiscal planning, and variations did exist in the proportions of huo-hao set aside for yang-lien and provincial expenditures. Implementation was delayed in a number of places and not every province adopted the same method of huo-hao remittance. An examination of the reforms as a whole, however, indicates a strong unifying conception embodied in principles and regulations which, though not always promulgated in the form of administrative statutes, were nevertheless known and followed by officials in every province. It is to these general guidelines and an assessment of the reforms that we now turn.

public-expense funds

public expenses and the central government

one of the most important concepts implicit in the huo-hao kuei-kung reforms was that provincial and local administrative units should have their own regular sources of funds, provided from clearly defined tax sources and immune to exactions either from the central government or higher administrative units within
the province itself. Such funds came to be known as kung-hsiang. Items for which they were spent were usually called kung-yung or kung-shib. Kung-hsiang revenues allocated for kung-shib were known as kung-fei.2

Provincial and local revenues were designated as kung-hsiang in part to distinguish them from the cheng-hsiang under the control of the central government. This distinction was important not only to avoid the much-feared conversion of provincial-expense revenues into regular taxes, but also to demarcate central and provincial responsibilities in financing projects on the local level. The huo-hao kuei-kung reforms were not, as it is sometimes assumed, devised to relieve the central government of those fiscal responsibilities that it had previously assumed in the provinces. Examination of the scattered evidence of cheng-hsiang allocation in the provinces shows that, to the contrary, the share of local expenses borne by the central government probably increased during this period, as part of a comprehensive drive to eliminate deficits by providing mechanisms to guarantee local solvency.

Nor did the existence of a regular source of provincial revenue lead the central government to abdicate its primary responsibility for the more costly outlays connected with military security. To the contrary, the demise of the informal funding system stimulated a greater consciousness of the need to prevent such expenditures from burdening the common people. A dispute that arose in Kansu between Shen-kan Governor-general Ch’a-lang-a and Kansu Governor Hsiü Jung illustrates this point. In order to meet urgent demands for military supplies in his province, Hsiü Jung had ordered the accelerated collection of taxes in arrears. Resistance by the province’s taxpayers prompted Ch’a-lang-a to file a complaint with the Board of Revenue against his overly zealous subordinate. In his recommendations to the emperor on this matter, Board President Prince I condemned Hsiü’s actions and set forth the government’s position on funding for military campaigns. “If there is a shortage of funds for military expenses and provisions, the appropriate measure is to request, in a t’i-pen, that the central government allocate additional funds.”1

The 1720s and 1730s were a period of heightened central-government awareness of its role in funding major relief and construction projects. Yung-cheng’s condemnation of officials who solicited feng-kung contributions for disaster relief was in part a reflection of his commitment to the use of cheng-hsiang for this purpose.4 Likewise, when reviewing Fukien’s allocations of huo-hao, Prince I was disturbed at the extent to which that province was using its own funds for expenditures that were rightly the responsibility of the central government. He therefore ordered the governor and governor-general to pay for expenses such as warship construction and the erection of military barracks out of cheng-hsiang and to report such allocations to the Board of Revenue in a routine memorial.5

Soon after the Yung-cheng emperor’s death, the question of the role of the central government in paying for public-works projects was raised again. The issue was not whether the government should pay for such projects in the provinces, but whether the practice of assessing contributions from the local population to pay for construction projects should be allowed at all. In a memorial to the new emperor, President of the Board of Works Lai-pao and other Board members pointed out that it was the usual practice for the Board of Works to allocate cheng-hsiang funds for projects such as river conservancy (bo-fang) and the construction of dikes (t’i-an), city walls (ch’eng-yuan), floodgates, and embankments (cha-pa). However, in Chihli, Shantung, Kiangnan, and Szechuan officials occasionally paid for these items out of special levies on the people’s landholdings. A list of the projects for which such levies had been authorized was enclosed to assist the emperor in deciding whether this exception to the rules governing fiscal responsibility should be allowed in the future.6 In advising the emperor, the members of the Board clearly favored banning these so-called contributions and placing full responsibility for major allocations on the central government. Their arguments were truly in the spirit of the huo-hao kuei-kung reforms, for although they recognized that many such contributions were made voluntarily, out of a sense of public-mindedness, the Board feared that any fiscal policy based on irregular contributions would invite extortionary exactions from the local population by higher officials.7

Concern that cheng-hsiang revenues be readily available to meet the central government’s obligations in the provinces even led to changes in the method of storage and distribution of regular tax funds. Steps had already been taken in this direction during the late K’ang-hsi period, when “surplus” central-government revenues were placed in treasuries in Manchuria, as well as in those of each Manchu general-in-chief, garrison commander, and brigade general.8 The transfer of these funds out of the imperial capital to
Local Variations and Underlying Principles

Depositories in the provinces was designed to facilitate funding in case of a military emergency. However, the later expansion of this policy to include civilian treasuries was a result of the government's desire to avoid delays in the allocation of cheng-hsiang revenues that might lead to a greater burdening of the common taxpayer. In YC 5 (1727) it was decided to distribute additional funds to the provinces of China proper, to be stored in provincial treasuries. The provinces were classified in three groups, each receiving between 100,000 and 200,000 taels. In CL 41 (1776) the quotas of stored revenues were increased. These funds were in addition to the quotas of retained taxes (ts'un-lui) deducted by each province from the regular taxes remitted to the capital each year, and represented total deposits, not an annual deduction. Unlike ts'un-lui funds, these deposits were still the property of the central government, set aside for emergency expenses in the provinces. Deposit in the provincial treasuries was designed to avoid the costs and delays involved in transporting silver to the provinces when it was needed for an emergency. Expenditure was probably much more closely scrutinized than were funds allocated to the provinces directly, and appropriation without authority (shan-tung) was punishable by beheading.

In addition to the funds stored in the provincial treasuries, the Yung-cheng emperor also initiated a policy of depositing central-government revenues in lower-level treasuries. At first no quota was set for the amounts to be stored, but in YC 8 (1730) these deposits were regularized. The amounts to be stored in prefectural, chou, and hsien treasuries were divided into four grades, ranging from 100,000 to 300,000 taels. Central-government funds distributed among local administrative units in this manner were known as fen-ch'u chih-k'uan.

The central government's concern for the efficient allocation of cheng-hsiang revenues was an outgrowth of the attention focused on local finance during the huo-hao kuei-kung reforms. The principle that public projects should be paid for out of public funds, duly collected and budgeted for such purposes, forced the central government to reevaluate its own proper contribution to the administration of the provinces. Rather than encouraging the central government to encroach on local funds, the reforms seem to have served to highlight the respective responsibilities of each level of the government. The funds designated as kung-hsiang were meant to be used for quite different purposes than cheng-hsiang and the methods of controlling, reporting, and allocating these funds were indicative of their unique nature.

Relieving the Burdens on the People

One of the main purposes of the huo-hao kuei-kung reforms was to relieve the local population of the burden of indiscriminate surcharges previously levied on the pretext of supporting local administration. By simply providing officials, runners, and clerks with adequate living expenses, it was assumed that the motivation for much of the corruption associated with the tax-collection process would be eliminated. More specifically, the provision of yang-lien led to the abandonment of many fees that were not extortionary but had been crucial to the operation of the informal funding system.

One striking example concerns fees previously levied to support provincial education commissioners. These men were charged with the duty of supervising both the hsien- and provincial-level examinations in their provinces and with monitoring the education and behavior of degree-holders and government students. Educational commissioners were among the officials whose hidden expenses were high and whose frequent travel brought them into constant contact with the local administration. In most provinces it was the responsibility of the magistrates to provide for the education commissioner's expenses, as well as the costs of administering the examinations. This was usually accomplished by demanding fees from the inhabitants of the chou or hsien. In Shensi this fee was called k'ao-p'eng kung-yin and was collected from the people at the time that the examinations were administered in their jurisdiction. In Szechuan the education commissioner's costs were met by gifts of ceremonial presents (chih-i), usually of three or four taels each, sent to the commissioner by students taking the examinations. With the institution of yang-lien for the education commissioner these fees were banned and at least one extra burden was lifted from the shoulders of the local population.

We have already noted the central government's commitment to the provision of funds for major public-works projects in the provinces. However, minor projects remained the responsibility of the provincial governments themselves. In the past, despite the statutory elimination of corvée labor, it was often necessary to call upon the local people to contribute both the labor and supplies for
these projects. The availability of kung-hsiang revenues enabled provincial officials to carry out on a cash basis most transactions involved in local construction and administration.

In Kwangtung province, for example, repairs on garrison buildings and watchtowers had previously been handled by apportioning the responsibilities for the supply of labor and materials among the local inhabitants. The governor-general was naturally worried that such levies would place inordinate demands on the people's resources. But he had more practical concerns as well. The equal division of labor services among the people was an inefficient way to carry out repairs. Corvée labor on military projects aroused tensions between the soldiers and the people, and the people's lack of specialized skills led to inferior workmanship and costly delays. Procurement of supplies by means of popular "contributions" also gave clerks and runners too great an opportunity for extortion. The governor-general therefore requested permission to follow the precedent already set in Shantung (and, in fact, in many other provinces as well) of allocating the funds for repairs from the kung-hsiang. The emperor's response to Governor-general Shi Yü-lin's request indicates that the use of huo-hao funds for public projects was widespread and implicit in the original intent of the reforms. "Public expense funds exist expressly for you to use in the province for this purpose. What reason would there be not to carry out a plan such as this one, of such benefit to the soldiers and to the people? Deliberate and carry it out."

An examination of the sample budgets submitted by the provinces to the emperor shows that funds were invariably set aside for repairs and minor construction projects such as that mentioned above. Thus, many of the surcharges to which the people were subjected under the guise of contributions for public works were eliminated. Moreover, by prohibiting the contribution of officials' and runners' salaries and wages for construction projects, the reforms eliminated one of the main pretexts for levying nonspecific surcharges as well.

The Allocation of Kung-fei

The term kung-fei, as we have seen, referred to all funds collected by the province that were not remitted to the central government as regular taxes or distributed to individual officials in the form of yang-lien. The manner in which these funds were budgeted and disbursed varied from province to province. However, allocation can be divided into four general categories: allowances given to chou- and hsien-level officials to cover "outside" expenses, allowances granted to high officials to cover the cost of yamen operations, funds set aside in the provincial treasury for local- and provincial-level irregular and emergency expenses, and funds set aside to cover the fees and expenses incurred in sending taxes, goods, and reports to the central government.

Kung-fei Allowances to Chou and Hsien Officials

As we have seen, the portion of huo-hao revenues allocated to chou and hsien magistrates in the form of yang-lien was to be used for the official's living expenses and for the costs of operating his own yamen. Expenses incurred outside the yamen, most notably for famine relief and for construction projects, were not expected to be covered by the official's yang-lien.

In at least some provinces, a separate allowance was granted to the chou and hsien for the public expenses in the magistrate's jurisdiction. The separate allocation of kung-fei to chou and hsien magistrates in Shantung was instituted as early as YC 3 (1725). Of the total annual receipts of huo-hao in that province, 140,000 taels were budgeted for the public expenses of the whole province. However, in accordance with Shantung's policy of partial remittance of huo-hao, chou and hsien magistrates were allowed to retain 22 percent of their total huo-hao income for their own kung-fei and the costs of remitting taxes to the financial commissioner. This was beyond the yang-lien allocated to them by the financial commissioner. Thus, of the total funds set aside in that province for public expenses, 120,000 taels were retained by the chou and hsien themselves and only 20,000 taels were deposited in the provincial treasury for the expenses of the province as a whole.

The magnitude of chou and hsien public-expense allowances in Shantung was unusual. In general, kung-fei allocations to lower-level administrative units were small and seen as supplementing yang-lien and providing for emergencies. Beyond this, it would be the responsibility of the province to handle major expenditures. For example, when the governor of Kansu decided to increase the very low rate of yang-lien payments in that province, magistrates, who were receiving a uniform payment of 600 taels in yang-lien
per year, were given differentiated kung-fei allowances as well. These allowances were based on the complexity of public business in their jurisdictions and ranged from an additional 600 taels for the Lanchow magistrate to 360 taels for medium chou and hsien and 160 taels for out-of-the-way chou and hsien. It was also the practice to grant separate allowances of kung-fei to the chou and hsien in Shensi. We have no evidence of the size of these allocations. However, Shensi Governor Chang Pao stated that “chou and hsien officials are each given public expenses besides yang-lien, on the basis of the complexity or simplicity of [official business] in their locale.” Although yang-lien and kung-fei were listed together in the provincial budget submitted to the emperor, the fact that they were viewed as separate items is underscored by the provision that officials holding concurrent posts be given only half the yang-lien of the second post but receive the full allotment of kung-fei for both posts. Inasmuch as yang-lien was used for an official’s personal expenses and the internal operations of his yamen, he would not need as much yang-lien as two officials holding two different posts. However, the “outer” expenses of hsien would not decrease during a temporary vacancy in the magistrate’s office.

The same motivation seems to have been at work in the decision to grant kung-fei to chou and hsien officials in Chihli province. Sometime after YC 7 (1729), a tutor in the Imperial Academy named Ts’ui Chi memorialized regarding the need to provide magistrates with special funds for emergency expenditures. Ts’ui pointed out that unexpected matters occasionally arose on the local level for which funds were needed immediately. If the chou and hsien had already collected the taxes in their areas, they normally would transfer these regular taxes for emergency use. If, however, there were no newly collected taxes to transfer, or the official feared impeachment for the transfer of funds, he would usually borrow the necessary funds from saltshops, pawnshops, or rich households, or exact a temporary levy from the people. These borrowed funds were called ling-pi. After the emergency had been resolved (and presumably the funds to meet the emergency had been allocated by the provincial government), the borrowed funds were returned. However, sometimes less than the original amount was returned or a long period of time was allowed to elapse before restitution was made. As a result, both the people and the merchants were burdened. Moreover, Ts’ui was convinced that “treacherous merchants and wealthy and powerful households” were using this situation to coerce officials into alliances for their own benefit.

Ts’ui sought to rectify this situation by calling on a precedent set by the emperor in YC 7. “Shifting funds” had led to chronic deficits in Ta-hsing hsien and Wang-p’ing hsien in Chihli’s Shun-te prefecture. In order to relieve the fiscal pressures on these two hsien, both of which lay within the precincts of the imperial capital, Yung-cheng had granted 10,000 taels to each to be stored in the hsien treasury and used in the event of an emergency. The magistrates could report the allocation to the metropolitan prefect and issue the necessary funds without waiting for the latter’s approval. After the emergency had passed, the funds would be returned to the hsien coffers so that a balance of 10,000 taels would always be on hand.

Although he recognized that other chou and hsien did not require the reserve of funds granted to Ta-hsing and Wan-p’ing, Ts’ui felt that the problem of shifting funds and borrowing from the people was a serious one throughout the empire. He therefore requested that the emperor order each governor and governor-general to rank his subordinate chou and hsien according to the complexity of government business and allocate to them a portion of the huo-hao, unloading tax, property-deed tax and so on that was remitted to the province for public expenses. Ts’ui suggested that the busiest areas, situated at the crossroads of major transportation routes, might receive 1,000 taels. The next busiest could be given between 500 and 800 taels. The simplest, according to Ts’ui, need not receive any emergency funds at all.

Because the emperor did not issue a rescript to Ts’ui’s memorial, it is difficult to know how Yung-cheng reacted to this suggestion, or whether widespread publicity was given to Ts’ui’s views. It is clear, however, that even after the reforms, officials at various levels of the government continued to be concerned that magistrates would not have enough funds to carry out public business without some supplement beyond their original yang-lien quotas.

In YC 12 (1734), Chihli Governor-general Li Wei addressed himself directly to the problem of shifting funds at the chou and hsien level. When the huo-hao kuei-kung reforms were originally implemented in Chihli, many chou and hsien had been granted a reduced level of yang-lien because it was assumed that they would continue to receive a portion of surplus revenues and customary fees (hsien-yü lou-kuei) from the post stations within their territories. In the course of the reform movement in Chihli, these fees were also eliminated, resulting in shortages in the affected chou and hsien. In the YC 12 huo-hao report to the emperor, Governor-
general Li proposed yang-lien increases in those areas to bring their yang-lien into line with the rest of the province.  

The governor-general did not stop there. Li Wei also pointed out that in Chihli many magistrates continued the practice of advancing funds for public business (yin-kung p'ei-to). In order to pay for non-yamen expenses, magistrates were also forced occasionally to contribute funds from their yang-lien. To remedy this problem, Li requested that each magistrate be allowed to retain "silver for carrying out public business" (pan-kung yin-liang) based on the complexity of public business associated with his post. By requesting a special fund for chou and hsien public expenses, Li once again affirmed the principle of the separation of yang-lien from "outside" expenses.

It is not clear whether other provinces made separate allocations of kung-fei directly to the chou and hsien. For example, the Shansi budget submitted by Kao Ch'eng-lin in YC 3 (1725) indicates that 10,158 taels were set aside for miscellaneous construction and other costs incurred by the chou and hsien. However, it is not possible to determine from this document whether the funds were sent to the magistrates along with their yang-lien or were kept in the provincial treasury in anticipation of annual requests for construction funds by local governments.

The mere fact that we do not have direct references to chou and hsien kung-fei allowances outside of Chihli, Shensi, Szechuan, and Shantung does not mean that they did not exist. The gazetteer of An-yang hsien in northern Honan contains a detailed discussion of the various local expenditures that were previously met through the collection of irregular surcharges. According to the authors of the gazetteer, once the policy of huo-bao kuei-kung was implemented, all of these items were subsumed under a single huo-bao surcharge of 15 percent of the hsien's annual regular taxes. If we assume that all emoluments listed for ranking officials and teachers in Confucian schools, student stipends, sacrificial expenses, and alms for the widowed and poor were paid for from retained cheng-hsiang taxes (ts'ün-lü), the hsien still required 6,171.78 taels in huo-bao allocations to pay for normal yamen operating expenses and "outside" costs incurred by the hsien administration. It is likely, therefore, that a sizable allowance was granted to the hsien beyond the magistrate's own yang-lien. If this was the case in Honan, it may also have been true of other provinces for which documentation has not survived.

Kung-fei to Higher Provincial Officials

In almost every province for which a provincial budget still exists, there is evidence that high-level officials were granted regular funds beyond their yang-lien quotas. In most cases, these funds took the form of special allocations to cover the costs of stationery and clerical wages. Usually they were budgeted separately and may have been thought of as elements of provincial public expenses, because these grants did not extend to officials below the rank of financial commissioner.

In Anhui province, the proposed budget submitted in YC 7 (1729) by Governor Wei T'ing-ch'én included provisions for separate payment of the wages of runners and clerks in the offices of the governor-general, governor, Tartar general and financial commissioner, as well as wages for the standard-bearers and bodyguards attached to the Tartar general and governor-general. Certain stationery costs in the governor's, governor-general's, and financial commissioner's yamen were also paid for with provincial funds. Even the educational commissioner was provided with stationery costs, and stipends were made available for the clerks and runners in his yamen when they were sent outside the provincial capital on missions.

The Kiangsu budget was not as generous as Anhui's in providing for the expenses of all high officials. It did, however, include substantial funds for stationery, gunpowder, and clerical wages for both the governor's and the governor-general's yamen. The only specific grant made to the financial commissioner was for stationery expenses. In Kiangsi, similar allocations were provided for the governor and governor-general, in addition to which the financial commissioner and judicial commissioner were given wages for their clerks and runners. The latter was also allowed a special fund to cover his statutory expenses. Specially budgeted kung-fei in Kweichow seems to have been limited to the offices of the governor and governor-general. Although the province contributed only toward the stationery expenses of the governor-general's yamen, provisions made for the governor's yamen included stationery supplies, clerical salaries, military supplies, firewood and lamp oil, and salaries for his private secretaries. At least part of these extraordinary allocations may be accounted for by the fact that at the time this budget was drawn up, no measures had yet been taken to provide the governor with yang-lien.
Both the amount of yang-lien granted to high provincial officials and the existence of special allowances of kung-fei to cover yamen costs indicate that considerable care was taken to ensure the fiscal solvency of officials residing in the provincial capital. This, of course, reflected the great expenses incurred in posts which had the responsibility of managing the affairs of the whole province. However, it also cannot be ignored that the original critique of deficits and corruption, out of which the reforms grew, placed a large part of the blame on high officials. If the government was to guarantee that high officials took their duty of supervising the fiscal behavior of their subordinates seriously, it was imperative that these same officials be completely removed from financial dependence on the chou and hsien.  

The Kung-fei of the Whole Province

Every province had a special category of revenue stored in the provincial treasury for the purpose of meeting provincial public expenses. This silver reserve is best viewed as a kind of provincial discretionary fund. In every province but Fukien, the amount of huo-hao revenues to be deposited in this fund was determined not by a calculation of annual expenditure requirements, but on the basis of the surplus available after the deduction of official yang-lien and other fixed expenses.

The logic of such a system becomes apparent when we examine the kinds of projects that were paid for from the provincial public expense fund. The reports of Governor T'ien Wen-ching to the emperor present a representative sample of kung-hsiang expenditures in Honan province. In 1725, huo-hao funds were used to buy a plaque for a state-sponsored temple. Cash was also lent to poor peasants whose land had been inundated by sand after severe floods, so that they could buy water buffalo to assist in plowing under the sandy soil. In addition, 8,000 taels were allocated to improve the military camps in the province. In 1727, 612 taels were used to buy eight government boats to outfit a ferry crossing at a strategic communications point, and an unspecified amount was issued to rebuild a temple. A grant of 2,000 taels was given to the Nan-ju circuit intendant to aid in flood relief in Ku-shih hsien, an area frequently affected by floods and small-scale bandit activity.

In response to imperial criticism of the size of Honan's huo-hao surplus, several major projects were initiated in 1729. To pay for the repair of city walls, 65,550 taels were disbursed to nineteen chou and hsien. These funds were earmarked to cover the costs of both labor and materials. Another 5,836 taels were allocated to build 2,400 new examination cubicles to provide for the growing numbers of students coming to the capital to take the provincial examinations. Over 4,700 taels were used to construct a new jail for the judicial commissioner's yamen. Finally, 6,750 taels were spent to repair Honan's granaries, making it possible for the chou and hsien to replace existing buildings made of straw and mud with new facilities constructed of brick. In 1730, huo-hao funds were allocated to update and revise the provincial gazetteer. Moreover, a project to repair city walls was undertaken again in 1731, this time focusing on replacing walls that had been made of mud with more durable brick structures.

The situation in Honan was not exceptional. In discussions of provincial budgets submitted to the emperor, memorialists frequently mention appropriations for famine relief, river works, construction projects, and military procurement as falling into the category of provincial public expenses. In provinces where the chou and hsien officials were given separate kung-fei allowances, it is likely that some of the more distinctly local projects would have been handled without provincial-level intervention. However, in places like Honan, where huo-hao funds were more tightly controlled at the provincial level, magistrates generally had to petition for kung-hsiang funds, as was the case in Ku-shih hsien's appeal for famine relief. The reforms resulted in the transfer of much of the provincial surplus from the local to the provincial level, reducing the discretionary fiscal power of the magistrate. This loss of initiative on the local level was somewhat offset by the fact that control over large public expense funds made it possible for the provincial government to initiate projects that individual chou and hsien might not have undertaken. Moreover, as in the case of citywall building or the large-scale construction of examination halls, economies of scale in the purchase of materials were made possible that would not have existed if projects were carried out on a piece-meal or strictly local basis, as in the past.

In the absence of detailed yearly accounts of provincial huo-hao expenditures, it is difficult to determine whether the benefits of kung-hsiang funds were distributed equitably among subordinate administrative units. For the few expenditures we do know about in Honan, it seems that huo-hao funds were indeed dispensed lib-
generally throughout the province. In the case of city-wall and granary construction, poorer areas were probably the most affected, because the emphasis was placed on upgrading construction that had earlier been undertaken with poor materials. However, there was a constant danger that concentration of the provincial surplus in the capital could result in a disproportionate allocation of funds to those chou and hsien within the capital environs. This seems to have been the case in Shensi province's 1726 budget, and it may reflect the fact that other chou and hsien in the province were given separate kung-fei allowances.

The institution of a provincial discretionary fund was in keeping with the demands of a political economy that required flexibility at all levels. Whereas administrative expenses were viewed as permanent, the expenses covered by provincial kung-fei were seen as temporary, often arising without warning and necessitating large outlays of money. Although floods or drought occurred frequently in many parts of China, no one could predict where or when they would strike next. On the other hand, projects such as city-wall construction or the building of charity cemeteries might be necessary only once in a generation. Upon completion of such structures, maintenance was usually turned over to local authorities. Therefore, it would not make sense for the provincial government to establish permanent bureaus of wall repair, with their own staff and budget. Where continuous funding was necessary, as in the case of boat construction in Fukien, or periodic dike maintenance throughout the empire, separate budgetary categories were established.

This is not to say that projects of the kind described above were carried out on an entirely ad hoc basis. Supervision of a particular undertaking was generally assigned to a permanent staff, headed by a nearby prefect or a circuit intendant and including ex ante officials who used the opportunity to practice and demonstrate their administrative skills. Before allocations were made, estimates of material and labor costs were submitted by officials at the site. These estimates were subject to approval by the governor and, if central-government funds were involved, by the Board of Revenue as well. Officials in charge of a project were under constraints of time as well as money, as deadlines were usually set for completion in order to avoid delays and corruption. If a project took more than one year, accounts were submitted annually to ensure that the funds were not being wasted and that the final report would not result in huge cost overruns. At the completion of the project, a final account of expenses was submitted and any surplus funds were returned to the provincial kung-hsiang.

Payments to the Central Government

One final category of kung-hsiang expenditures should be mentioned—funds spent in fulfillment of provincial obligations to the central government. It has been stressed that the huo-hao kuei-kung reforms were not an attempt by the central government to appropriate a larger portion of the local government surplus. Nevertheless, aside from those funds used to repay deficits, a part of the provincial kung-hsiang, and in some places a sizable part, did go directly or indirectly to the central government. It should be kept in mind that all of these expenditures would have been made whether or not the reforms had been implemented. Huo-hao kuei-kung had the effect of transforming what had been informal fees paid personally by high provincial officials into fixed allocations disbursed from the kung-hsiang of the whole province. Another burden was thus lifted from the shoulders of the governors, governors-general, and commissioners, reducing their own need to exact bribes and fees from their subordinates.

Payments to the central government fell into three broad categories: fees to central-government boards when submitting taxes or accounts, transportation fees for the shipment of those taxes and accounts, and costs of supplementing the Board allocations for the purchase of goods sent to the capital. Although we have direct evidence of such payments for only six provinces, it is reasonable to assume that some provision of this kind was made in every province. This is particularly so since the yang-lien of central-government officials was eventually budgeted from such provincial remittances.

The size of the allocations to the central government appears to have depended on the customary fees originally sent to the boards, the province's responsibilities in providing goods for the capital, and the size of its tax quota. The portion of the provincial budget devoted to such costs in the Kiangnan region was particularly high. Of a total of 71,144 taels allocated for public expenses in Anhui, over 50,000 taels were spent for purposes of no benefit to the province. These included fees to the Board of Revenue and its Board of Scrutiny at the time of the annual accounting, fan-shih to
the Board of Punishments, the costs of remitting taxes to the Board, and supplemental funds for the purchase of goods costing more than the Board price.\textsuperscript{52}

In Kiangsu, approximately 56,000 taels were set aside to pay expenses incurred in the remittance of taxes and to supplement the costs of dyes and pewter sent to the capital.\textsuperscript{53} However, inasmuch as that province's total kung-fei budget was considerably larger than Anhui's, payments to the central government did not cut as deeply into the Kiangsu surplus. This could not be said of Kiangsu, where almost half of the fixed public expenses of 62,204 taels were allocated for Board fees and the transport of regular taxes and shipments of goods to the capital in Peking.\textsuperscript{54} Chihli, as the site of the imperial capital, bore a particularly large responsibility for Board expenses in the form of remittance fees. If data for 1729 are typical, that province also spent about as much on Board fees as it did for all other provincial public expenses.\textsuperscript{55} These figures, of course, refer only to the fixed allocations in each province. Because all four provinces had surplus huo-hao and kung-fei which could be used as a discretionary provincial fund, the proportion of provincial revenues siphoned off by the central government, although high, was not as enormous as it first appears.

Outside these two regions, allocations of Board fees were probably considerably lower. Particularly in newly developing areas with low agricultural productivity, the central government was hesitant to make unreasonable demands on local resources. Of the 79,740 taels spent by Kansu province for yang-lien and public expenses, only 2,000 taels were sent to the Board of Revenues and Punishments in the form of clerical fees.\textsuperscript{56} Similarly, Kweichow spent only slightly more than 2,200 taels for this purpose.\textsuperscript{57}

**Accounting and Accountability**

The manner in which officials reported huo-hao income and expenditure to the central government provides an excellent example of the Yung-cheng emperor's reliance on personal authority in dealing with the provincial bureaucracy. Just as the decisions leading up to the adoption of huo-hao kuei-kung were taken outside the normal bureaucratic channels of communications, so the emperor divorced the day-to-day administration of the new provincial funds from routine scrutiny by the Boards. The collection and allocation of regular taxes were subject to rigorous Board sur-

veillance throughout the tsou-hsiao system of annual accounting. However, provincial authorities were specifically instructed not to report their huo-hao income to the Boards, but only to inform the emperor of their decisions via secret palace memorials.\textsuperscript{58}

All deliberations concerning rates of collection, distribution of funds in the form of yang-lien or kung-fei, methods of remittance, and so on were undertaken by the provincial governors, governors-general, and financial commissioners. Although there is no record of the deliberations themselves, formal input from the lower levels of government probably was minimal, confined to requests for grants of aid for specific projects. Once the basic plan for huo-hao reform was established in a province, the governor or financial commissioner was required only to submit an annual report to the emperor in the form of a yellow register (huang-ts'e) similar to those submitted to the emperor for regular taxes.\textsuperscript{59} These yellow registers merely listed total funds, following the format of the four-column account. In this manner the emperor was kept informed of the aggregate income and expenditures in a province, leaving the details of disbursement to the provincial authorities themselves.

Occasionally a more elaborate report of expenditures was made, particularly when a change in official personnel in the provincial capital took place.\textsuperscript{60} These reports were similar to the chiao-tai reports submitted as evidence of proper management of regular tax funds when an official left office. In the case of both yellow registers and the more irregular end-of-term reports, the emperor usually returned the memorial without comment or with a simple "noted" (lan) appended to the end of the account.

The implications of this arrangement were twofold. On the one hand, the Yung-cheng emperor displayed his continuing concern for the fiscal independence of the provincial governments. If the huo-hao kuei-kung reforms were to succeed, the provincial governments had to be assured the same flexibility in allocating funds that had been possible under the informal funding system. If the finances of the provincial treasury were subject to the same item-by-item scrutiny that was applied to the disbursement of cheng-hsiang funds, it would have been impossible for the provinces to respond quickly to emergencies or react to changing local conditions. The emperor acknowledged that he could not know the conditions within the provinces in the same way that a local official could. It was therefore logical to leave the details of huo-hao expenditure to these men.
LOCAL VARIATIONS AND UNDERLYING PRINCIPLES

Yung-cheng also seems to have had a special antipathy toward the interference of court officials in local fiscal affairs. During the debates surrounding the implementation of the reforms, the conservatism of officials within the capital bureaucracy, who were divorced from the daily operations of local administration, became readily apparent. Although the emperor was quick to shift the personnel holding the highest offices in the provinces, filling these crucial posts with men whose integrity and administrative philosophy he could trust, it was far more difficult to alter the composition of the central bureaucracy. Many of these men were holdovers from his father’s reign, and their approach to local finance reflected the K’ang-hsi emperor’s reluctance to tamper with the balance of fiscal power by legalizing huo-hao. Moreover, the emperor may have felt that these men, who had viewed deficits only in terms of corruption, and had failed to recognize the real shortage of funds on the provincial and local level, would not have been sympathetic to the spending needs of provincial administration.

The emperor did give the governors and financial commissioners broad discretionary powers in the allocation of provincial funds. In fact, there is reason to believe that he was willing to tolerate far more local independence than even the officials themselves recognized. The yellow registers of annual accounts were the only reports specifically required of officials by the emperor. Yet the emperor was constantly being barraged by reports ranging from those of the chiao-tai type mentioned above to two- or three-line notifications whenever a large sum of money was allocated for any purpose. These reports are symptomatic of a form of bureaucratic paranoia common among officials during the Ch’ing period. Even when given authority in allocating provincial funds, high provincial officials felt the need to report their actions to the emperor. In all probability, they hoped to cover themselves in case their successors questioned the way in which funds were handled during their tenure. This fear grew out of the heavy emphasis placed on an official’s handling of tax matters in his career evaluations. Consequently, even though huo-hao revenues were not subject to the same sanctions and review that were applied to regular taxes, the association between the mishandling of taxes and impeachment seems to have been too ingrained in the officials’ collective psyche to allow them to exercise their autonomy in such matters.

In contrast to the often compulsive reporting by high provincial officials themselves was the emperor’s own responses to these reports. When the emperor chose to issue any rescript to a memorial on the handling of huo-hao funds it was usually to urge the memorialist to take greater responsibility for decision-making himself. Sometimes he simply stated that he was leaving the decision up to the memorialist, as in the case of a report by the governor and governor-general of Kwangtung regarding allocations of yang-lien for submagisterial-level officials. More often the emperor simply indicated that he would not interfere in local fiscal affairs by stating that he took no interest in memorials of this kind, or that his habit was merely to glance at such memorials and nothing more. Occasionally, Yung-cheng even displayed some exasperation when officials continued to request imperial approval for decisions that should have been their own. After a long memorial from the Kiangsi governor requesting raises in certain officials’ yang-lien allowances, the emperor wrote in an extremely informal style, “Okay, if it should be raised then raise it.”

This is not to say that the management of huo-hao revenues was completely unsupervised. Notwithstanding his protestations to the contrary, the emperor did keep a close watch over the management of provincial finances through the palace-memorial system. As we have seen in the discussion of the implementation of the reforms, Yung-cheng was not averse to criticizing the manner in which a governor was handling the remittance, allocation, or disbursement of huo-hao revenues. The emperor also played a major role in guaranteeing that allocations were equitable and served the goal of redistributing the resources of a province where they were needed. Moreover, as the only agent privy to knowledge of the reforms in every province, the emperor also played an integrative role, informing officials as to how the reforms were being carried out elsewhere and ensuring that there were no undue discrepancies in the rates of yang-lien being paid to officials of comparable rank and responsibilities in different provinces. Thus, although the actual management and allocation of yang-lien was in the hands of the governor and financial commissioner, these funds were still ritually attributed to the emperor as the ultimate source of all revenues and laws in the empire. Even when an official decided on his own yang-lien, it was not uncommon to send a memorial thanking the emperor for his magnanimity in granting the official this new source of funds.

The emperor’s occasional intervention in provincial financial affairs was not intended as an encroachment on provincial authority.
In view of the structure of authority in the Ch'ing legal system, it played an important function in strengthening the power of the provincial leadership as well as enabling the emperor to check abuses in the exercise of that leadership. But without the assignment of some general supervisory functions to the Board of Revenue, the provincial authorities had no means to enforce their control over the funds emanating from the local level. Because huo-hao revenues were not integrated into the regular Board of Revenue statutes, the provinces were allowed a far greater degree of autonomy in handling huo-hao than they had in handling cheng-hsiang. This assured considerable flexibility in the allocation of funds. However, it had one serious drawback, which had its roots in the dual nature of the Ch'ing legal system. Judicial cases involving crimes committed by commoners could be tried and adjudged at all levels of the bureaucracy. Although appeals could be made to the court and the emperor, provincial officials did not require central-government intervention in handling most cases. The same was not true when crimes involved misconduct in office. In such cases, although the official's superior in the provinces could recommend sanctions, the decision to apply sanctions against an official lay with the Boards and the emperor. Moreover, impeachable crimes had to be defined in the statutes of the various Boards, which taken together constituted a code of official discipline. In order to preserve provincial fiscal autonomy, huo-hao matters had not been integrated into the official code, hence corruption or recalcitrance in the implementation of huo-hao kuei-kung could not be dealt with through the usual channels used in cases of violation of the disciplinary code. High officials had only one way to deal with malfeasance in the newly created huo-hao kuei-kung system, which was to report the malfeasance directly to the emperor in a secret palace memorial and request that special sanctions be applied against the official involved.

Once deficits were paid up, as pointed out in chapter 4, magistrates in Shansi were reluctant to continue remitting huo-hao to the provincial treasury. This problem was not limited to Shansi province alone. In YC 10, Hupei Governor Wang Shih-chun sought imperial guidance in handling a similar problem in his province. Between YC 1 and YC 3, twelve hsien magistrates failed to remit a total of 4,232 taels of huo-hao to the provincial treasury. Although the amount was small, these cases were indicative of the difficulties encountered in trying to control huo-hao revenues. The governor had clear authority to impeach a subordinate and demand that he repay cheng-hsiang deficits, but he did not know if he could do the same in the case of deficits in the kung-hsiang.67 The emperor assured Wang that deficits in the provincial public-expense fund were an even more serious matter than shortages in cheng-hsiang revenues, and advised against leniency in dealing with these magistrates. Stern procedures for retrieving the funds were therefore set in motion, procedures which the governor probably would not have invoked without the authorization of the emperor.

The Yung-cheng emperor's extraordinary attention to the details of everyday administration is well known. Even a cursory examination of the thousands of memorials bearing his voluminous personal comments provides convincing evidence of his care and understanding in supervising local-government affairs. In his effort to bypass normal bureaucratic channels and deal with local fiscal matters through direct communications with provincial officials, Yung-cheng had no choice but to handle personally the numerous memorials received at his quarters every day. There is evidence, however, that the emperor did not shoulder the entire burden himself. The few extant disposition slips submitted to the emperor on local fiscal matters by Prince I, in his capacity as President of the Board of Revenue, indicate that occasionally the emperor did turn to his most trusted fiscal advisors in deciding provincial fiscal issues. Even though secret palace memorials were to be viewed only by the emperor and the memorialist, Yung-cheng did sometimes show tsou-che concerning huo-hao and yang-lien matters to the Board of Revenue. Furthermore, these secret palace memorials were, in rare instances, even copied and kept in the Board's files.68 Nevertheless, the Board only acted in an advisory capacity when reviewing these memorials and did not have the same powers of scrutiny that it exercised in the acceptance or rejection of cheng-hsiang accounts.

In YC 9 (1731), the system of reporting was modified to include additional input by the Board of Revenue. According to a Board communiqué, all governors and governors-general were ordered to inform the Board of any increases made in yang-lien quotas. The Board would then deliberate whether or not the proposed increases should be approved, and their recommendation would be sent to the emperor. The Board also indicated that it would inspect the accounts of huo-hao funds spent and saved when they were
reported annually to the emperor. This does not appear to have been an order requiring provincial officials to report their annual huo-hao accounts in a routine tsou-hsiao tse, but rather was an announcement of the Board’s intention to continue its practice of informally advising the emperor on the accounts submitted as secret palace memorials. It was not until the Ch’ien-lung reign that the real discretionary powers of the provincial government in the management of local finances were encroached upon by the central government.

Yang-lien
Changes in Yang-lien Allocations

The yang-lien rates established in the early years of the Yung-cheng reign were not viewed as static quotas. Throughout the first decade of the reforms there were numerous instances of yang-lien being increased and occasionally diminished in order to meet the needs of officials in the field. Sometimes these increases were in the form of across-the-board raises for all officials in a province. At other times an increase was granted to an individual official whose expenses were agreed to be larger than the funds provided when huo-hao kuei-kung was first implemented in his province. Often the original deliberation to raise yang-lien came from the provincial officials themselves, but a change in rates could be called for by the emperor and, after 1731, at the instigation of the Board of Revenue in its advisory capacity.

The most striking across-the-board raises in yang-lien occurred in Fukien and in Honan. The rates of yang-lien originally formulated in Fukien were considerably lower than those for comparable posts in other provinces in central China. This was the result of both the low rate of huo-hao collected in that province and the high proportion of provincial funds that had to be allocated for administration and defense. As we have seen in chapter 4, the emperor was concerned that allocations of yang-lien in Fukien would be insufficient and ordered that surplus revenues from official lands and miscellaneous commercial taxes be used to compensate for shortages in provincial funds. Over 40,000 taels were required to bring Fukien’s yang-lien rates into line with the needs of local officials. When the surplus revenues granted by the emperor proved inadequate to meet all the costs of yang-lien and kung-fei, an addi-

The Emperor’s Grant of 20,000 Taels was made to the Fukien treasury from cheng-hsiang revenues disbursed by imperial decree to Chekiang province. The circumstances leading to increases in Honan’s yang-lien were the opposite of those found in Fukien. The success of the huo-hao kuei-kung reforms in Honan was reflected in an ever-increasing surplus in the provincial treasury. In 1728 the emperor reacted to this accumulation of revenues by ordering Honan Governor T’ien Wen-ching to devise ways to spend more of the provincial income for the benefit of the people and administration. T’ien responded by suggesting increases in the yang-lien quotas disbursed to lower-level officials. The governor felt that the 3,000 taels annually allocated to each circuit intendant was adequate. He did, however, ask for an increase of 400 taels for chou and hsien secretaries and 300 taels for independent chou secretaries. This raised the yang-lien as follows: independent chou secretaries to 1,800 taels, large chou and hsien to 1,400 taels, medium chou and hsien to 1,200 taels, and small hsien to 1,000 taels.

There are also numerous examples of yang-lien rates being increased for individual posts. Such raises were generally proposed by the provincial governor or financial commissioner. In YC 5 (1727), Li Wei requested that the Chekiang educational commissioner’s yang-lien be raised from 1,000 taels to 2,500 taels. In YC 9 (1731) Kiangsi Governor Hsieh Min proposed that several border hsien and small hsien with large populations of “tent people” be reclassified as medium and large hsien and their yang-lien raised accordingly. These changes were made in recognition of the difficulty entailed in controlling border areas and in preventing the people from fleeing into neighboring provinces to evade taxation. The grain and post intendants in Kiangsi had originally been in charge only of tribute grain and post and salt affairs. During the Yung-cheng period, however, each was given jurisdiction over three prefectures and was made responsible for all judicial matters in their respective subordinate chou and hsien. As a result, both intendants were faced with greatly increased travel expenses and the costs of hiring additional private secretaries expert in local administrative and legal issues. Therefore a raise in yang-lien was also requested for them. Changes in the remittance of customary fees could also give rise to modifications in the allocation of yang-lien. When the reform first went into effect, the director-general of water conservancy
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(Tsung-ho) received contributions from salt merchants which constituted the major portion of his yang-lien. When these contributions were eliminated, the director-general was left with only a small grant from merchants and surplus silver from the river treasury, totaling around 5,000 taels. This was not enough to cover the costs of travel to inspect construction sites, assisting the governor, rewarding soldiers attached to the river administration, hiring private secretaries, and so on. Therefore, a request was made that a raise in yang-lien be granted for this post. The elimination of fees as a means to support river administration and the substitution of increased yang-lien also reflected the gradual trend toward greater fiscal rationalization in local administration.

Officials sometimes requested raises in yang-lien for their own posts. In YC 6 (1728), the Hupei financial commissioner complained that the approximately 11,600 taels he received for yang-lien and operating expenses were too little in view of the high costs of remitting accounts to the Board and the numerous private secretaries and servants needed to man the province's top financial yamen. Hsü Ting claimed that because of the inadequacy of the funds provided in the provincial budget, he had been forced to rely on assistance from his father to cover his official expenses. This would not have been at all unusual under the prereform system of financing. Moreover, the usual response of emperors to claims such as Hsü's would have been an admonition to exercise greater frugality in his personal and official life. That Hsü Ting's own fears of such a reply proved unfounded is testimony to the transformation of the concept of fiscal responsibility after the reforms. Instead of chastising Hsü for excessive expenditures, Yung-cheng praised the plan to raise his yang-lien and stated that it had never been the policy of the dynasty to require an official's family to support him financially in the fulfillment of his administrative duties.

By the end of the Yung-cheng period, officials were sometimes quite militant in insisting upon their right to receive adequate yang-lien. Szechuan Governor-general Huang T'ing-kuei was particularly angry about the way in which his request for a raise in yang-lien was handled after authority to judge such requests was extended to the court. Huang memorialized that the Szechuan governor-general's yang-lien was only 6,000 taels and requested that it be augmented by 4,000 taels. He received a reply from the Grand Secretaries Chang T'ing-hu and Chiang T'ing-hsi by court letter. Enclosed was an imperial edict which stated that the sum of 6,000 taels was really insufficient. However, since Huang was concurrently in charge of the post of provincial commander-in-chief, the edict ordered the grand secretaries to inquire whether or not Huang received yang-lien for that second post, and expressed anger that he had failed to mention this additional yang-lien in his memorial.  

Huang devoted an entire page of his rejoinder to insisting that he was not attempting to profit personally from his official responsibilities, pointing out that the post of provincial commander-in-chief carried no yang-lien, but only about 2,800 taels a year from emoluments and military rations. Huang stated that he had already run into shortages and had been forced to shift funds and to borrow 1,000 taels from the governor, which he had not yet been able to repay. Moreover, much of the funds from his military command had gone to pay for two military expeditions to Liang-shan, to reward soldiers, and to hire laborers and coolies. Finally, Huang complained that although the duties of the governor-general were the most numerous, the governor received 19,000 taels annually in yang-lien and the financial commissioner received 10,000 taels. He thereupon closed his memorial by doubling his original request to 20,000 taels per year for the governor-general's yang-lien, a request which the emperor acknowledged and accepted with a simple response of "noted."

In general, the emperor left the determination of yang-lien rates to the provincial officials themselves. When he did intervene, it was most often when yang-lien was being established for a post for the first time. In such cases the emperor acted as an advocate for the official concerned to ensure that the yang-lien decided on was sufficient for his needs. For example, when the Anhui, Kiangsu, and Kiangsi governors were consulted to provide yang-lien for the Liang-chiang governor-general, it was suggested that the total contribution from the three provinces be 14,000 taels. Yung-cheng felt that this would not be enough and hinted that 20,000 taels would be a more appropriate figure. Imperial intervention was also instrumental in guaranteeing adequate yang-lien for the Hu nan governor. When Financial Commissioner Chu Kang suggested that the governor be granted a quarterly allowance of 1,000 taels, for an annual yang-lien of 4,000 taels, the emperor replied:

How can 1,000 taels be enough for the governor's needs? Previously, when Fu-lan-t'ai memorialized to
sell his family property [in order to finance his administration] I sent a rescript vehemently stating that this was not right. When the new governor takes office, you should discuss adequate yang-lien [with him]. Your present stance makes you appear to be offering a pre-tense of virtue. I do not make it a principle to have high provincial officials perform their duties on an empty stomach [i.e., without adequate compensation]. As Hunan Financial Commissioner these last few years you understand the situation thoroughly... Handle matters fairly.

In rare instances an official requested that his yang-lien be lowered. In YC 11 (1733), the Shanxi governor reported that the new acting judicial commissioner had spent only 7,000 taels of his annual 10,000-tael yang-lien. He therefore requested that the extra 3,000 taels be returned to the provincial public-expense fund. This, however, was reduction in that individual's yang-lien and probably did not mean a revaluation of the yang-lien quotas for all future judicial commissioners in the province. The only instance where the downward adjustment of yang-lien might have had an institutional impact was T'ien Wen-ching's refusal to accept additional yang-lien when he was elevated from the post of Honan governor to that of Honan-Shantung governor-general. However, this post was created expressly for T'ien and was eliminated soon after his death.

Extension of Yang-lien

The trend toward fiscal rationalization was not reflected merely in increased yang-lien for posts where the original quota had proven inadequate. As the reforms became established, the number of officials to whom it was granted was also extended to include all the ranking civil officials in the provinces. We have already seen how the omission of yang-lien for the governor and governor-general of several provinces was quickly rectified. In many provinces it was several years before yang-lien was provided for education commissioners. This was because they frequently had an informal source of funds that was considered legitimate and served as a substitute for yang-lien. In general, these funds were linked to the administration of the civil-service examinations. For example, whenever the education commissioner in Shensi went to an area to hold the lower examinations, gifts were supplied by the chou and hsien whose residents were among those attending the examination. These gifts were called $k'ao-p'eng$ kung-ying or contributions of supplies to the examination hall, but were really obtained by levying surcharges on the local populace. In Hupei the education commissioner received his funds from the sale of the examination booklets used by students to write their answers. For each set, a fee of two or three taels above the cost of the paper was charged, yielding as much as 6,000 taels per year. These sources of funds were so widely accepted that in YC 5 (1727), when the Kwangtung education commissioner, Yang Erh-te, requested an increase in his yang-lien, the governor memorialized that the request should not be granted, because it was expected that the education commissioner would be provided with funds by the chou and hsien in which he conducted the examinations.

The emperor left it up to the individual provinces to decide whether or not to grant yang-lien to education commissioners. On the whole he felt that to grant them four or five thousand taels a year was appropriate. Moreover, Yung-cheng hoped that providing them with yang-lien would be an incentive to greater diligence in the execution of their duties. The reason the emperor did not insist on the suspension of contributions for the support of these officials and the institution of empire-wide yang-lien payments for education commissioners may be traced to his fear that some officials would nevertheless continue to exact fees for holding the examinations. Because this fee was paid directly by those involved in the examinations, it was not something that could be easily stopped by applying official sanctions. There was no way to ensure that such a widely accepted practice could indeed be eliminated by fiat. Despite the emperor's lack of leadership in this matter, efforts were made eventually in several provinces that had relied on informal funding practices to bring the funding of education commissioners into the mainstream of the reforms.

When the lu-o-hao kuei-kung reforms were originally formulated, yang-lien was provided only for civil officials of the rank of magistrate and above. Those officials closest to the people, including assistant magistrates and the numerous officials attached to the main administrative yamen, such as registrars, jailors, education officers, and other minor officials of the eighth, ninth, and unclassified rank (tsao-tsa) were not included in the new system of funding. The reasons for this omission were twofold. On the one hand, officers below the rank of magistrate were not considered
part of the main body of the bureaucracy. Often these posts were filled by people who had not passed the highest levels of the examination system or who had obtained their rank by purchase. Except in rare instances, they were not eligible for promotion to higher positions, and although holding office, they were viewed by the rest of officialdom as not far removed from the clerks and runners below them. Moreover, they did not command the sort of multifunctional yamen found at higher levels in the bureaucracy and were not seen as requiring the extensive staff found under officials of higher rank. Economic constraints also played a part in their exclusion from the yang-lien rolls. During the early years of the reforms, there was a constant fear that buo-bao revenues would not be sufficient to cover all the costs of provincial administration. To include these low-level functionaries in the ranks of officials supplied with yang-lien might have been judged to be an inordinate burden on provincial resources.

This proposition is confirmed by the Yung-cheng emperor’s response to the first attempt to bring minor officials into the yang-lien budget. Honan Governor T’ien Wen-ching first proposed providing yang-lien for low-level functionaries early in YC 3 (1725). He pointed out that these officials had important duties and were constantly being sent out on government missions. Their material rewards were meager, however, and their rank low, providing little incentive for them to abide by the official disciplinary code. T’ien, who himself had risen from the rank of assistant hsien magistrate, felt that many of the men in such posts were extremely talented, and he proposed that if the emperor extended his benevolence to them by granting them yang-lien, they naturally would respond by displaying more virtue and devotion in the execution of their duties.92

The emperor was not as confident as T’ien of the efficacy of such a policy. Although once again insisting that all such decisions were up to the governors and governors-general, Yung-cheng accepted the popular notion that very few of these low officials were really distinguished civil servants. The extraordinary few who were could be rewarded under a recent imperial act of grace that permitted their recommendation for promotion to higher rank. Rather than grant yang-lien to these lowly subordinates, the emperor felt it would be better to increase the yang-lien of the magistrates so as to enable them to improve the general level of administration through-

out the chou and hsien. Yung-cheng’s real concern, however, was reflected in the last lines of his rescript:93

In this instance I have unavoidably been overly severe. You should weigh the situation further and not immediately take my words for the truth. . . . I am even more concerned that this matter does not concern Honan province alone. If there are provinces whose buo-bao is insufficient, where will they find the funds to spread this benevolence? You must think further about this point.

In other words, the emperor was concerned that by allowing low-level officials in Honan to receive yang-lien he would appear to be favoring the officials of one province over the others. Local differences in the application of the reforms were permissible so long as the general structure of fiscal management remained fairly uniform throughout the empire. Honan’s surplus could not be used to provide its officials with benefits that other provinces could not match. So long as it was unclear whether other provinces would be able to follow suit, it was not advisable to allow Honan alone to take the reforms this major step further, no matter what the benefits would be in eliminating local corruption and rationalizing local fiscal management.

By the beginning of YC 6 (1728), it was becoming apparent that the reforms were a success and that adequate funds could probably be found to allow every province to extend its yang-lien budget to include all officials. Early in the year, T’ien Wen-ching once again proposed that low-level officials be provided with yang-lien. The real intention of such a move, to eliminate corruption on the lowest levels of the bureaucracy, was made clear by T’ien’s concession that officials who were not in direct contact with the people need not be considered for yang-lien. However, such officials as assistant and subassistant prefects and magistrates and registrars, whose role in supervising and investigating local affairs brought them into close daily contact with the people, would be given yang-lien of between 80 and 120 taels.94 This time the emperor found T’ien Wen-ching’s proposal both fair and appropriate and told him to carry it out.

Concern about the continued acceptance of customary fees despite the institution of yang-lien was instrumental in the decision to extend this new dimension of the reforms beyond Honan provi-
ince. In mid-1728, T'ien Wen-ching was promoted to the rank of governor-general of Honan and Shantung. One of his first acts as governor-general was to expose the continued use of customary fees as a means of funding in Shantung. T'ien's report prompted an edict by the emperor that was to result in the extension of yang-lien to all officials in the provinces as the most effective means to eliminate forever these corrupt and unregulated exchanges of funds.

In his edict of the eighth month of YC 6, the emperor acknowledged that some officials continued to receive lou-kuei regardless of the fact that they had already been granted yang-lien. This was to be deplored. Yung-cheng ordered the governors and governors-general of each province to investigate their subordinates one by one and report on their activities in a secret palace memorial. The emperor still felt that the solution to this problem was to ensure that every official had adequate yang-lien. Therefore, he also ordered the governors and governors-general to find out if there were any officials under them who had not yet been granted yang-lien and to extend it to them. At the same time Yung-cheng publicly endorsed the complete remittance of huo-hao to the financial commissioner and public redistribution of funds from the provincial treasury. 85

One of the first provinces to respond to the emperor's edict was Hunan. The edict prompted Hunan to switch from partial to complete remittance of huo-hao according to the Shansi-Honan model. Officials in Hunan also used this opportunity to calculate yang-lien for minor officials within the yamen at all levels of the provincial bureaucracy. Following the principles set down by T'ien Wen-ching, these new grants of yang-lien were made only to officials who came into close contact with the people or who frequently were sent outside the yamen on official missions. Among those included were the secretaries in the financial and judicial commissioners' yamen (li-men, cho-mo), treasury keepers, jail wardens, registrars, and assistant chou and hsien magistrates. 86 Hunan's huo-hao revenues were not as large as Honan's; this accounts for the lower rates at which yang-lien was granted to these officials. Nevertheless, the province was able to supplement the cost of these additions to the provincial budget with the return to the public coffers of 8,000 taels in salt fees formerly sent to the grain intendant. 87

Not every province was so quick to comply with the intent of the emperor's edict. In many instances, attempts were made to increase the existing yang-lien quotas or provide funds only for higher officials who had not been previously included in the provincial budget. It was in such cases that Prince I and the Board of Revenue began to exercise the initiative that eventually may have led to their greater authority in advising on yang-lien matters. For example, in YC 7 (1729) Chihli Governor-general Yang K'un sent the emperor a recapitulation of the deliberations conducted in that province to provide each official with adequate and fair yang-lien. Prince I and the Board found the amounts agreed upon to be generally appropriate and recommended that the emperor order him to allocate the yang-lien as suggested and turn the original accounting report over to the Board. Although these deliberations provided yang-lien for independent and regular chou subassistant magistrates, no attempt was made to provide yang-lien for officials of the rank of assistant hsien magistrate and below. In view of the fact that almost 80,000 taels still remained in the Chihli treasury after some 220,000 taels were disbursed as yang-lien, the Board recommended that the remaining low officials be provided with yang-lien ranging from several tens of taels to around 100 taels apiece. 88

The emperor quickly reacted to the Board recommendation and ordered Yang K'un to reconsider yang-lien for minor officials. Yang consulted the financial commissioner and submitted a yellow register to the emperor listing possible rates of yang-lien for the officials in question. Surprisingly, the emperor responded that the rates seemed somewhat high and that he feared they would be too great a drain on provincial resources. Once again, Yung-cheng took the administration of Honan's finances under T'ien Wenching as a model and told Yang that he might inquire secretly as to the amounts these officials were granted in that province. 89 In the meantime, Yang K'un was replaced as governor-general by Metropolitan Censor T'ang Chih-yü. T'ang resubmitted a reduced yang-lien schedule that would cost the province slightly over 8,600 taels annually for minor officials, leaving the province a surplus for public expenses of over 30,000 taels. 90 These new rates were submitted to the emperor in the form of a yellow register and to the Board of Revenue in the form of a clear account (ch'ing-ts'e), indicating the increasing role being assumed by the Board in yang-lien matters.

Yang-lien for minor officials was such a novel concept that many provinces took years to carry it out. Occasionally delays were due
to disputes over the amount of yang-lien that should be provided. In Kwangtung the provincial leadership readily acceded to the idea of providing yang-lien for these officials. However, differing interpretations of the purpose of salaries led to disagreement over acceptable rates. Both the governor-general and the acting governor regarded these new grants of yang-lien as token payments, along the lines of the emoluments granted officials by the emperor in the form of feng-yin. Therefore, they proposed simply to supply each official with funds from huo-hao equivalent to their feng-yin quota, thus doubling their salaries. The financial commissioner disagreed with this method, pointing out that yang-lien was not intended merely to pay for an official's personal expenses, but also to cover the costs of yamen administration and missions outside the yamen. If this plan were followed, the officials would have enough to support their families, but nothing more. The emperor left the decision up to the provincial authorities, who eventually came around to the financial commissioner's point of view. As a result, yang-lien for lower officials was set at between 60 and 80 taels, a decision that added 17,520 taels in new fixed expenses to the already strained Kwangtung provincial budget. The funds for the additional yang-lien grants were provided by surplus revenues from Kwangtung's commercial licensing tax (shui-ch'i hsien-yii yin).

In view of the number of people involved, it is not surprising that ranking officials were hesitant to allocate large quotas for minor officials' yang-lien. In Kwangtung alone there were 255 officials for whom yang-lien was added. The largest categories were jail wardens (78) and subdistrict magistrates (126). This latter figure is of particular interest because it shows that in at least some hsien, not only was there an assistant magistrate, but there must have been more than one subdistrict magistrate below him, bringing the administration far closer to the people than has generally been recognized. By providing such officials with sufficient administrative funds, the government was clearly taking an important step in the direction of eliminating illegal surcharges and extortion.

The control and elimination of corruption at the lowest levels of the administration seems to have been foremost in the minds of provincial officials as they sought to find the funds to furnish minor officials with yang-lien. As each province reported its deliberations to the emperor, several concerns expressed by the Kiangnan governor-general and Anhui governor were echoed repeatedly. Anhui had originally failed to provide yang-lien for its minor officials because there was not enough huo-hao in the provincial treasury. It was common knowledge that because these functionaries had no means to pay for their administrative expenses they exacted money from the villagers in their areas (ssu-ch' u li-hsia) and engaged in the practice of handling litigation for the people without official authorization (shao-shou min-ssu). In YC 16 (1732), it was discovered that in Anhui salt fees of approximately 30,000 taels were being sent to high and low yamen in the province. With the approval of the grand secretariat and the emperor, Governor-general Kao Ch'i-cho and Governor-general Li Wei decided to return these funds to the provincial treasury to be used for provincial public expenses. As a result, they were able to allocate 50 taels apiece to the 163 minor officials in closest contact with the people, in the hope of eliminating the illegal methods utilized to support local administration. In fact, in many provinces it was the coopration of former lou-kuei and surplus commercial and customs revenues that made the extension of yang-lien and the success of huo-hao kuei-kung possible.

Lou-kuei after the Reforms

In chapter 2 we examined the informal funding network by which local government was financed before the huo-hao kuei-kung reforms. What became of these various items of "saved funds," bribes, customary fees and so on, once officials were provided with regular salaries and public expenses? Contrary to our expectations, not all of these funding sources were declared illegal and eliminated from the provincial budget. Some continued to be collected, but rather than entering private pockets in the form of graft, they were sent to the provincial treasury to "supplement public expenses" (ch'ung-kung). It was not mere expediency that allowed the Yung-cheng reformers to retain some of the irregular sources of income that had flowed into the informal funding network and reject others. In order to understand how these decisions were made, we must examine the values that lay behind the late-imperial conception of bureaucratic corruption.

Throughout China's imperial history, low taxation was viewed as a fundamental prerequisite of benevolent rule. During the early
Ch'ing this was linked to a vision of relatively static agricultural productivity which reached its ultimate expression in the K'ang-hsi emperor's ban on future increases in the head tax to match China's growing population (ying-pu chia-fu). Although this proscription did not debar the government from extracting additional revenues from increased productivity on the land, especially that resulting from land reclamation, it did prevent any increase in the legal rate of taxation on lands already entered in the tax rolls. K'ang-hsi recognized the need of local officials for supplementary income, but deemed it safer to allow them to collect it illegally than to condone a rise in the land tax. The risk of diminished central-government control over the behavior of local officials was far outweighed by the possible damage such an action would inflict on the emperor's credibility as a benevolent ruler. At a time when tax resistance was rampant and an alien dynasty was attempting to establish its legitimacy as the rulers of the Chinese people, presentation of the imperial image took precedence over matters of practical governance.

Such a position was possible so long as the "state finances" (kuo-chi) and "people's livelihood" (min-sheng) were not too adversely affected. When the illegal diversion of funds itself became a threat to both the kuo-chi and the min-sheng, it became necessary to rectify the existing fiscal system, even if it meant raising taxes and tarnishing the emperor's personal reputation.

If we view the Yung-cheng-period reforms as an effort to readjust the fiscal administration of the empire in order to protect the kuo-chi and min-sheng, the selective elimination and incorporation of elements of the informal funding network becomes more comprehensible. Two types of funds within the informal funding system were strictly banned during the reforms—private levies on the people (ssu-p'ai) and customary fees exchanged between officials (lou-kuei). The former were seen as instrumental in depleting the resources of the common people and as a primary cause of arrears in regular tax collections. The latter, by draining the funds available to lower officials, were viewed as a major cause of deficits in provincial treasuries. By fostering informal links of patronage, it was the main obstacle to bureaucratic discipline and morale. Moreover, when these forms of graft interacted, they tended to reinforce each other. Increased demands for customary fees forced lower officials to step up their collections of surcharges from the people. In order to protect themselves from disciplinary action as a result of the arrears and deficits caused by these illegal diversions of funds, officials were increasingly willing to pay off their superiors in the form of lou-kuei. It was for these reasons that ssu-p'ai and lou-kuei were the primary targets of the reforms, and it was to eliminate the need for such fees and surcharges that rational and legal funding on the local level was established.

Even before the reforms were instituted the emperor issued an unequivocal ban on surcharges and customary fees. Once the reforms were in effect, Yung-cheng continued to warn officials against such exactions. In his edict calling for the extension of yang-lien payments to all officials not previously provided for in provincial budgets, he again decried the collection of customary fees and specifically linked yang-lien to the elimination of these illegal practices. Even the large-scale general audit of Kiangnan tax arrears undertaken in YC 7 (see chapter 6) was in part a response to irregularities in local tax-collection practices that defied the ban on surcharges and interfered with the well-being of the kuo-chi and min-sheng.

However, a number of items within the informal funding network continued to be collected after the reforms. In fact, our knowledge of many categories of funds within the network depends on reports to the emperor when these funds were returned to the provincial coffers to supplement public expenses. Surplus from the purchase of rice, materials for construction, and so on was considered a legitimate source of public funds. For example, taxes formerly levied in kind to provide local granaries with rice or to fulfill central-government quotas of tribute rice were commuted to cash payments at fixed rates. Inasmuch as the market price necessary to buy the rice for these purposes fluctuated greatly, any profits that accrued to the local government as a result were not viewed as having been taken from the central government or the people. Officials in Fukien were able to generate over 5,000 taels from the surplus "rice price" (mi-chia). Similar surpluses, arising from the purchase and sale of stabilization rice, were reported in Shantung. There, the financial commissioner also reported an average annual surplus of 3,000 taels in tribute-grain taxes that were also returned to the public treasury. In contrast to windfall profits from the purchase of goods, the accumulation of funds through the use of improperly balanced scales was considered cor-
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Rupt, because it entailed collecting more than the legal quota from the people. Whenever possible, this practice was eliminated, and in some instances new scales were issued to provincial yamen.133

Salt Fees

The most important of all the informal funds coopted by the provinces during the reforms were salt fees (yen-kwai). Almost every province depended to some extent on fixed periodic payments made by salt merchants to supplement the revenues in the provincial treasury.114 Generally, these fees were paid to individual officials. In addition, in salt-producing provinces such as Yunnan, officials received surplus revenues from productive salt wells and surplus profits from the sale of salt within the province.115 Following the emperor's proscription against the acceptance of customary fees, there was considerable confusion as to whether salt fees were to be included in the ban. Many officials, fearing prosecution for the acceptance of salt fees, immediately memorialized the emperor to demonstrate that they had used the funds derived from salt fees for public purposes. For example, Shantung Governor Huang Ping reported that during his six years as a judicial commissioner he had received a total of 30,000 taels in the form of "customary gifts from salt merchants" (yen-shang kuei-li). During that period he had used these funds to establish charity schools in each of the six prefectures in the province, institute stipends for students and to pay teachers' salaries, to supply aid to families of deceased officials without the means to return to their home provinces, to aid starving refugees, to help repair bridges, buildings, and roads, to build charity cemeteries, and to help clothe and feed prisoners. In addition, in the spring of KH 6o (1721), when salt bandits appeared in the province, Huang claimed to have used part of his salt fees to send extra soldiers and police to assist in their capture.116

Despite their fears of imperial sanctions, officials did not move as quickly to curtail the collection of salt fees as they had in the case of surcharges levied on the common people. On the one hand, fees from the salt administration, as a source of revenue for high provincial officials, were too important to be eliminated without some consideration. Moreover, fees from salt merchants, and from merchants in general, were not viewed in the same light as fees exacted from the people. Whereas the productivity of the land was seen as finite, so that additional exactions by local officials would of necessity mean less available income for either the central government or the people, the salt industry was expanding and could accommodate additional demands for revenue without too much harm to the merchants and with virtually no drain from the revenues due the central government. Even more important, the salt merchants from whom these fees were derived obtained their wealth by the emperor's grace in their participation in an official monopoly. Therefore, it was considered natural that they should want to repay this favor by contributing to the well-being of the area in which they did business.

In fact, the main argument offered by officials in favor of the continued acceptance of salt-merchant fees and contributions was that they were given voluntarily and therefore were not to be compared with forced levies on the common people.117 The case of a group of Ho-tung salt merchants was typical. In YC 3 (1723), 100,000 new salt licenses were issued in Shensi province. The salt merchants of the region benefited enormously from the opportunity for increased sales, and in YC 6 (1728) they volunteered to contribute 5,000 taels annually to the public expenses of the province. According to the merchants themselves, they made such an offer not only because they profited from the increased issue of salt licenses, but because the dynasty itself had brought such prosperity to the land that the population was increasing and the demand for salt was constantly rising.118

One merchant, Chang Hung-yü, felt that his life had been particularly touched by imperial grace and wished to contribute an additional 2,000 taels annually beyond that being profited by the merchant group. Chang stated that his grandfather had been the first in his family to go into the business of selling salt. Chang and his father inherited this business from his grandfather. At first they were just small merchants doing business in the countryside. There were no contract merchants at the time to transport and sell the salt. After he had transported the salt from the well, he did not even have exclusive rights over its sale. Now, Chang said, he was in charge of all salt licenses for Honan's T'ang hsien. His license quota was 4,787 yin. As the population of T'ang hsien increased and harvests continued to be reaped in abundance year after year, he was able to sell all his quota and an excess quota (yin-yin) as well.119 Chang offered to repay the government for his own success by contributing part of his profits to the public fund. It is impor-
tant to note that it was only after the Board of Revenue was satisfied that the 7,000 taels these merchants wished to contribute were indeed "excess profits" resulting from the sale of additional salt licenses that they granted the merchants' request.120

From the above example we can see that the government was not unconcerned about the merchants' own welfare. Often, when salt fees continued to provide a source of provincial income, the amount paid by the salt merchants was reduced from the level common under the informal funding system. In the Ho-tung salt administration, more than 100,000 taels had previously been collected from salt merchants both to supplement public expenses and to help pay officials' yang-lien and the wages of clerks, runners, and patrol soldiers. This sum was considered excessive and was lowered under the supervision of the salt controller.121 In Hukwang, the level of yen-kuei was reduced from 160,000 taels to slightly over 30,000 taels.122 Similar, if not as drastic, reductions were also made in Chihli and Shantung.123 Lack of evidence does not mean that reductions were not made elsewhere. However, whether or not the fees were lowered in every province, the method of remittance and management of these funds was probably altered everywhere in accordance with the funding guidelines established during the Yung-cheng reforms. It was these changes that had the greatest impact on local fiscal administration.

Prior to the ho-hao kuei-kung reforms, salt fees were sent by the merchants directly to the officials in whose jurisdiction they did business. Additional fees were also sent by groups of merchants to high provincial officials residing in the provincial capital. After the institution of yang-lien it was felt that officials had adequate funds for their own administrative expenses. Moreover, because the provinces now had public-expense funds in the provincial treasuries, the chou and hsien would no longer need supplemental funds with which to make contributions to provincial construction projects (kung-chiian). Therefore, salt merchants were instructed to remit their yen-kuei directly to the provincial coffers, either by sending them to the financial commissioner or by submitting them to the provincial salt controller, who would handle their transfer to the provincial capital.124 Moreover, the rate at which salt fees were remitted was now fixed and no longer depended on the whim of the official to whom they were sent.

Salt fees and surplus revenues were used for various purposes, some of which were of special benefit to the salt merchants. The

ho-hao kuei-kung reforms encouraged the integration into the regular chain of bureaucratic command services that previously had been provided through the informal funding network. For example, Acting Liang-huai Salt Controller I-la-chi reported that under the old system the salt controller sent agents to the dikes at T'ai-chou and Kao-yu chou and to the north bridge at Yangchow to inspect the boats delivering salt. Each of the three agents was sent lou-kuei by the salt merchants, providing them with an annual income of some 6,000 taels each. According to I-la-chi, these funds all ended up in the pockets of the three agents. These agents being yamen runners who received a fixed wage already adequate to support their families, I-la-chi did not feel it was appropriate for them to pocket fees from the salt merchants as well. Moreover, the embankments and bridges already had official deputies (wei-kuan) assigned to them, so it was unnecessary to send additional yamen servants to inspect the unloading process.125

I-la-chi discontinued the deputation of the three yamen runners. However, he did not eliminate the lou-kuei customarily sent to them. The salt controller reasoned that the elimination of this 6,000 taels would mean only a small increase in the profits of individual salt merchants, whereas it represented a valuable addition to the operating expenses of the official yamen. Instead he proposed to continue its collection to cover the costs of patrol and seizure of smuggled salt. This would not only serve the interests of the merchants in controlling illegal competition in the sale of salt, but would relieve the merchants of the need to supply the government with irregular levies of supplemental aid.

Under this new system of patrol, officials, runners, and yamen servants would be posted at strategic places along the salt-transportation route. A registrar, archivist, and saltwatcher from the salt controller's yamen would be used. Inasmuch as these officers already had salaries, no additional expenses would be incurred through their participation in the patrols. In addition, five low-ranking officers, including four probationary officials (shih-yang kuan), would also be assigned to this duty. I-la-chi estimated that it would require 400 taels per month, or 5,000 taels annually, to pay additional official salaries and to hire the necessary patrol boats and runners. The remaining 1,000 taels would then be saved and be available if it became necessary to set up additional patrols.126

In this way the supervision of salt transport and sale would be systematically integrated into the regular control functions of yamen
officials. At the same time, the funding of these services would be rationalized and it would no longer be necessary to levy additional duties on the salt merchants, thus eliminating the pretext for random extortion by yamen personnel.

Customary fees from salt merchants were also used to pay for the wages and salaries of officials, clerks, and runners within the salt administration. The wages and salaries of officials and runners allowed by quota in the regulations of the Board of Revenue were deducted from the salt gabelle in much the same way that civil officials deducted their wages and salaries from the regular land and head tax. As in the case of the regular administrative apparatus, however, these allowances never covered the full costs of clerical wages, stationery, and supernumerary runners. Therefore, after the reforms the salt administration itself continued to collect a fixed amount of customary fees to cover its own administrative expenses. These fees were also used for social services such as banquets to honor leading salt merchants and to provide relief for salt-producing households that were victims of flood and other natural disasters.

Of course, salt fees, once returned to the public coffers, were not used exclusively for services pertaining to the salt administration itself. In many provinces they provided an important supplement to the revenues derived from the land and head tax. In particular, when the decree was issued calling for the allocation of yang-lien for minor officials, many provinces were compelled to turn to salt and customs administration lou-kuei for the needed funds. Salt fees also constituted an important part of the provincial surplus and were often used for such elastic expenses as the purchase of relief grain and the provision of welfare for famine victims.

Surplus from Customs and Commercial Duties

Determining the contribution of customs and commercial duties to the provincial coffers is far more difficult than assessing the impact of salt fees. By their very nature, customs revenues were more variable than other taxes, and throughout the late-imperial period control of these sources of income presented a challenge to the administrative skills of both the central and local governments. Because of the extreme fluctuations in customs revenues in any given year and at any particular collection point, logic would seem to dictate a policy of full remittance without setting specific quotas. However, it was this very elasticity that compelled governments in the late-imperial period to set quotas for customs revenues fully recognizing that the quotas had little relationship to actual income.

A number of factors influenced the volume of trade at a particular customs station. Natural phenomena frequently disrupted commercial activity. The customs quota for the Lin-ch'ing station in Shantung was established during the Ming dynasty. However, spring flooding and winter freezing tended to limit the use of the Wen and Wei rivers leading to this customs station. Moreover, in the summer and fall, when ships were able to travel, the sluices were often closed on the route south, causing a backup of merchant ships and bringing transport to a standstill. Therefore, merchants preferred either to unload their goods from the south and carry them by cart for the remainder of the trip north or to bypass the Lin-ch'ing stop on the Grand Canal route and pass through Chi-ning and Tung-ch'ang instead. By the Yung-cheng period, only ships carrying grain from Honan and Shantung on route to Tientsin continued to pass through the Lin-ch'ing station. A particularly good harvest in Shantung and Honan, however, coupled with natural disaster in the chou and hsien on the border between Chihli and Shantung, could stimulate a continuous stream of merchants plying the route through Lin-ch'ing. This was the case during one year in the late Yung-cheng period, with the result that instead of falling short of its quota, the Lin-ch'ing station had surplus customs revenue of more than 40,000 taels.

In areas where trading was generally brisk, late rains and a poor harvest could reduce merchant activity by half, with disastrous results for individual customs stations. Even when harvests were good throughout the empire, price differentials between regions could completely upset the flow of the staples trade. The Huai-an customs station relied largely on the bean trade moving south for its revenues. In 1727 and 1728, harvests in Kiangnan were extremely good and prices fell. As a result, merchants could not be induced to come to Kiangnan to trade in beans, and customs quotas at Huai-an could not be met. The flow of trade could also be affected by imperial policy, often in ways not anticipated when a decree was promulgated. The Yangtze River trade between Szechuan and Kiangsu relied largely on ships carrying textiles upriver to Szechuan and saffron and rice downriver to Kiangsu. About 50 to 60 percent of the taxes collected at the K'u'ei pass derived from these items. When the num-
number of ships carrying cloth and saffron began to decrease, the K'uei superintendent of customs, Mu-ko-te-pu, investigated the matter and found that the reason lay in the emperor's prohibition against carrying Szechuan rice across its borders. According to the testimony of long-distance merchants, in the past all bolts of cloth shipped to Szechuan were collected at Chungking prefecture for sale to the villagers in the surrounding countryside. Rice was the main medium of exchange used to purchase the cloth. Since the prohibition against carrying rice out of the province had become effective, merchants were unwilling to trade for rice but demanded their payment in silver. Consequently, the cloth piled up unsold and less new cloth was moved into Szechuan, resulting in serious losses in customs revenues.\(^{135}\)

Given the unpredictability of those revenues, a dual system of remittances was established to guarantee minimum revenues to the central government and to allow enough flexibility to ensure that at least some of the income collected beyond the quota was also sent to coffers in the imperial capital. The regular quota (cheng-e) was sent to the Board of Revenue quarterly. Collections beyond this quota were accumulated in the course of the year and remitted annually in a lump sum to the Imperial Household treasury.\(^{137}\) These excess revenues, called ying-yii, varied from year to year and were not considered in an official's evaluation of performance in office. This arrangement was designed to protect merchants from excessive exactions by officials competing to surpass their predecessor's collection record,\(^{138}\) besides providing a source of income for imperial coffers. Because one's career did not depend on accurate accounting of ying-yii income, a large portion of excess customs revenues was never reported to the central government and ended up in the pockets of local officials, runners, and clerks connected with the customs administration.\(^{139}\)

In conjunction with the reforms in the collection and distribution of land- and head-tax revenues, the Yung-cheng emperor set about overhauling the administration of customs income as well. Just as part of the intent of the huo-hao reforms was to protect the people from harsh official exactions, the reforms in the customs administration were designed to protect merchants from unjust surcharges. At the same time, distribution of the customs surplus was rationalized to guarantee the fullest possible remittance to the central government while satisfying local claims to supplemental customs income. Part of the requirements for such a plan were met by the huo-hao kuei-kung reforms themselves. By providing provincial officials with adequate sources of revenues, it was hoped that the demands for lou-kuei from the customs administration would be reduced. Serious efforts were made in many places to reduce or eliminate the customs surcharges levied on long-distance merchants that had previously entered the informal funding network.\(^{140}\)

The efforts to regulate customs duties followed the same principles applied to taxes in the agricultural sector: uniformity, public announcement of rates, and improved bookkeeping techniques. In the sixth month of YC 4 (1726), Yung-cheng issued an edict calling on customs officials to collect and remit in full (chin-shou chin-chieh) all surplus merchant duties at each customs station in the empire.\(^{141}\) In order to encourage officials to declare the actual revenue potential at their customs stations, a one-year deadline was allowed for such declarations and a moratorium was placed on repayment of previously undeclared surplus income.\(^{142}\)

Two factors stood in the way of central-government control of customs revenues: a complete disregard for the legal rates of collection at individual duty stations and concealment of customs income through duplicate bookkeeping. In order to eliminate the first obstacle, a decree was issued requiring all customs stations to collect duties according to the rates issued by the Board of Revenue. To ensure adherence to these rates, they were to be engraved on blocks and printed so that they might be clearly posted at each collection point, much in the same way that officials had been ordered to post the land-tax rates at key points in each chou and hsiien.\(^{143}\)

The difficulty in enforcing compliance was apparent immediately. Although the official rates were expressed in terms of rates according to type of cargo, the volume of trade passing through certain customs points, coupled with a lack of staff, had forced some customs stations to collect duties on the basis of the capacity of the boat, without regard to the type of cargo. In the case of the Chiu-chiang customs in Kiangsi, this practice had been in effect as early as SC 2 (1645), when the customs station first opened. Initially there were no regulations governing collection, and the Board was satisfied so long as the quota of 99,000 taels was met. In SC 12 (1655), under the guidance of Customs Superintendent Fei-ta, each boat traveling the route that passed through the port at Chiu-chiang was given a registration number, and these numbers, along
with the boat's specifications, were sent to the Board. However, as the boats stopping at the port proliferated, it became increasingly difficult for the station's staff to measure and investigate the contents of each boat. Although the quota itself had since doubled, customs inspectors could do no more than rely on visual estimates of each boat's capacity, levying duties at a uniform rate of approximately 0.02 tael per picul of cargo.\textsuperscript{144}

The inefficiency of such a system had long been known to both provincial and court officials. In fact, all attempts at regulation had become futile. Boats varied in size, depth, and width. Some were old and some were newly built, and the capacity of these various types could not be judged at a cursory glance.\textsuperscript{145} In Shantung, where duties were also levied on the capacity of the boat, shippers renovated their boats to make the cargo hold deeper and wider, thereby deceiving the official inspectors, who could make only a perfunctory estimate of capacity from onshore.\textsuperscript{146} Moreover, although boats carried a variety of goods of vastly differing value, duties were applied uniformly. These anomalies had been reported to the court many times, but the fear that inadequate staff and confusion in levying customs duties would result in deficits in the regular quota prevented any change in the system of collections from being implemented.\textsuperscript{147}

This resistance to change reflected an aversion to risk shared by both provincial and court officials. Officials preferred to maintain an inefficient method of collections that had at least produced a reliable minimum quota, rather than switch to a more complex system that could produce greater average income for the government but could also result in greater problems in particular years. Instead, the government turned to improvements in bureaucratic procedure to protect merchants from excessive demands by customs staff and to provide the central government with better information about the actual volume of trade passing through each port. This was accomplished by issuing registers (\textit{hao-pu}) to each customs station on which were recorded the name of the duty station, the date, and the amount of silver collected as tax from each merchant. In order to avoid falsification of these records, the merchants were to fill them out and sign these registers themselves. Moreover, in the manner of the three- and four-stub receipts used in the collection of the land and head tax, the customs inspector's portion of the "receipts in payment" (\textit{wan-shui ch'i\'an-ken}), issued upon payment of the duties, was also sent along to the Board for comparison with the records in the \textit{hao-pu}.\textsuperscript{148}

The need for improved accounting is vividly illustrated by the state of customs collection in Fukien. The province had sixteen customs stations in the early Ch'ing. Yet despite regulations requiring the documentation of all customs transactions, at year's end the quota for the whole province would simply be divided among all the stations and false records would be compiled under the auspices of the stations at Nan-t'ai and Hsia-men.\textsuperscript{149} Any surplus above the quota would then presumably be divided among the staff of all sixteen stations, with payments to civil officials in the province being made in the form of customary fees. As a result of the reforms, not only were accounting methods made more stringent, but variations in the rates of collection between and within customs stations in the province were made uniform, in order to simplify collection and ensure that the increase in prices as a result of taxation was shared more equitably by consumers throughout Fukien.

The combination of the \textit{huo-hao kuei-kung} reforms and the order to eliminate corruption within the customs administration at the same time that efforts were being made to remit all surplus customs revenues in full to the imperial capital could not but cause some consternation and confusion at the local level. This was particularly true in those areas where the reforms were implemented early. As explained in chapter 2, apart from blatant falsification of customs revenues, many customs stations gained extra revenues by charging fees to cover the costs of customs administration and \textit{lou-kuei} to superior officials. Because \textit{lou-kuei} to superiors had been eliminated and officials had been provided with \textit{yang-lieu}, it was not considered unreasonable that customs duties now be collected according to the established Board rates. However, when the emperor issued his edict calling for the complete remittance of excess revenues (\textit{ying-yii}), many customs officials feared that without collection of surcharges their \textit{ying-yii} remittances would drop and they would be accused of stealing. Therefore, in some areas officials continued to sanction the collection of duties at rates above those promulgated by the Board.\textsuperscript{150}

Yung-cheng's assurances that his edict on \textit{ying-yii} was simply intended to guarantee complete remittance of legally collected duties seems to have assuaged some of the fears of officials in charge
of customs revenues. However, as in the case of salt fees, it soon became apparent that some provision had to be made to allow a share of customs revenues to continue to flow into the provincial coffers. The emperor’s order to eliminate surcharges and fees within the customs administration was not met with unanimous approval. Some officials felt that additional levies on merchants were justifiable because merchants could afford them and had paid them willingly for as long as could be remembered. Although all agreed that hiding and pocketing customs revenues was not to be condoned, many provincial officials were concerned that the customs administration itself could not operate without some transfer of funds from the customs surplus to its own coffers. Ch’ang Pin, who had been a customs official himself, pointed out that runners at the Canton customs collected various inspection fees that were used to pay wages, transportation costs, and so on. In an impassioned plea he asked the emperor how the clerks and runners and other staff members of the customs administration could be expected to work on empty stomachs.

Ch’ang Pin was not alone in his concern. Superintendent of Fukien Customs Chun-t’ai argued that the number of employees in the customs administration went far beyond the statutory quota and that expenses accrued in running this agency were great. Only by allowing the regulated collection of long-standing customary fees for their support could one guard against the more serious problem of embezzlement and deficits. Kiangsi Governor Pu-lan-t’ai went into even greater detail in describing the expenses incurred by the customs administration in his province, expenses for which, he claimed, it was imperative to skim a certain amount off the revenues remitted to the central government. To cover Board fees and the transport of documents and taxes alone, several thousand taels were needed. These expenses were covered by a hao-hsiien on the regular tax as well as a transport fee (chieh-fei) deducted from the ying-yii collected at each station. To pay the living expenses of yamen runners, a fee called “list silver” (tan-yin) was charged to each merchant submitting a list of the taxable goods he carried. Moreover, every month, 400 to 700 taels were accumulated because of both differences in weights between the official scales and the market scales and variations in the fineness of silver. This miscellaneous customs revenue (lin-kuan ling-sui) was turned over to the supervising official at each customs station to pay for his daily living expenses, ink, paper, private secretaries’ and clerks’ salaries, and other costs. Any surplus at the year’s end was reported and submitted to the governor’s yamen.

In order to meet the needs of customs administration, an arrangement was finally worked out whereby all customs expenses were deducted from the ying-yii before the latter was remitted to the imperial capital. These funds were used to pay the yang-lien of customs officials and the wages of their clerks, runners, and private secretaries, as well as administrative expenses and the costs of compiling accounts and remitting taxes. Only after all such deductions were made and reported to the emperor in a palace memorial were the remaining “excess revenues” sent to the Board to be turned over to the Imperial Household treasury. Because the ying-yii thus remitted represented not the total surplus of the customs administration, but only the saved portion after expenses, it was often called “saved surplus” (chieh-sheng ying-yii).

The ying-yii total continued to represent both collections of fees beyond the Board’s schedule of duties and increased income due to the growth of the volume of trade. In accordance with the spirit of the reforms, however, the amount of customary fees, too, were published so that merchants would know precisely what was expected of them. Moreover, instead of allowing the customs-administration staff to pocket fees personally, yamen expenses were budgeted from the excess revenues and monthly allowances were issued to support customs employees and curb corruption.

Despite the proscription against the acceptance of customary fees, customs fees (shui-kuei), like salt fees, continued to play a role in the finances of the provinces. Following the reforms, fees that were previously paid to high provincial officials were returned to the provincial coffers to help cover the public expenses of the whole province. In many instances the first response of provincial governors to the reforms was to insist that because customs revenues rightly belonged to the central government, all former customary fees should be combined with the cheng-hsiang customs revenues and sent to Peking. In every case where such a request was made, the emperor refused to accept these revenues and authorized their use in the province of origin to supplement public expenses.

Yung-cheng’s special edict to Acting Kiangsu Governor Ho T’ien-p’ei explains his reasoning on this matter. Ho reported that in addition to the maritime customs quota and excess revenues collected in Kiangsu, there was a surplus of 5,732 taels that did
not belong to anyone. Rather than cover up the existence of this surplus, Ho reported it to the emperor and proposed that it be sent to the capital. The emperor replied: ¹³⁷

This kind of surplus lou-kuai has never been predictable. Although you have honestly and sincerely memorialized the facts, it is not appropriate for me to permit you to voluntarily send [this money to the capital]. You need only memorialize about funds like this and keep them temporarily on reserve in the provincial treasury in case there are local public expenses or the need for funds to reward [outstanding soldiers or officials]. These funds belong to you to memorialize about and use as you see fit.

Yung-cheng was consistent in his policy of allowing provincial officials to return customs lou-kuai to the provincial coffers. In Kiangsi, customs and salt fees were retained to provide minor officials with yang-hen.¹³⁸ Kwangsi’s revenues from the land and head tax were so low that in YC 5 (1727) the emperor issued a special edict granting over 15,000 taels from the province’s customs surplus to supplement the costs of providing officials with yang-hen. When it was discovered that an additional 31,400 taels in surplus could be derived from Kwangsi’s customs administration, this too was turned over to the governor, with instructions to divide it among the ranked and unranked officials in the province on the basis of the difficulty of their posts.¹³⁹ Evidence also exists for the return of customs surplus to the provincial coffers in Shantung, Fukien, and Fengtien.¹⁴⁰ In each case the basis for allowing retention of customary fees or surplus levies seems to have been that they were paid willingly by the merchants and did not interfere with the fulfillment of the quota due the central government.¹⁴¹

Revenues from Miscellaneous Commercial Duties

Customs duties were not the only form of commercial taxes that was legitimized as a source of local revenue during the reforms. Although the evidence surrounding these sources of provincial income is less abundant, local commercial duties were also a focus of reform.

As already pointed out in the description of the implementation of huo-hao kuei-kung, taxes on the sale of property, unloading of goods, brokerage licenses and so on played an important part in the revenues of several provinces. Like the land and head tax and customs and salt duties, local commercial taxes were legally the property of the central government, to be collected in full and remitted in full to the Board of Revenue. However, as we noted in our discussion of informal funding prior to the reforms, these so-called miscellaneous taxes (tsa-shui) were the most difficult taxes for the central government to control. Because the volume of commercial transactions fluctuated from year to year, magistrates generally remitted only a customarily agreed-upon quota to the central government, retaining the surplus to cover quota shortages in future years and to pay for their own expenses and for contributions to the expenses of superior administrative units.¹⁴²

Throughout the early Ch’ing, as the volume of trade and transactions in the sale of land and buildings rose, the central government’s ability to regulate trade and the remittance of taxes was further circumscribed. One indication of the extraordinary rise in local commercial activity was the increased issuance of brokerage licenses during the early-eighteenth century. Brokers were licensed middlemen who were particularly important in arbitrating prices and bringing together buyers and sellers in local periodic markets.¹⁴³ In order to control the volume of local trade and ensure the payment of taxes and maintenance of a “fair” price structure, the central government set limits on the number of brokers who could be licensed in each province. In Hupei, the Board of Revenue set a quota in YC 4 (1726) establishing the number of licenses the financial commissioner could issue to each chou and hsien to certify brokers in their jurisdictions. Legally, new brokerage households (ya-hu) could be authorized only by rescinding the license of one broker and substituting another. Nevertheless, according to a report by Governor Wei T’ing-ch’en, by YC 9 (1731) the number of licenses actually issued by the individual chou and hsien had increased tenfold over the quota set five years earlier.¹⁴⁴ The revenue derived from the sale of licenses was small. Annual licensing fees ranged from 0.5 tael for a large firm (shang-hang) to only 0.3 tael for a medium-sized (chun-hang) one and 0.15 tael for a small firm (hsia-hang). By selling an extra 1,000 licenses, the province might hope to increase its revenues by at most around 300 taels, hence it is likely that the violation of the quota reflected a real need to increase the number of brokers engaged in handling a growing trade, and was not a ploy to gain additional revenues. This fact was acknowledged by the Board of Revenue when it granted Gov-

governor Wei's request not to hold subordinates to fixed quotas in issuing licenses and collecting commercial taxes.¹⁶⁵

Provinces could indeed generate a substantial surplus from the collection of taxes on commercial transactions. Inasmuch as this excess revenue was the result of legitimate tax collection and not the product of surcharges or monetary manipulation, it was not subject to the same proscriptions applied to lou-kuei. Instead of demanding a greater share of this surplus for the central government coffers, Yung-cheng allowed the provincial governments to retain surplus commercial taxes for their own use.

Although evidence is scanty, it is probable that commercial-tax surplus contributed some income to every province. For example, in YM 8 (1750) the Board of Revenue permitted Kiangsi province to retain part of its unloading tax (lo-ti shui) and property-deed tax (t'ien-fang chi-shui).¹⁶⁶ It was in areas where revenues from huo-hao were lowest that income from commercial taxes had the greatest impact on the provincial kung-hsiang. As pointed out in chapter 4, both Kwangsi and Yunnan relied heavily on revenues from mining, salt, and surplus commercial duties.¹⁶⁷ In Kwangtung, surplus revenues of at least 35,000 taels were collected from the unloading tax and an additional 48,448 taels from the property-deed tax.¹⁶⁸ By YM 12 (1734), the annual surplus from these two duties alone had risen to more than 120,000 taels. Seventy thousand taels were earmarked for provincial yang-lieu and to cover the costs of boat repairs, and the remaining 50,000 taels were stored in the provincial treasury for emergency expenses.¹⁶⁹ The most dramatic example of the reliance on commercial taxes for the success of the reforms was in Kweichow. There, only 18 percent of the revenues returned to the provincial coffers derived from the land and head tax. A full 59 percent of all provincial revenues emanated from salt and commercial taxes retained by the province for its own use.¹⁷⁰

The reliance of these provinces on salt, customs, and miscellaneous duties both for emergency expenses and to supplement the income necessary to allocate yang-lieu and kung-fei demonstrates that the role of "surplus" taxes and fees from the commercial sector was far more important than is indicated by statutory quotas. Although their total contribution to local treasury stores was still not as great as that derived from the land and head tax, only a small number of provinces could survive without an infusion of some nonagricultural income. In the land-tax-poor areas beyond central China and the north China plain, commercial revenues were vital to the success of the huo-hao kuei-kung reforms. Unlike lou-kuei, which burdened the people and destroyed official morale, income from salt, customs, and commercial taxes took advantage of China's growing population and commercial activity to provide an expanding and legitimate source of local funds that neither violated dynastic law nor harmed the livelihood of the masses of common people.
OBSTACLES TO REFORM: LOW-LEVEL CORRUPTION AND THE KIANGNAN TAX-CLEARANCE CASE

THE DECISION TO TREAT TREASURY SHORTAGES AS an institutional, rather than a normative, problem was an important step in the development of the modern Chinese state. The transformation of that which was private (ssu) into that which properly belongs to the public realm (kung) suggested a major reinterpretation of the relationship between government and the people. This notion applied not only to corruption, that insidious impulse toward personal aggrandizement at the expense of the dynasty. Essential to the reform movement was the concept of government responsibility for a wide range of public services which fiscal insolvency had previously made impossible. Moreover, the provision of adequate revenues at the lowest levels of the bureaucracy improved official morale by facilitating adherence to Confucian values and codes of administrative conduct.

The reaction of most provincial officials to the new fiscal order was one of considerable excitement and hope. Even the misgivings of magistrates seem to have waned over time. The initial success of huo-hao kuei-kung, however, could not conceal the harbingers of its demise. For the reforms to fulfill their promise as a mechanism for rational local-government finance, one crucial condition had to be met: taxes had to be paid. Despite the reliance of many provinces on nonagricultural income to fill their coffers, huo-hao was still the primary source of local revenue. As a surcharge on the land and head tax, huo-hao's role in fiscal administration was inextricably linked to the collection of the dynasty's regular tax quota.

The huo-hao kuei-kung reforms attacked the cause of deficits at the level of the bureaucracy, but the Ch'ing state had little power to affect the forces that undermined its finances outside the official hierarchy. The same informal networks of funding that allowed the bureaucracy to operate before the Yung-cheng reforms had also nurtured the growth of corruption within local society. If free rein had not been given to yamen runners, clerks, and members of the local elite to wring additional revenues from the tax-paying population, it would have been impossible for magistrates to fuel the informal funding system that huo-hao kuei-kung replaced. Once these local arrangements were established, it was far more difficult to wipe them out.

Tax arrears, evasion, and corruption below the level of the bureaucracy continued to be part of the fabric of rural life. Nowhere were they a more serious problem than in the three Kiangnan provinces of Kiangsu, Kiangsi, and Anhui.

Measures to Control Arrears

As early as SC 15 (1658), the Kiangnan region was the focus of an imperially sponsored investigation of arrears. This early inquiry into popular tax resistance was prompted by Governor-general Lang T'ing-tso's report that accumulated unpaid taxes during the period from 1651 to 1656 had reached over 4 million taels. Soon after the death of the Shun-chih emperor, the Kiangnan region was again the focus of an imperial tax investigation, in the form of the famous Tsou-hsiao an of 1661. Despite the harsh punishment meted out to the Kiangnan gentry as a warning against tax evasion, these three provinces continued to be plagued by arrears throughout the K'ang-hsi reign. Although the people of this region were the beneficiaries of numerous imperial tax remissions issued during this period, the emperor felt compelled to single out Kiangsu taxpayers for a special exemption from unpaid taxes in 1712.

This act of imperial grace was followed by two more remissions of arrears granted by the Yung-cheng emperor during his first year on the throne. Nevertheless, by YC 3 (1725), the bureaucracy of
Kiangsu was still trying to work out a formula for the repayment of outstanding taxes totalling 8,810,000 taels, almost three times the province’s annual tax obligations. Some effort was made to alleviate the cause of Kiangnan’s arrears by lowering tax quotas in those areas subject to Ming fu-liang. During the first few years of the Yung-cheng period, however, the primary focus of official energies here, as elsewhere in the empire, was on the investigation and clearance of deficit cases. The analysis of people’s arrears continued to be simplistic. The high level of min-ch’ien was largely attributed to the machinations of local magistrates, who were accused of falsifying their accounts in order to transfer newly paid taxes to cover old deficits. During late YC 4 and early YC 5, at least twenty-one chou and hsien magistrates in Kiangsi were removed from office on charges of embezzlement or accumulation of deficits, much of which was concealed in their accounts in the guise of people’s arrears.

In part, the failure of provincial officials to rectify this problem lay in the difficulty of detecting arrears malpractices. As Acting Kiangsi Governor Yu Chu pointed out at the time, any internal investigation was almost useless. As soon as word got out that a prefect was about to carry out a p’an-ch’a of his subordinates’ accounts, the chou and hsien magistrates in his jurisdiction would alter the liu-shui hung-pu in which the taxes collected each day were recorded. They would then alter the payment receipts (ch’uan-ken) stored in the local fiscal secretary’s office (hu-fang) to match these falsifications. Only taxes already sent by the chou and hsien to the financial commissioner would be recorded as paid. The rest the magistrate would enter as min-ch’ien. According to Yu, even a thorough investigation at the village level would bring to light nothing wrong, because the clerks in charge of tax collection in the villages (ching-ch’ung) were in collusion with the yamen personnel.

Given the appalling state of fiscal administration in the Kiangnan region, it is no wonder that the Yung-cheng emperor chose it as the focus of his own investigation of people’s arrears. By YC 6 (1728), the huo-hao kuei-kung reforms were being implemented with considerable success almost everywhere in the empire but here. In fact, it was the chaos in Kiangnan’s tax administration that initially led the emperor to prohibit these three provinces from participating in the reforms. In that same year, Yung-cheng issued an edict to all high provincial officials that called attention to the possibility that the Achilles heel of Chinese fiscal admin-

istration now lay not at the bureaucratic level, but below, where the huo-hao kuei-kung reforms did not penetrate. Without immediate attention, the repercussions of this low-level corruption could cause the destruction of all that the emperor and his reforming administration had striven to accomplish.

Yung-cheng identified clerical engrossment (hssii-li chung-pao) as the single most important factor in the spread of low-level corruption. Clerks had long been targets of official disdain and were frequently used as scapegoats for malfunctions in local administration. However, the emperor was not simply indulging in empty rhetoric. As he had always been during the implementation of his reforms, Yung-cheng was concerned to discover the manifestations and techniques of corruption. Only then, through structural changes in tax administration or improved administration of existing laws, could officials devise the means to root out the cause of this blight on the body politic.

The emperor outlined several methods that might be employed by clerks to embezzle the people’s taxes. Among these were proxy remittance (pao-lan), altering tax receipts (hsi-kai ch’uan-p’iao), opening and stealing from the tax envelopes deposited in government tax chests, and charging fees to conceal the names of households owing back taxes. Yung-cheng felt that such practices persisted because the magistrates rarely took the time to inform the people of their individual tax liabilities and the amount of taxes outstanding under their names. Magistrates may not have intended to become conspirators in tax fraud. In order to guarantee the functioning of the old informal funding network, however, they had simply ignored government regulations designed to enable the individual to take full responsibility for his own tax payments. As a result, what the officials considered tax arrears the people might regard as taxes paid in full, while clerks persisted in their treachery, deceiving both.

As a first step in remedying clerical fraud, Yung-cheng ordered the chou and hsien to have the shu-shout in each shiang and li submit a list of all taxes paid and in arrears within his jurisdiction. The magistrates were then to check these lists against their own records. They were instructed that if there were no discrepancies they were to apply their official seal to the lists and have them posted in the li or hsiang concerned so that every household in arrears would be informed of its exact liabilities. If the amounts posted did not agree with a taxpayer’s own estimation of what he
had paid, he could bring his receipts to the yamen and register an accusation of clerical engrossment. In this way, the emperor hoped to prevent clerks from engaging in what he called wanton banditry in the guise of official business. It should be noted that once again the emperor placed emphasis on the direct relationship between the individual taxpayer and the government and on providing the taxpayer with full and public information to enable him to protect his interests against rapacious yamen personnel.

The chou and hsien magistrates themselves were not without culpability in the persistence of arrears. Because the accumulated arrears in the provinces were so large that the people would have difficulty paying them off, Yung-cheng had granted his subjects the privilege of paying their debt in installments. The period allowed for repayment averaged about ten years, depending on the amount owed and the distance of one's home from the capital. To the emperor this was an expression of his love for the people and should have given the people ample time to pay their debts to the government with ease. However, Yung-cheng had heard that unscrupulous magistrates in some jurisdictions had set up unofficial registers to record the amount of arrears collected each year. If the people paid more than the exact quota set for a particular year's installment, the magistrate remitted the quota and embezzled the rest. Because the amount called for was sent to the financial commissioner, no further investigation of the magistrate's accounts was required. Meanwhile, people who in their public-spiritedness had paid more than was necessary that year would be pressed for payment of their arrears as if they had never been paid off. It was to the people's despair over this practice that the emperor traced the rise in tax resistance and delayed payments. Again, the solution he proposed centered on the public posting of installment quotas and the amounts already paid by each household. Moreover, "good people" who paid more than the installment, rather than being penalized, were to be rewarded and their actions reported to the magistrate's superiors.

The emperor's edict on arrears set off a flurry of new tax investigations, the largest of which were carried out in Hukwang, Chekiang, and Kiangnan. However, it was in Kiangnan that the investigation of arrears developed into a full-scale tax-clearance case (ch'ing-ch'a) that would last three years and involve not only all the officials of the provincial administration, but special agents of the central government as well.

The Origins of the Kiangnan Ch'ing-ch'a

Following the emperor's edict calling for the investigation of arrears, Governor Chang Tan-lin submitted his own evaluation of the situation in Kiangsu. Most striking was the volume of taxes the people of this province owed to the government. The size of the Kiangsu debt was not simply a function of its high tax quota; it also reflected the exceptionally slow progress of arrears repayment. For example, in YC 4 (1726) only slightly over 11 percent of the outstanding taxes due that year had been remitted to the magistrate's yamen. In view of the liberal repayment policy established by the central government, such delinquency could only be the result of flaws in the operation of local tax administration.

According to Chang, the most important impediment to efficient tax collection in his province was the inadequacy of chou and hsien tax registers. The large size of their jurisdictions and the broad range of duties for which an individual magistrate was responsible made it difficult to verify the accuracy of the records on which tax collection was based. Omissions and falsifications in the registration of land could be found in every subordinate unit in the region. Sometimes several tens of households were merged under the name of one household. At other times the property of one wealthy household was registered under scores of different bu designations. In the former case the party really responsible for tax payment was impossible to detect. In the latter, arrears in large amounts were hidden by dispersing them among a myriad of fictional landowners. As a result, Kiangsu's taxes were rarely paid in full.

Although the inaccurate registration of land served the interests of Kiangsu's more prosperous inhabitants, the paucity of reliable tax data forced magistrates to relegate responsibility for fulfillment of government tax quotas to yamen and village clerks. Proxy remittance (pao-lan) was therefore a common practice in Kiangsu. The imposition of a third party between the taxpayer and the government contributed to both arrears and their persistent default. Clerks and runners invariably pocketed a portion of the taxes consigned to them, recording them in the yamen accounts as people's arrears. In order to conceal their own embezzlement, subbureaucratic personnel were often instrumental in encouraging popular resistance to arrears repayment and in inciting antitax demonstrations.
Governor Chang's suspicions that the common people were not responsible for much of the tax indebtedness in his province was rekindled once the new drive to recover arrears was under way. Almost immediately, petitions began pouring in to the yamen of Kiangsu's magistrates, expressing concern over the effect that the investigation would have on the region's poor. According to reports transmitted to the governor's office, the petitioners claimed that most of the outstanding taxes in Kiangsu were owed on land that had long since been sold by needy proprietors. Utilization of the land had passed to new owners, but the liability for past arrears remained with the household that had originally incurred them. Worried that these people would not be able to pay the government what they owed, the petitioners requested that all arrears be divided equally among the present landholding population.

Similarities in the content of requests coming in from all over the province raised doubts as to the spontaneous nature of the petition campaign. Inquiries into the identity of these "public-spirited" subjects convinced the governor that it was in fact households who controlled the pao-lan networks that were behind the move to redistribute the debt. Inasmuch as these households themselves were responsible for a large part of the unpaid tax quota, a redistribution of accumulated arrears would serve to transfer their own liabilities onto the shoulders of others. However, Chang had a more important reason for rejecting the plan. Even if all the households in Kiangsu complied with the reapportionment of existing arrears, such a move would do nothing to root out the causes of pao-lan and tax evasion. Within a few years the problem of unpaid taxes would have to be confronted again. Only a thorough ch'ing-ch'a could rectify the system of tax collection and eliminate the source of abuses once and for all.

Chang Tan-lin was familiar with the methods used to carry out a ch'ing-ch'a because his cousin, Chang Tan-jang, had just assisted in such an investigation in nearby Chekiang. Armed with his cousin's advice, the governor memorialized the emperor to carry out a full-scale tax audit in Kiangsu as well. What distinguished Chang's proposed ch'ing-ch'a from a routine investigation of provincial fiscal administration was the role assigned to officials outside the provincial bureaucracy. Normally it was the duty of assistant and subassistant prefects to inspect the tax records of subordinate chou and hsien. Ostensibly to avoid overburdening these provincial officials, Chang requested that the Board of Civil Appoint-
tion to retrieve old tax debts would reflect poorly on their own career evaluations. Thus, in spite of good fall harvests throughout the province, the government began to receive reports of crop devastation due to floods from a number of hsien, including An-tung, T’an-yuan, and Shu-yang. Subsequent investigations disclosed only minor damage from rains in a few isolated low-lying villages. Although the governor did order the financial commissioner to provide flood relief for the few who were actually affected, it was clear that the magistrates in these hsien, unable to collect their full quota of arrears, had exaggerated reports of natural disaster in the hope of receiving an imperial tax exemption for their jurisdictions. The governor felt that they too were under the influence of locally powerful “evil people.”

Who were these “evil people”? As is so often the case in official communications, the perpetrators of corruption and lawlessness were described in such vague terms as to include almost anyone, save perhaps “simple, ignorant peasants” and the local officials themselves. This ambiguity was in part deliberate, for the roots of corruption extended so deeply into the Kiangnan tax administration that without a thorough and honest investigation, the officials of the province could not know exactly who the “evil people” were or how they carried out their clever deceptions. However, even before the investigation had begun, an increasing number of officials had come to believe that the gentry, the mainstay of the imperial state, could not escape culpability in the sabotage of local fiscal management.

Chang Tan-lin had not been the only one to suspect that the chronic arrears in the region were not entirely an outgrowth of popular tax resistance. Wang Chin, an aging member of the gentry from Chiang-ning prefecture in Kiangsu, reported to the emperor that the fault lay not in the chou and hsien magistrates’ lack of skill in collecting taxes, but in the abuses of gentry and members of large households (shen-chin ta-lu). During his term as a magistrate in both Hunan and Chekiang, Wang found that the “little people” who did not own much land tended to pay their taxes promptly. It was the gentry and large households, with vast holdings, who attempted to evade taxation by registering their land under fictitious names. However, without the connivance of clerks and runners, complete concealment would not have been possible. Such “evil people” delayed remittance of their taxes in the expectation that an imperial tax remission would eventually relieve them of any obligation to repay arrears. From the ample evidence of such imperial acts of grace we can see that they were not wrong in assuming that the worse arrears became, the greater the likelihood that a remission would be granted.

Fa-hai, who was governor of Chekiang during the first half of the Yung-cheng reign, had already urged the emperor to investigate the illegal activities of Kiangnan’s local degree-holders. He also attributed arrears to proxy remittance and tax resistance by gentry and local “ruffians,” as well as embezzlement by yamen and village clerks. Fa-hai felt that few officials understood the situation and praised Financial Commissioner Oertai and the Fan-t’u and Wu-hsi magistrates as the only members of the Kiangnan bureaucracy who wholeheartedly attacked the problem of arrears and neither pandered to the will of powerful local families nor acted with excessive leniency in order to win over the people’s affections.

Some of the officials who were eventually charged with carrying out the Kiangnan ch’ing-ch’a were also sensitive to the fact that other kinds of malefeasance were often disguised as people’s arrears. This was particularly true of those officials already in Kiangnan, engaged in the earlier investigation of government deficits. Among these men was the provincial censor, I-la-chi. In order to uncover the actual amount of deficits in areas like Suchow and Sung-chiang, I-la-chi and his fellow investigators had ordered each prefecture, chou, and hsien to compile an account of people’s arrears. Among the lists filed as min-ch’ien, I-la-chi had discovered many that could be traced to embezzlement by officials and their staff. However, he also contended that the vast majority of genuine arrears belonged not to the common people, but to the gentry. Moreover, of these gentry offenders, most were members of families that owned extensive fields. Tax delays by this group were clearly not due to financial distress, but were the result of deliberate tax resistance (yu-i k’ang-ch’ien).

It is little wonder then that Governor Yin-chi-shan came to share his predecessor’s suspicions of the so-called spokesmen of the people who clamored for the redistribution of arrears of taxes. Even after the latter’s rejection of their proposal, pressure for such a move did not abate. A joint petition was sent to Yin-chi-shan by inhabitants of the chou and hsien of Sung-chiang prefecture, and requests from individual chou and hsien continued to pour in as well. Groups of literati and commoners even came to the gover-
The emperor appointed two imperial commissioners to superintend the ch'ing-ch'a of taxes (ch'in-ming tsung-li ch'ing-ch'a ch'ieh-liang), Board of Works Vice-president Mæ-erh-t'ai and Censor An Hsiu-te. Below them were nine imperially appointed branch investigators (fen-ch'a ta-ch'en), amongst whom the various jurisdictions in Kiangnan were divided. These fen-ch'a officials came mainly from the ranks of circuit intendants and were in charge of the everyday supervision of the investigation at the local level. At the bottom of the ch'ing-ch'a hierarchy were the hsieh-ch'a officials. These men were chosen from the ranks of minor officials, expectant magistrates, and assistant prefects and subprefects. Officers showing promise in this capacity could hope to receive promotion to more permanent positions in the regular bureaucracy.

Although the greatest volume of arrears originated in Kiangsi province, the ch'ing-ch'a was designed from the start to deal with Kiangsi and Anhui as well. Officials assigned to Chekiang were also consulted on occasion, because it was recognized that many of the problems affecting Kiangsu were prevalent throughout the region. Thus, although most of the extant documentation refers specifically to Kiangsu, we can assume that the general procedures and many of the findings were typical of Kiangnan as a whole. Because the investigation covered so large an area, centralized supervision was tempered by a recognition of the need to grant inspectors flexibility in their actions at the local level. Moreover, high-level provincial and ch'ing-ch'a officials divided up the territory in order to facilitate closer supervision of fen-ch'a officials and coordination of all investigative efforts. All those assigned to the ch'ing-ch'a were instructed by the emperor to meet often in order to share information and help each other with the development of efficient auditing techniques.

During the initial stages of the ch'ing-ch'a, the main concern was not to recover arrears, but to determine their cause and designate responsibility for future repayment. The emperor even issued a two-year injunction against the collection of back taxes, after which time all debts were to be cleared and the investigators were to certify the accuracy of all tax registers in the chou and hsien. It soon became apparent that even this would require more than the allotted time and manpower. Therefore, the commissioners concentrated first on clearing up old arrears and investigating corrupt practices. Verification of tax registers was begun, but it was recognized that a complete cadastral survey would be necessary and

The Ch'ing-ch'a Begins

The Kiangnan ch'ing-ch'a, as it finally developed under Yin-chishan's supervision, came to include at least seventy officials especially chosen on the basis of their integrity and experience in tax matters (ch'ing-yü ch'ien-liang). Particular emphasis was placed on separating the investigation from the normal functions of the bureaucracy in order to guarantee that those engaged in the review of local tax practices would be free of any ties that might prejudice their findings and would be able to devote all of their time to the task at hand. Three levels of officials from outside Kiangnan's official hierarchy were assigned to the investigation. At the top, the
could not be carried out with the existing complement of ch’ing-ch’a personnel.

The first task of officials sent to the chou and hsien was to determine what portion of arrears really belonged to the people and what portion could be categorized as officials’ embezzlement (kuan-ch’in) or runner and clerk engrossment (i-shih). In order to encourage cooperation with the investigators, the emperor issued an edict suspending punishment of any embezzler or tax farmer who confessed his crime and agreed to pay back the funds stolen from the government and the people (chun pao-lan ch’in-shih chih-jen tsu-shou mien-tsun). Repayment in installments was permitted in order to avoid forcing the offenders to resort once again to extortion of the common people. In addition, Yung-cheng expanded his previous suspension of arrears collections to include all taxes in the region. In this way, the emperor hoped that the collection of regular taxes would not interfere with the investigations that were under way. The curtailment of compulsory debt repayment did not mean that the government ceased its recovery of back taxes. In fact, tax chests were set up in each chou and hsien and the people were encouraged to deposit in them as much as they were able toward paying off their own arrears. At the same time, a bureau was established in each chou and hsien to investigate the sources of arrears and to compile a “clear account” of all unpaid taxes, classified by household. Once again, there was widespread publicity and the posting of the emperor’s instructions in every village so as to let the people know what their obligations were. The ch’ing-ch’a officials also encouraged households with arrears to go to the bureaus in person to verify the amounts under their names and to correct any mistakes in the records, presumably by presenting receipts for taxes already paid. In the process of compiling “clear accounts,” local officials were also enjoined to determine the correct name and residence of each taxpaying household to facilitate a house-by-house investigation of tax liabilities at a later date. By midyear it was the opinion of most officials involved in the ch’ing-ch’a that to a large extent the arrears were really the product of clerical engrossment, the most difficult category of debts to uncover. For the moment, however, it was hoped that by verifying people’s arrears and encouraging officials to confess to embezzlement, funds belonging to the third category would automatically become visible (shui-lo shih-ch’u).

Despite these elaborate preparations, the investigation of ar-
Although all actions were to be decided on in concert, Ma-erh-t'ai reported that Financial Commissioner Chao Hsiang-kuei had taken all responsibility for directing the investigation upon himself, refusing to discuss proposals with the Board officials sent to supervise the ch'ing-ch' a or with the branch investigators. Resentment over this usurpation of power was so strong that the special investigators simply ignored Chao's orders and abandoned any effort at joint planning. This created serious problems for subordinates involved in the audit of taxes, who were constantly faced with conflicting instructions. According to Ma-erh-t'ai, petty infighting of this kind had set the investigation back at least six months.48

Ma-erh-t'ai's report to the emperor confirmed the rumblings that had already been emanating from the ranks of the fen-ch'a officials themselves. Soon after his assignment to the superintendent of the Kiangnan ch'ing-ch'a, Wang Chi was appointed acting governor at Suchow. When Censor I-la-chi was ordered to assist in the investigation of debts in Kiangsu as well as those in Anhui, Governor-general Fan Shih-i instructed him to coordinate his actions with Governors Yin-chi-shan and Wang Chi. They, in turn, would handle all communications with the Board of Revenue. However, because Yin-chi-shan was temporarily acting superintendent of river conservancy and engaged in a crucial construction project, the work of the ch'ing-ch'a was left entirely to Wang Chi. According to I-la-chi, Wang did all he could to subvert his position and authority. The acting Suchow governor failed to include I-la-chi in the drafting of notices regarding the audit of people's arrears and even drafted memorials to which I-la-chi's name was appended without consulting I-la-chi on their contents. Moreover, when I-la-chi's name was included on official papers, his post and rank were not mentioned.49 It was only after Board of Civil Appointments Vice-president P'eng Wei-hsin showed him a particularly stern imperial rescript appended to one of these memorials that I-la-chi even learned of Wang's obstructionist activities.

I-la-chi felt that his role as an imperially appointed special investigator was being challenged by a conspiracy within the regular provincial bureaucracy. Although the task of identifying deficits and arrears belonged to I-la-chi and the other ch'ing-ch'a officials and their staffs, recovery of funds was the duty of regular local officials. Every day that recovery was delayed increased the risk that the property of a guilty party would be spent or hidden so that arrears would never be repaid. Although 600,000 taels had already been retrieved from over 170 cases, I-la-chi calculated that there were still more than 600 cases in the financial commissioners' files pertaining to embezzlement by officials alone. Total revenues still unaccounted for came to more than 3,300,000 taels. Yet, despite direct imperial orders to hasten the recovery of back taxes, Financial Commissioner Chao Hsiang-kuei, with the support of Governor Wang Chi, had given the matter only perfunctory attention (pu-kuo i-fan chi-wn).52 Inasmuch as the governor and financial commissioner were unwilling to devote any energy to the matter, it was only natural that officials in charge of recovering these funds treated their assignments as a mere formality.

I-la-chi feared a total breakdown in communications between local officials and imperially commissioned investigators, which would destroy any hope of the ch'ing-ch'a's success. In a display of frustration not uncommon in secret communications to the emperor, I-la-chi placed the blame on his own incompetence as an official.53

I am really useless in Kiangsu. My Chinese is inadequate. Therefore, the memorials I write cannot be clear and detailed. I respectfully beg the emperor to extend his grace and send down an edict bringing me back to the capital so that I may kneel and memorialize the emperor on the situation I witnessed in the provinces and the various impediments [to my freedom of action]. Then send me to the Board for deliberation [of my case] and punishment as a warning to those who are ordered to carry out a mission and prove to have no ability. I will close my eyes and depart this world in peace.

Submission of such an appeal, whining and childish as it may seem, was a technique employed fairly often by officials caught in a bureaucratic bind. Although I-la-chi did risk being called back to the capital, he probably would not have written such a memorial if he had not believed that the emperor had confidence in him. If such was the case, the memorial would have the effect of forcing the emperor to take some action to confirm I-la-chi's position.

I-la-chi's boldness may have derived from his knowledge that he was not alone in his suspicions of Chao Hsiang-kuei and Wang Chi. At the same time that he submitted his memorial, an even more scathing indictment of the two leaders of the provincial bureaucracy was delivered by the T'ai-ts'ang fen-ch'a official Wen
Erh-sun.④ Wen was also under the impression that all tsung-li and fen-ch’a officials were supposed to meet and consult on the implementation of the ch’ing-ch’ a. When he arrived in Kiangnan, however, he was told that an argument was going on between Governor Wang Chi and the fen-ch’a official in charge of Huai-an prefecture, Ch’en Chao-yuan. As a result, no joint meetings of investigative personnel were held and the fen-ch’a officials simply went off to their assigned areas. When Wen visited the governor, he admonished him on this issue but did not receive any satisfaction. Later, Wen met with the tsung-li officials sent by the emperor and was told that without consulting them, Financial Commissioner Chao had issued a detailed set of orders to all prefects and chou and hsin magistrates. Wen was as concerned as I-la-chi that communication not break down between the ch’ing-ch’a officials and the local bureaucracy. The tsung-li officials having already ordered their subordinate hsieh-ch’a officials to compile registers of arrears (ch’en-ts’e), Wen suggested that when these were completed and household-by-household investigations were begun, the magistrates be required to come to the capital to consult with the special investigators.

Although Wang Chi agreed to support Wen’s efforts to foster cooperation between hsieh-ch’a officials and the local bureaucracy, his own cooperation with investigators on the provincial level was not forthcoming. Rather than aid Wen Erh-sun in familiarizing himself with the situation in Kiangsu, Wang left the shore to P’eng Wei-hsin and I-la-chi, who were only vaguely acquainted with local conditions. After reaching T’ai-ts’ang, Wang heard that there had been a Board communiqué ordering ch’ing-ch’a officials to ferret out deficits as well as arrears. Not only was a copy of this document never sent to Wen, but when he went to Suchow in person and pressed Wang Chi and Chao Hsiang-kuei on the matter, they kept him waiting ten days before refusing to show him the order in question. In the end Wen could get the information he needed only by transcribing a copy of the document in P’eng Wei-hsin’s yamen and then going to I-la-chi’s office to obtain the relevant figures for T’ai-ts’ang chou.

Wen suspected that the behavior of the governor and financial commissioner was motivated by a desire to protect their friends in the officialdom. For example, among the cases being handled by Wen was that of former Grand Secretary Wang Yen, who, along with his son, uncle, and nephew, owed the government 46,000 taels in back taxes. Because the records of the case had not yet arrived in T’ai-ts’ang, Wen was unable to take action to recover the funds. To make matters worse, Wen discovered that the hsieh-ch’a official, Sun Chien-lung, sent by Financial Commissioner Chao to assist Wen in inspecting T’ai-ts’ang’s granaries and treasuries, was a disciple of Wang Yen. Wen strenuously pushed for Sun’s transfer, but to no avail.⑤ In the end, investigations by ch’ing-ch’a officials uncovered evidence of the private use of government funds by both Financial Commissioner Chao and Hsü Yung-yu, an official who had held posts as both a hsien magistrate and a prefect in the province. Wang Chi was also cited for misuse of his power as governor and for nepotism in appointing his cousin Ning Shu-yeh and his family disciple Sun Chien-lung to ch’ing-ch’a posts. These two officials were removed from office and an investigation was begun to determine which of the other officers recommended by Wang and Hsü desired dismissal.⑥ The inquiry into Chao Hsiang-kuei’s and Wang Chi’s activities in office brought to light other crimes as well. Both were found guilty of embezzlement and collusion with yamen personnel to collect customary fees (lou-kuei) in the form of gate fees extracted from lower provincial officials. This type of lou-kuei was vigorously attacked after the implementation of huo-hao kuei-kung because it drained local resources and fostered a corrupt dependency relationship between officials at different levels of the bureaucracy. Both the Chun-yang magistrate, T’ao Shih-ch’i, and the acting Hsin-yang magistrate, Chu Kuei-yang, reported that every time they had business with Wang they were forced to pay ten to twelve taels before being allowed past the yamen entrance. A local jail warden stated that he had been forced to pay identical sums to members of Wang’s staff on at least thirty different occasions.⑦ When we consider that this amounted to over 300 taels, the impact on the jail warden’s own ability to deal honestly with the local people is obvious.

Both Governor Wang and Financial Commissioner Chao were removed from office, eliminating an important stumbling block in the way of local official cooperation with the ch’ing-ch’a. However, this was not the only impediment to be overcome. The more covert and dispersed obstructionist activities of local clerks, runners, and gentry would prove far more difficult to counteract.
Subbureaucratic Subversion

The elaborate methods utilized by yamen functionaries and members of the local elite to subvert the collection of arrears had been established long before the ch'ing-ch'a apparatus descended on Kiangnan, and the question of whether even so intense an investigation could deal with them was not an idle one. Some clerical malfeasance took the form of overt embezzlement and was relatively easy to detect, once avenues of communication were opened up between the government and the taxpayers. For example, in one hsien in Sung-chiang prefecture an expectant subprefect named Chu had unpaid taxes totaling over 900 taels. As part of the ch'ing-ch'a, the hsien magistrate issued a summons for him to be investigated (ch'u-p'iao t'i-chiu). Fearing punishment, Chu immediately volunteered to pay his arrears in full, whereupon the magistrate sent a hsien clerk named Chin Yung-lin to compel him to do so speedily.

This took place in the sixth month, before the regular tax collection season. Chin Yung-lin took advantage of the fact that the locked tax chests had not yet been set up to swindle Chu out of his 900 taels. It was only after the magistrate reported to the prefect for the second time on Chu's intention to pay his debt that he discovered that the funds had already been pocketed by Chin Yung-lin. The magistrate, fearful that his own reputation would be tarnished if the money was not remitted to the central government, pressed Chu for payment of his arrears again (ch'ung-wan). In a rage, Chu went to Chin Yung-lin and tried to force him to return the money, but could not get him to turn over a single tael. Under normal circumstances, Chu might never have retrieved his stolen remittance, but because the province was in the midst of an investigation of just such malpractices, he was able to obtain immediate redress at a higher level. The fen-ch'a official Feng Ching-hsia had Chin Yung-lin arrested and obtained a confession not only to the theft of Chu's money, but to that of over 2,000 taels from other taxpayers as well. The ch'ing-ch'a superintendent, Ma-erh-t'ai, had Chin turned over to the new financial commissioner for further interrogation and also ordered the investigation of all local officials guilty of "failure to investigate" (shih-ch'a) the misconduct of their subordinates, with a view toward future impeachments.49

In fact, the ch'ing-ch'a officials appear to have been quite successful in uncovering cases of overt embezzlement by individual members of the local bureaucracy. During the second half of YC 7, I-la-chi reported on the progress of the investigation of such cases in the prefectures of Suchow, Sung-chiang, Ch'ang-chou, and T'ai-chou. Under the classification of official embezzlement (kuan-ch'in), it was discovered that as the magistrate of Li-shui hsien, Chao Hsiang-kuei had stolen several thousand piculs of rice which he disguised as having been used for famine relief. In K'un-shan hsien, Wang Su-wei and others had embezzled more than 2,000 taels obtained from the sale of firewood on government land (kuan-ti ch'ai-chia). Former Hua-ting magistrate Lin K'uang pocketed 8,600 taels which he falsely reported as arrears, and another 4,200 taels were embezzled by the Wu-chin magistrate, Ch'en Shen, using the same method. All of these officials confessed to their crimes under the pressure of the ch'ing-ch'a investigation.

A number of cases of runner, clerk, and gentry embezzlement were also discovered through the investigative efforts of the ch'ing-ch'a officials. A few examples may be cited here. In Lou hsien, a tax-collection clerk was accused of "cheating the people out of their taxes" (k'uang-p'ien liang-hu yin).50 A chien-sheng named Ch'in Pen-heng in Wu-hsi was found to have contracted to pay people's taxes, embezzling their remittances by issuing false tax notification receipts (chia-ch'iao pao-ch'ia ch'ien-liang). Ch'in was deprived of his chien-sheng status and his case was turned over to the financial and judicial commissioners for investigation and sentencing.51 A similar case was uncovered by a hsieh-ch'a officer in cooperation with the Shang-hai hsien magistrate. Here, a chien-sheng named Fan was in league with the local tithing chief (chia-shou) to engage in proxy remittance and the registration of landholdings under fictitious names (hua-fen kuei-hu).52 In Pei-chou and Sui-ning hsien, hsieh-ch'a officers reported that the head yamen clerks had conspired with the local li-shou to steal government funds. Investigation into areas exempted from arrears payments because of flood damage to crops disclosed that at least four villages no reduction in harvests had occurred. The collection of arrears had continued and the revenues were pocketed by the clerks themselves.53

These isolated successes began to pale in the face of revelations regarding the depth to which clerical malfeasance had penetrated local tax administration. The most shocking discovery occurred by accident. One of the most effective and hardworking of the fen-ch'a officials was a man named Feng Ching-hsia. It was under
Feng's supervision that many of the above crimes were discovered. In mid-YC 7, information reached Feng's office that a ch'üii clerk in Wuhsi hsien named Li Ming-ju had embezzled a large amount of tax revenue. Feng ordered him to produce his accounts. Quite unexpectedly, a commoner named Yang Shih-yü, who had been hired by Li Ming-ju to do his paperwork, came forward with all the private records (ssu-shou ti-pu) compiled during Li's fifteen years in charge of tax collection in T'ien-shang ch'üii. In all they came to 200 volumes, which Feng had Yang Shih-yü deliver to Suchow. In contrast to the registers in the magistrate's yamen, the clerk's accounts contained a complete record of the taxpayers in the area, the land they owned, the taxes due on each holding, and how much was paid and in arrears. However, after two days of careful scrutiny, Feng and Yang discovered that Li Ming-ju was able to manipulate the tax-collection process by an inconspicuous system of secret marks placed beside each entry. In effect, this code provided the clerk with a duplicate set of books so that information about his own activities could be concealed from the magistrate. Only by decoding these accounts could anyone begin to unravel the mystery of who really owed the government money and how the embezzlement of taxes had been accomplished.

When Feng asked Yang Shih-yü if the other ch'üii clerks also used such books, Yang replied that not only did they exist in the fifteen ch'üii in Wuhsi, but there was not a prefecture, chou, or hsien in the region in which ti-pu were not compiled. Clerks would even sell these registers, presumably to incoming clerks, in order to enable them to continue the corrupt practices of their predecessors. The names applied to these registers varied and the codes were not the same, but ti-pu were an indispensable tool for the clerk wishing to profit from his post.

Armed with this information from Feng Ching-hsia, I-la-chi met with Ma-erh-t'ai and decided to call a meeting of all nearby ch'ing-ch'a officials to be held in the governor's yamen. The urgency of confiscating all such books was impressed upon them, and written instructions to that effect were sent out to all other local and ch'ing-ch'a officials. Before long, ti-pu were confiscated in Suchow, Sung-chiang, and Ch'ang-chou prefectures, and the hsieh-ch'a set to work decoding the secret markings, volume by volume, so that embezzled items and manipulation of the tax rolls could be exposed. By the tenth month of YC 7, Ma-erh-t'ai reported that 60 to 70 percent of the ti-pu in Suchow, Sung-chiang, Chen-chiang, and Chiang-ning prefectures had been seized. As each case of embezzlement and arrears was disclosed, the information was turned over to the fen-ch'a officials, who carried out surprise inspections of the areas involved in order to verify the facts.

The discovery of the duplicate accounts led to a new influx of petitions from gentry, clerks, and commoners who pledged to pay up their taxes, but begged to have their areas excused from compiling accounts and carrying out a thorough ch'ing-ch'a. Some officials feared that the large number of confessions to embezzlement received from yamen runners might be part of a cover-up in which runners were being bribed to take the blame for arrears in the hope that once the government was reimbursed the investigations would cease. If anyone had such hopes, he was soon disappointed, for from the start, the intention of the emperor was to disclose the origins of corruption and arrears at the local level and rectify the irregularities that made them possible. Actual reimbursement of arrears was a secondary issue at this time. Again and again the emperor reminded his emissaries in Kiangnan that the "important thing in this ch'ing-ch'a of accumulated arrears is to ferret out abuses. You must not devote yourselves exclusively to the collection of taxes." Therefore, Ma-erh-t'ai refused these requests and reminded the Kiangnan public that the purpose of the ch'ing-ch'a was to remove the burdens on the people and thoroughly clean up Kiangnan's tax administration. This was to be accomplished by isolating those households that were falsely registered and discovering the real parties responsible for each mou of land so that accurate registers could be compiled. Because most of those who were now volunteering to pay up probably had something to hide, Ma-erh-t'ai was adamant that their tax obligations receive special attention.

With the help of the duplicate registers, confessions by clerks, runners, officials, and gentry, and interviews with ordinary villagers, the ch'ing-ch'a officials were able to begin to assemble a profile of abuses in Kiangnan's tax administration. Following the guidelines established by the emperor, these were divided into three categories: official embezzlement, clerk and runner engrossment, and evasion of taxation by the taxpayers themselves.

The Anatomy of Tax Corruption

The fabrication of "people's arrears" by chou and hsien magistrates was the most easily detected of the malpractices examined
by the ch'ing-ch'a investigators. Many of the methods used had already been discovered during the deficit inquiries that accompanied the huo-hao kuei-kung reforms. Chou and hsien officials with shortages in their own treasuries and granaries often falsified the liu-shui ch'uan-ken in their yamen in order to transfer taxes received from the people into their own coffers.⁴⁴ Although this was commonly done at the time that an official turned over his accounts to his successor, or in anticipation of a spot investigation by his superior, natural disasters also prompted officials to embezzle taxpayer remittances. In some instances, a magistrate who had obtained a tax deferment for his jurisdiction would conceal the emperor’s benevolence from the local population. Because the government did not expect any remittances at this time, all taxes paid could be pocketed by the magistrate and recorded in his yamen accounts as “yet to be paid.” At other times the magistrate chose not to risk punishment for failure to announce a tax remission, but pocketed all taxes received prior to the release of the announcement of the imperial grace period. In both instances the taxpayers would consider their taxes to have been paid, hence the embezzlement amounts would eventually show up in the yamen accounts as people’s arrears due to tax resistance.⁴⁵

Natural disaster provided an opportunity for malfeasance by clerks and taxpayers as well. Magistrates generally left to their clerks the determination of which households were entitled to tax relief. The clerks often exaggerated the extent of a disaster and the amount of taxes that required exemption. This enabled them to pocket the taxes paid by households that had not experienced financial hardship. It was also common for clerks to sell receipts verifying a household’s inability to pay taxes because of damage to its crops in a flood or drought. Households untouched by disaster could avoid paying taxes by “purchasing barren status” (maihuang), although it is likely that cultivators genuinely stricken by disaster were also forced to bribe the clerks in this fashion before obtaining their exemption. Clerks, runners, and officials also tried to get tax exemptions for their own land in the area under their jurisdiction. This practice was known as “falsely declaring barren status” (mao-huang).⁴⁶ These practices were so widespread and had been carried out for so many years that Yin-chi-shan felt it would be impossible to distinguish between households whose crops had really been destroyed and those that had procured exemption under false pretenses. In order to avoid burdening inno-

cent people, investigation of arrears arising from these methods was halted.

A third technique used by officials to embezzle taxes involved their relationship with members of the region’s economic and social elite. It will be recalled that taxpayers were supposed to deposit their own taxes in the yamen’s locked tax chests. Before the tax-collection season began, magistrates often borrowed silver from gentry and wealthy households in their jurisdictions on the pretext of needing money to carry out public business. They would usually pledge to apply the borrowed funds to the concerned household’s taxes that year. Once in the hands of the magistrate, such loans were rarely reimbursed to the public coffers. Naturally, the resultant arrears for that year would not be attributed to the powerful households from which the funds were originally borrowed, but would be apportioned in tiny amounts among the taxes due from numerous small commoner households.⁴⁷

By far the greatest number of arrears resulting from corruption were attributed to clerks. By the end of ŌC 7, confessions had been obtained from these members of the yamen staff accounting for over 2,400,000 taels in embezzled taxes.⁴⁸ Because clerks were in charge of the tax registers and were the agents of the government actually sent to the countryside to supervise the collection of taxes,⁴⁹ they were in a unique position to manipulate the tax system to their own benefit. In many cases the head clerks (ching-ch’eng) in the yamen and the clerks in charge of the tax chests (kuei-shu) conspired with the officials themselves to alter register receipts and directly steal paid taxes.⁵⁰ Clerks, however, had a number of independent means of siphoning off the people’s remittances, creating arrears which chou and hsien officials never suspected had been embezzled.

Clerks sometimes imitated the methods utilized by magistrates, particularly when the latter did not supervise the compilation of tax registers. In such instances it was relatively easy for clerks to pocket a portion of the taxes they collected, distributing the amount stolen into the arrears of all the households in the area.⁵¹ A similar technique, known as tsai-liang, involved increasing the tax obligations of the weakest households by minute amounts, even before the tax-prompting process began.⁵²

Because the land registers were in the hands of the yamen’s fiscal clerks, it was also possible for them to make changes in the actual classification of land. By altering the ratings on property, designat-
ing medium-quality land as low-quality and vice versa, it was possible to collect taxes at the usual rate, keeping the difference between the amount paid and the amount due in the registers. The difference in taxes due for the whole hsien when ratings were lowered to that of less fertile land was made up in the registers by elevating the ratings on land in other parts of the hsien. Because the taxpayer, however, still paid his usual rate, in the latter case the difference in assessments would appear as arrears in the yamen accounts. This practice was known as kai-tse.  

Other forms of embezzlement by clerks involved the alteration of tax receipts. One simple method of pocketing paid taxes was simply not to issue a receipt. This being a common practice throughout the Kiangnan region, in many places the people never demanded proof of payment. As a result, the taxpayers had no recourse against corrupt clerks. A closely related practice was to pocket the remittances of small households and report that these taxpayers had fled the land to evade taxation. Some magistrates did enforce the regulations requiring the use of three- and four-stub receipts, but these were also easily circumvented. For example, the practice known as ta-hsiao piao entailed issuing a receipt to the taxpayer bearing the actual amount remitted. However, on the stub sent to the hsien yamen, only 10 to 20 percent of the payment was recorded. The remainder was stolen by the clerks. Some clerks did not even bother to alter receipts and simply manufactured their own duplicates, complete with forged official seals.

Probably the most difficult form of tax manipulation to deal with was that perpetrated by the families of gentry and retired officials (shen-huan), local powerful households, “wicked” lower-degree holders, and “local rowdies” (ti-kun). Without denying that there were gentry in Kiangsu who were possessed of integrity and a spirit of public service, the ch’ing-ch’a officials found that a large number were willing to evade taxation and pass their debt on to the ordinary village population. Some simply neglected to pay their taxes at all. By promptly remitting the buo-bao portion of their taxes to the magistrate, many were able for many years to forestall local-government pressure to pay the cheng-hsiao portion of their taxes. Others discovered that by bribing the head clerk with 10 to 20 percent of the taxes due, they could avoid being harassed when each period for the prompting of outstanding taxes arrived. Similar bribes could also be made to subordinate clerks in return for alteration of the yamen accounts. For example, for a fee, a clerk might be willing to allow a taxpayer to pay 40, 50, or 60 taels, which he would then register as a payment of 100 taels. The subordinate clerks were not liable for discrepancies between the silver on hand and that recorded in the accounts, hence the magistrate would end up responsible for the difference. Such methods, of course, were available only to landowners with considerable holdings.

Members of the rural elite had other, more devious methods of evading taxes and profiting from the tax-collection process. The most destructive of the entire tax structure was the practice known as kuei-li bu-ming, the registration of false households and fictitious names. In the Kiangnan region, it was not uncommon for large landowners to divide their holdings into several tens or even several hundreds of different household registrations, each claiming a minute amount of land. The name of the household heads for each of these bu would be falsified, using the names of dead ancestors, people who had migrated from the area, temple names, and so on. Ownership of the land was rendered difficult to trace, and the small amount of arrears from each bu discouraged investigation. Even if they were found out, their familiarity with the malpractices of officials and clerks and their own influence in the community allowed the rural elite to blackmail the regular bureaucracy into granting them almost total immunity from taxation. It was this power that encouraged local gentry and “strongmen” to engage in proxy remittance. Often, if a member of the local gentry owned little or no land himself, he would invite friends or relatives to register their holdings under his name. The latter would comply in the hope of paying their taxes at a lower “gentry rate.” As the actual owners of the land gave their taxes to him to pay, the local “strongman” or lower-degree-holder could pocket the money and resist payment to the local government. Similar opportunities arose when a member of the gentry sold land. By coercing the purchaser into keeping the registration of the land under his own name, the previous owner could force the new owner to consign all his taxes to him. Involvement in proxy remittance also extended to lands with which the local elite had no direct connections. They, like the clerks and runners in the hsien yamen, used the common people’s fear of any involvement with the bureaucracy to relieve them of the task of depositing their taxes in the yamen tax chests. The petty taxpayer usually paid his taxes in full, along with a fee to the magnanimous middleman, but only a portion of these remittances ever reached the magistrate’s treasury.

It should be obvious from the above discussion that the average
small taxpayer did not have access to these methods of tax evasion and embezzlement. Their implementation depended entirely on wealth, status, and access to force. At first, the ch'ing-ch'ua officials predicted that as much as 80 to 90 percent of the taxes that had been designated as people's arrears would ultimately be revealed to have been the result of abuses by yamen personnel and powerful members of the local community.74 These taxes proved far more difficult to collect because their theft was hidden in a cloud of false registrations and local particularistic ties and was carried out before the taxes ever reached the local government.

The root of all these abuses was traced to the system of land and tax registration. Meticulous procedures for registering land by household and guaranteeing individual responsibility for tax remittance were delineated in the Ch'ing code. Nevertheless, without scrupulous attention to the maintenance of chou and hsien tax records, these regulations were no more than "empty words on paper." Although tax evasion and hidden land were problems in every province, in Kiangnan the system of land and tax registration had disintegrated to such a degree that in some places it was barely distinguishable from the old li-chia system under the Ming, without any of the protections that that system had once promised. Because the registration of land for tax purposes bore so little resemblance to actual land ownership, taxes in many areas of Kiangsu were collected by locality and not by household.75 In some cases, the "real collection registers" (shih-cheng e-ts'e) on which tax collection was supposed to be based bore no more than the name of the li-chang for each area. No pretense was even made at recording the names of taxpayers, whereas, false or otherwise.86 Even in cases where lists of taxpayers were kept, the clerk or runner in charge of tax collection in a village was charged only with filling the quota. Magistrates, with little knowledge of the locale and too many duties to allow them to investigate each village in person, were not concerned with the liabilities of individual households. When it came time, therefore, for an inquiry into arrears, the records often contained not a single real taxpayer who could be pressed for payment.87 The names applied to the village clerks and runners in charge of taxation varied from place to place, but almost all were indicative of their evolution from the tax-promoting headman of the previous dynasty.82

Perhaps the most important reason that clerks and runners could persist in the manipulation of land and tax registration was that in many areas tax-collection posts had, in effect, become hereditary. Whereas clerical posts in the central government had come under severe scrutiny earlier in the dynasty, so-called shih-ch’ieh, passed on from father to son and brother to brother, were still widespread at the local level.88 Efforts to investigate abuses through the offices of the regular provincial bureaucracy were also obstructed by the fact that even the financial commissioner’s yamen was controlled by hereditary clerks. According to Censor Kao Shan, who was sent to Kiangnan by the emperor to assist in the ch’ing-ch’ua of arrears, the clerks in the fiscal section of the financial commissioner’s yamen were organized so that one clerk had exclusive control over the affairs of each chou and hsien. Only these clerks knew how much tax revenue was to be retained or remitted in each area. Likewise, only these clerks knew the extent of embezzlement, misappropriation, and excessive spending in the local yamen. If the financial commissioner wanted to investigate the taxes of a certain chou or hsien he had to rely on the responsible clerk in his own office. If clerks employed by the chou and hsien were engaged in manipulation of tax registers, these provincial level clerks were so adept at tampering with the higher-level records that they could conceal such practices completely. Most of the financial commissioner’s clerks were either in collusion with their local counterparts to steal taxes at the source, or conspired with those chou and hsien clerks who were in league with the gentry in order to profit indirectly from proxy remittance. The hereditary nature of these fiscal clerkships meant that the taxes of many areas in the province had virtually become the family property of those whose job it was to collect them.84

This being the case, it is not surprising that the ch’ing-ch’ua officials found that Kiangnan’s "fish-scale registers," the land records upon which all local-land and head-tax registers were based, were utterly useless. "Fish-scale registers" were supposed to be the product of imperial land surveys. At the time of such a survey, each parcel of land in an area was given a registration number and was classified as either high (shang), medium (chung), or low (hsia) in productivity, for the purpose of assessing rates of taxation. Two copies of these registers were compiled, one to be kept in the financial commissioner’s yamen and one to be stored in the chou or hsien treasury. It was now revealed that most of the "fish-scale registers" in Kiangnan had been burned, hidden, or revised beyond recognition.85 Without collusion between the financial commis-
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sioner’s clerks and the staff of the chou and hsien yamen, the situation could never have deteriorated to this extent.

Two approaches were devised to alleviate these basic weaknesses in tax administration. One entailed stricter supervision of clerks and runners. The huo-bao kuei-kung reforms had already taken a step in the right direction by providing for clerical salaries from public expense funds. It was now decided to extend punishment for missing funds to clerks and runners as well as to regular officials. Efforts were made to prohibit magistrates from charging fees to clerks in return for the privilege of supervising tax collection, a practice that served only to encourage clerical corruption.

In order to prevent cover-ups at the clerical level, some officials also favored a system of rewards for information about corruption to supplement punishment for wrongdoing. Besides these attempts to tighten government control over clerical behavior, efforts were made to improve land and tax registration so that embezzlement would be more difficult. The obstacles to such an endeavor were numerous and there was no consensus on the best method to follow. One of the major impediments to reform of tax registration was the fact that whereas taxes were assessed on the land, they were collected from individual households. In the north, where a large portion of the land was tilled by those who owned it or rented from nearby landlords or fellow peasants, this did not pose a great problem for administrators. However, in the Kiangnan region, where absentee landlordism was high and the market in landed property was very active, tax registration by household led to serious defects in tax records.

Clearly, for the ch’ing-ch’a to have lasting results, it was necessary to conduct a complete cadastral survey of all cultivated land in the region so that new “fish-scale registers” could be compiled. However, the question still remained as to how the data so derived were to be organized to best ensure full tax collection. As early as 1723, a new method of land registration had been attempted in several areas in an effort to eliminate the remnants of the li-chia system and make up for deficiencies in the Fu-i ch’i’an-shu. This method, known as shun-chuang chih-fa or shun-chuang kun-ts’uin, had as its basis the division of the rural population into pao-chia units to facilitate local control. The residents of each town and village were divided into chia of ten households each. For each chia a list was drawn up similar to the door placards (yen-hu men-tan) used in the mutual-security-guarantee system. These lists were

then passed from one household to the next, allowing the taxpayer to fill in the information required by the local government. Space was provided for the real name of the household head, the address and number of people in the hu, the amount of land owned, how much of the land was cultivated and how much was barren, the amount of tax in grain and silver due on each parcel, and the village, t’u, and chia in which each was registered. The principle behind this system was that even if a person’s land was scattered among a number of t’u’s, it should be registered together at the owner’s place of residence. Tax payments could then be administered by one agent and prompted by the use of “rolling lists.” The accuracy of these declarations was checked by having the clerks in charge of the tax registers in each t’u draw up similar lists, which were then compared with the “real collection registers” in the magistrate’s yamen and the data provided by the people themselves.

The greatest weakness of this system was that not everyone’s land was situated in the t’u in which he lived. In some cases, landowners deliberately established residence away from their land in an effort to evade taxation. Under these circumstances they were unlikely to report this land when filing out their shun-chuang forms. The time and effort required of the clerks in charge of one t’u to track down land possessed by its residents in other t’us would be enormous, hence such absentee landowners often escaped taxation. This practice, known as kuo-hu fei-liang, was especially effective in evading taxes in places like Kiangnan, where the government’s own land registers were almost useless.

Another problem arose from the high turnover of land ownership in the Kiangnan region. Utilization of a system of registration based on the household and not the land itself made it difficult for officials to keep track of the land as it changed hands. One common practice used by wealthy households to evade taxes involved their role as moneylenders to the poor. Rather than sell land outright, a poor household would often mortgage it to a wealthy household. The original owner would receive perhaps half the value of his land, but had the right to buy it back within a fixed time period. Use of the land generally passed into the hands of the holder of the mortgage, but title was not necessarily transferred to the wealthier party. Consequently, the property was lost to the original owner, but his tax liability remained (ch’an-ch’ü liang-ts’uin). The party mortgaging his land did not have the ability to
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pay his taxes because he could no longer farm it, or was able to do so only by paying the mortgage holder rent. The person who had lent him the money for which his land was collateral was equally unwilling to pay the tax, because technically the land was not his own. As a result, the tax went unpaid and the government could not determine responsibility for the plot. The lucrative nature of such arrangements encouraged many usurers to refuse title to such land even after the time limit for redemption was up. Even in the case of outright sale of land, however, failure to report the transaction to the government could result in exemption from taxation for many years.

Two measures were introduced to deal with the defects in this system of land registration. One was the method of tax registration by territorial division (pan-t'u wan-hiang chib-fa), suggested in Kiangnan by the fen-ch'a official Wen Erh-sun. All the territory under a magistrate’s jurisdiction was still divided along a grid, but registration for tax purposes was now based on the land, not on the household. If a plot of land was situated in a certain t'u, then taxes on it were to be registered in that t'u regardless of who owned the land or where the owner lived. If a plot of land extended over more than one t'u, a separate registration was established for that portion of the land in each. Once a complete land survey was carried out, no matter how often a plot of land changed hands or where the owner moved, the records would be clear because the land itself could not be moved or hidden. It was only a matter of keeping an account of who owned each plot. It was felt that this would be easy, because the tenants on any piece of absentee-owned land would always know to whom they paid their rent.

To guarantee that the government should be informed of land and property transactions and that the magistrates, the clerks, or the taxpayers not conspire to hide landownership from the government, a new system of land and property contracts was also established. The original plan was proposed by Honan Governor T’ien Wen-ching in YC 5 (1727). Previously, when land or buildings changed hands, any sheet of blank paper could be used to draw up a contract between the two parties involved in the transaction. Such a contract became legally binding only when an official document called a ch’i-wei was attached to one corner. Ch’i-wei were issued by the financial commissioner of each province to the chou and hsien magistrates. The latter sold them to the people and affixed his seal across the ch’i-wei and the contract to avoid fraud. The number of ch’i-wei distributed by the magistrates was an indication to the financial commissioner of the amount of taxes due in the area. The submission of contracts for the application of ch’i-wei was one of the few ways the magistrate had to determine who was responsible for the taxes on each piece of land in his jurisdiction. For the new owner, the existence of the ch’i-wei on his contract or deed constituted legal proof of ownership in the event of a property dispute.

By YC 5, this system had broken down. Magistrates utilized the issuance of ch’i-wei as a source of revenue, often charging as much as five ch’ien for this service. People making large purchases might not mind the cost, but small-holders, who often dealt in transactions which themselves were worth no more than a few ch’ien, simply stopped buying the ch’i-wei or declaring responsibility for the tax. Moreover, since it was to the magistrate’s advantage to hide the amount of taxable land in his jurisdiction, many local officials disregarded the requirement to affix ch’i-wei, using up that which was sent by the financial commissioner without asking for more when additional sales were brought to their attention. Ch’i-wei gradually ceased to function as necessary proof of purchase, and increasingly the people neglected to report transactions in land.

In order to ensure that the people would report land sales, T’ien Wen-ching suggested the use of a system of contract paper (ch’i-chib). According to his plan, when people bought buildings or land, they would no longer be allowed to use any blank piece of paper to draw up a contract. Instead, special contract paper, similar to the perforated sheets used to issue san-luen yin-p’iao, would be printed by the financial commissioner. He would issue a certain number to every chou and hsien, according to the size of the jurisdiction and the number of acres of agricultural land within its borders. The contract paper would be bound in volumes of 100 sheets each and sent directly from the printer to the chou and hsien to avoid any corruption by the financial commissioner’s own staff. Every sheet would have a serial number against which the financial commissioner could check the issue made to each magistrate. When the contract paper arrived, the magistrate would tear off the number stubs and send the contract paper to paper shops for direct sale
to the people. To guard against overcharges for the paper, on each sheet would be printed the words, "Each sheet of contract paper is to be sold by the magistrate for five \textit{wen} [approximately 0.005 tael], which will be sent to the financial commissioner to cover the costs of ink and paper. It is forbidden to burden the people by charging more." A register would be issued to each shop selling the paper, in which the shopkeeper would record the personal data of the individual to whom each sheet was sold. If a mistake was made or a deal did not go through, the purchaser was to bring the original sheet back to the shop so that the shopkeeper could send it to the magistrate to return to the financial commissioner as evidence that no transaction was being hidden.

After purchasing the contract paper, the seller of the property would record on his section how much land and buildings or other structures were included in the sale, who the seller and the purchaser were, how much the property sold for, a statement that the property was sold outright and not mortgaged or pawned, a bond that neither neighbors nor relatives disputed ownership of the land, and the date of the transaction. Once the deal was finalized, the new owner would then bring the contract to the magistrate. After the new owner paid the property-deed tax (\textit{t’ien-fang ch’i-shui}), the magistrate would affix his seal to the contract and the middle stub, which he sent to the financial commissioner along with the tax. In addition, he would copy the information concerning the contract onto the stub kept in his office as a record for readjusting the land-tax registers.\footnote{No contract would be considered valid if it was not made on government contract paper and did not bear the magistrate’s seal. The stores selling the paper kept a record of who purchased each piece, hence the magistrate could easily track down anyone who did not bring his contract in to pay the tax and register the transfer of property.}

The purpose of contract paper was thus as much to provide the magistrate with accurate information regarding land transactions as to control the magistrate’s remittances of the property-deed tax. It is difficult to know how well this system worked in helping to rectify the inaccuracies in local tax records. However, the necessity of using clerks to collect the tax and affix the seal seems to have led to new opportunities for corruption.\footnote{Nevertheless, in conjunction with the \textit{pan-t’u wu-liang chih-fa} it was hoped that at least a start could be made in clearing up Kiangnan’s land and tax records and with them, the region’s extraordinary accumulation of arrears.} The finding of investigators in Kiangsu broken down by prefectural-level administrative unit are delineated in table 6.1.\footnote{The enormous task undertaken by the men assigned to the Kiangnan \textit{ch’ing-ch’a} can be inferred from these figures. In the end, it was determined that only 5.4 percent of the total arrears in Kiangsu province were attributable to popular tax delinquency. The remainder was the result of corruption on the part of officials, their staff, and members of the local elite. We do not know what proportion of those taxes classified as genuine “people’s arrears” were the result of tax evasion by wealthy and powerful landowners in the province. However, the fact that only 0.5 percent of this tax debt was acknowledged by the taxpayers prior to the investigation is vivid testimony to the chaotic state of Kiangnan’s tax rolls.}

Determination of these figures and the reckoning of responsibility for every tael listed had by no means been an easy process. Once the private record books of the chou and hsien clerks were confiscated and decoded and confessions of embezzlement were obtained from local officials and their subordinates, the \textit{hsiieh-ch’a} officials still had to undertake house-to-house investigations in many areas in order to verify their findings.\footnote{Occasionally these investigators met with violence at the hands of the local people. When officials were sent to one area of Anhui accused of falsifying flood and drought damage to obtain exemption from taxes, “the local people” rioted in an effort to drive them away.\footnote{In some instances, resistance may have been justified. A report by an imperial emissary to Kiangnan held that Feng Ching-hsia had been overly zealous in his pursuit of arreared taxes in Ch’ang-chou prefecture, forcing confessions of clerical embezzlement and \textit{pao-lan} even where they did not exist. According to Hai-pao, Feng even compelled people to confess to having arrears that exceeded their original tax liabilities, with the result that Ch’ang-chou reported about 60,000 taels more income than the original tax shortage. Whether or not Hai-pao’s account of the situation was accurate, “the people of the prefecture” clearly were not happy with the investigation. When Yin-chi-shan, now governor of Kiangsu, visited the prefectural capital, a huge crowd surrounded him to voice their frustration at local tax problems.}} Occasionally these investigators met with violence at the hands of the local people. When officials were sent to one area of Anhui accused of falsifying flood and drought damage to obtain exemption from taxes, “the local people” rioted in an effort to drive them away.\footnote{In some instances, resistance may have been justified. A report by an imperial emissary to Kiangnan held that Feng Ching-hsia had been overly zealous in his pursuit of arreared taxes in Ch’ang-chou prefecture, forcing confessions of clerical embezzlement and \textit{pao-lan} even where they did not exist. According to Hai-pao, Feng even compelled people to confess to having arrears that exceeded their original tax liabilities, with the result that Ch’ang-chou reported about 60,000 taels more income than the original tax shortage. Whether or not Hai-pao’s account of the situation was accurate, “the people of the prefecture” clearly were not happy with the investigation. When Yin-chi-shan, now governor of Kiangsu, visited the prefectural capital, a huge crowd surrounded him to voice their frustration at local tax problems.}
OBSTACLES TO REFORM

Officials also had to cope with demonstrations by people who hoped to avoid repayment of taxes determined to be “people’s arrears.” Toward the end of the 19th century, a new magistrate was appointed to Shang-hai hsien. By inspecting yamen records he learned that the people in several t'u had paid up no more than 10 to 20 percent of their arrears, and many had not paid anything at all. The magistrate twice sent his deputy to press for payment and both times the local people rioted. Then the magistrate assigned the mutual-responsibility headman (chia-sho), Chao Wei-ch'ên, to assist his deputy in arresting recalcitrant taxpayers. However, when Mr. Chao was found to be one of the taxpayers with long-standing arrears, he too was arrested. Mr. Chao’s aging wife came upon this scene, and the sight of her husband being arrested while a mob attacked the magistrate’s deputy drove her to suicide. Soon afterwards, the magistrate, accompanied by an entourage of yamen runners, went on a tour of inspection in this area and was met by a large crowd led by Mr. Chao’s wife’s brother’s children. Together they stoned the members of the magistrate’s retinue and drove the magistrate out of town, ending, at least temporarily, any efforts to collect arrears from members of the community.

Similar riots also broke out in An-fu hsien in Kiangsi, after the magistrate personally directed the collection of old tax debts in Shang-hsi hsiang. When he returned to the hsien city he was met by a group of villagers who surrounded his yamen and began beating up the runners who had accompanied him on his tour. The leaders of the rioters complained that the magistrate had used three former bandits as volunteers to exact tax payments and that these thugs, as well as regular yamen runners, were riding roughshod over the villagers. Investigators subsequently found that the accused men were former bandits and that the methods used to exact payment of arrears did result in undue harassment of the local population. Nevertheless, it was felt to have been necessary to punish the leaders of the rioting villagers for their failure to press their case peacefully by petitioning the magistrate’s superiors.

Instances of overt popular resistance such as these were exceptional. More subtle resistance to the ch'ing-ch'a, however, also hampered the work of investigators. Some residents still held out hope of avoiding a ch'ing-ch'a by paying off the arrears before

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Table 6.1  Kiangsi Arrears, 1712-26 (in t'ien)

<table>
<thead>
<tr>
<th>Town</th>
<th>Original Arrears</th>
<th>Arrears acknowledged by taxpayers</th>
<th>investigation</th>
<th>Responsibility as determined by ch'ing-ch'a</th>
</tr>
</thead>
<tbody>
<tr>
<td>Su-chow fu</td>
<td>2,779,594</td>
<td>2,454,058</td>
<td>7,626</td>
<td>17,679</td>
</tr>
<tr>
<td>Sung-chang fu</td>
<td>1,547,148</td>
<td>2,243,917</td>
<td>97,787</td>
<td>263,997</td>
</tr>
<tr>
<td>Ch'ang-chou fu</td>
<td>1,804,148</td>
<td>1,532,417</td>
<td>17,679</td>
<td>263,997</td>
</tr>
<tr>
<td>Ch'en-chou fu</td>
<td>2,747,348</td>
<td>2,454,058</td>
<td>7,626</td>
<td>17,679</td>
</tr>
<tr>
<td>Wei-an fu</td>
<td>1,547,148</td>
<td>2,243,917</td>
<td>97,787</td>
<td>263,997</td>
</tr>
<tr>
<td>Kiang-sung fu</td>
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<td>2,454,058</td>
<td>7,626</td>
<td>17,679</td>
</tr>
<tr>
<td>Yang-chou fu</td>
<td>1,804,148</td>
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<td>Hsi-chou</td>
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<tr>
<td>Hsi-chou fu</td>
<td>1,547,148</td>
<td>2,243,917</td>
<td>97,787</td>
<td>263,997</td>
</tr>
<tr>
<td>Total</td>
<td>3,954,584</td>
<td>3,653,987</td>
<td>10,526,719</td>
<td>26,334,997</td>
</tr>
</tbody>
</table>

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SOURCE: "Ch'ing-ch'a, Kiangsu kuo-ho k's, YC, 8, 11-2-21. Nho-ko-te, YC, 8, 11-2-21."
guilt was determined. One such case occurred in She hsien in An-
hui's Hui-chou prefecture. Here, for reasons unknown, a group
of salt merchants volunteered to pay the 26,549 taels of accumu-
lated arrears still outstanding in the hsien. The leader of the mer-
chants was a native of She hsien named Huang Kuang-te. Claim-
ing that the arrears were all owed by households that had fled or
had died out, or were old, young, women, or very ill members of
the rural population, Huang and his followers begged the Salt
Commissioner to transmit their desire to use this opportunity to
show their gratitude for the emperor's benevolence. The higher of-
ficials of the province and the governor-general were extremely
suspicious of this gesture and insisted that even if the salt mer-
chants did pay up the debt of the people, a thorough ch'ing-ch'a
would still be carried out to determine the source of arrears and
prevent future malpractices and tax evasion. Moreover, although
the merchants had proposed canceling the debt over a period of
four years, the government demanded that they comply with the
two-year time limit originally set for the repayment of arrears.
After much pressure from the Anhui governor, the merchants
agreed to submit the entire sum within one year. However, by the
time this payment was due, only 1,980 taels had actually reached
the government's coffers.

While the upper echelon of the provincial bureaucracy was
debating whether or not to accept this contribution, it was discov-
ered that the former magistrate of She hsien had already erected a
stone tablet in his yamen courtyard engraved with the names of
the salt merchants and the amount of taxes they had pledged to
contribute. There was no one in the hsien who did not know of the
merchants' act of charity. The officials were faced with a real di-
llemma. Even if the tax arrears were paid by a third party, it was
still their duty to carry out a ch'ing-ch'a in She hsien. On the other
hand, if they now sent a team of hsien-ch'a ofiicials to the area, it
would cause a public disturbance. Although the taxes had not even
been paid, to the people this was a closed case. How could they
conceive of government agents who were interested only in in-
formation and not in extorting more of their hard-earned money?
Rather than create a situation in which the salt merchants would
be made to look like the saviors of the people and the government
as a pack of vultures after the last ounce of the people's blood, the
ch'ing-ch'a in She hsien was called off.

Whether the merchants were really motivated by a desire to help

the poor of their native place or had hopes of hiding land holdings
of their own will probably never be known. That the government
was so hesitant to disturb the people by sending a ch'ing-ch'a
team, and debated the issue for at least six months before deciding
against it, indicates how sensitive they were to the possibility of
violence resulting from their investigations. Perhaps the few in-
stances for which we now have evidence were indicative of a wide-
spread popular inability, by the eighteenth century, to distinguish
between government efforts to help them and government efforts
to oppress them.

As the "clear accounts" were drawn up, the ch'ing-ch'a ofiicials
also began to worry that their estimates of arrears and embezzle-
ment might not be accurate. The original records of Kiangnan's
land and head taxes were in such disarray that much of the investi-
gators' work depended on oral declarations and written bonds
obtained from the local people. One problem arose from the fact
that commoners sometimes registered their land under the names
of gentry households. The government hoped that once the camp-
aign to collect arrears on such land began, the actual ownership
would become known. However, Kiangsi Financial Commissioner
Wang Hung even doubted the veracity of those bonds that had re-
cently been solicited as testimony to the accurate registration of
land. These falsifications may have resulted from gentry efforts to
protect their pao-lan activities, or from commoners' own hopes of
evading eventual repayment under the protection of powerful
local households. In either case, the government could not begin
to determine the truth if the people did not come forward and
confess.

Another obstacle to the accurate categorization of taxes in ar-
rears resulted from the fact that the taxes in each chou and hsien
were handled by clerks who were local people and had a vested
interest in sabotaging the investigations. The backgrounds of these
people varied. Some were gentry and some were commoners. Some
had considerable land holdings of their own, but between 60 and
70 percent were landless. According to the guidelines established
by the government, if a landless clerk admitted responsibility for
arrears, then the arrears had to be classified as embezzlement
and a list of the households in the particular t'u from which the
taxes were stolen had to be compiled in order to exonerate the
innocent taxpayers accused of owing back taxes. If a landowing
clerk admitted to arrears, then his debts were listed as min-ch'ien,
unless it could be proved that he had also stolen taxes from other households.  

Given the frequency of false registration, pao-lan, and ch'ing-ch'ü liang-ts'un, such determinations were not easy to make. In cases where land had been mortgaged, it was decided that the original owner would still be responsible for the tax and the missing funds were listed as mini-ch'ien. However, if a piece of land had been sold, but the new owner had prevented a change in tax registration in order to evade taxation or carry out proxy remittance, the missing taxes were listed as having been embezzled. This was not merely a problem of semantics. As we shall see, the speed with which these taxes had to be repaid depended entirely on their classification by the ch'ing-ch'a officials. Moreover, the investigators had to be extremely cautious in their reliance on members of the local community to rectify errors in tax registration. If the investigations fell under the control of the embezzlers themselves, there would be no way to determine who were the real owners of the land. On the other hand, if the zeal of ch'ing-ch'a officials was too great, they ran the risk of accepting popular accusations against innocent runners and clerks.

Clerks also interfered with the determination of responsibility for arrears. It was discovered that some of these men were able to conceal their theft of tax remittances by recording the funds paid as arrears and falsifying the name or location of the responsible taxpayer. By use of these so-called “destroyed receipts” (tang-p'iao), the source of the arrears could not be traced and the clerk was made to appear without culpability. During the course of the ch'ing-ch'a, some runners were found to have taken responsibility for people's arrears which they had not even embezzled, in the hope of pocketing the payments made by the real guilty parties after the ch'ing-ch'a officials left. Impoverished runners and their relatives were even known to take bribes in return for receiving the punishment that should have been meted out to a delinquent taxpayer. In the end the real culprits were never apprehended, and often the taxes were not repaid.

In view of the problems faced by ch'ing-ch'a officials seeking to ascertain responsibility for over 10 million taels of outstanding taxes that had been piling up in Kiangsu for fifteen years, it is not surprising to discover that many of their findings were not the product of their investigative expertise. At least 67 percent of all the missing taxes attributed to embezzlement were so classified because someone came forward and confessed to responsibility. If independent verification of malfeasance was so difficult, how effective could the ch'ing-ch'a be in eradicating the abuses that Yung-chen felt stood in the way of the implementation of the huo-hao kuei-kung reforms in Kiangnan?

The misgivings of Kiangnan's highest officials should not have encouraged the emperor to expect that the ch'ing-ch'a had greatly altered the extent of corruption in the region. As the investigations drew to a close, Yung-cheng ordered that 100,000 taels in regular taxes be stored in the treasuries of busy prefectures, chou, and hsien in order to facilitate disbursement in times of emergencies. Instead of accepting this boon, Governor-general Shih I-chih argued that Kiangnan could handle any exigency with internally generated revenue stores. If the emperor insisted on this largesse, Shih felt it would be best to store it all in the provincial treasuries. Kiangnan's extraordinary system of riverine transport would provide rapid deployment wherever the need arose. The governor-general's real concern was that if such funds were stored in local treasuries, they would be embezzled. Even with a rigorous ch'ing-ch'a in progress, Shih felt ill prepared to guard against corruption. If the funds were deposited locally, they would probably sit for years before an emergency arose requiring their use. In the meantime, magistrates would manipulate their accounts in order to steal the funds, and the circuit intendants sent to inspect the stores would conspire to conceal the missing funds by issuing false bonds of guarantee (fu-t'ung nieh-chieh). When the money was really needed, there would be nothing left to spend.

The governor-general was not being overly cautious. The limited evidence describing the outcome of the audit of Kiangnan arrears indicates that the failure to effect any real changes in the structure of local power or tax administration ultimately doomed the ch'ing-ch'a to the status of a futile exercise. Of the original 4,726,102 taels attributed to embezzlement, only 86,583 taels, or approximately 2 percent, was repaid by 1730. Following the close of the investigation, vigorous efforts to recover stolen taxes from guilty officials were consistently thwarted. Even the confiscation of an official's property did not guarantee the reimbursement of missing tax revenues. Favoritism by incumbent officials resulted in the placing of inflated valuations on confiscated goods. Poor storage and long delays in the sale of some items made them virtually worthless. In a few cases, clerks and runners were found to have stolen the prop-
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ferry that was confiscated, for which they substituted inferior goods. Tenants were allowed to continue cultivating confiscated land until it was sold, in order to apply the rent they paid to the original owner’s debt. Default by tenants was reported so frequently, however, that additional investigations were necessary to determine when tenants had actually refused to pay their rents and when the rent had been embezzled by the responsible members of the yamen staff. By the time the emperor died, in 1735, these problems had still not been solved.

In YC 10 (1732), Yung-cheng issued an edict allowing all persons found responsible for arrears during the Kiangnan ch'ing-ch'ia to pay their debt to the government in installments. Beginning in that year, all persons found guilty of embezzlement and pao-lan were given ten years to reimburse the amounts they owed. Shortages proven to have been the result of default by ordinary taxpayers, on the other hand, could be paid up over a period of twenty years. In order to encourage honesty and public-spiritedness, anyone paying the arrears due in a particular year’s installment would be exempt from an equal amount of his following year’s quota. The same principle was applied to those guilty of corruption.

Given the extraordinary leniency of these terms, it was expected that taxpayers, officials, clerks, and runners alike would have no trouble complying with the government’s demands. Yet, by YC 12 (1734), after the deadline for the first two installments had passed, less than 10 percent of the quota due in each period had been paid. This was due partly to a lack of attention on the part of hsien magistrates, who were more concerned with the collection of current taxes that would reflect upon their official evaluations. Many people, nevertheless, particularly yamen runners, took advantage of a Board decision that held that in cases where the guilty party had died and his property was exhausted, repayment could be exempted. As a result, the number of reports of death from disease among yamen runners soared to as many as 110 per county. Most of these were spurious, and a strict investigation was ordered, along with a stiffening of the punishments for magistrates who failed to press for collection of arrears.

Another group guilty of resisting the payment of arrears was that of absentee landlords. The land of people residing in one hsien but located in another was called chi-chiang land. Owners of such land were able to continue tax resistance because magistrates found it inconvenient to cross borders and arrest a household head with arrears who lived outside their jurisdiction. Moreover, the officials of the chou or hsien in which the recalcitrant taxpayer dwelt generally delayed pursuit of such people because capture did not affect their own chances for promotion. This problem persisted long after the ch'ing-ch'ia was but a memory, and may have been a further inducement to landowners contemplating residence in distant urban centers. Even the main purpose of the ch'ing-ch'ia, the reorganization and rectification of Kiangnan’s tax registers, does not seem to have had lasting results. Although the evidence after Yung-cheng’s death is sparse, a report from one hsien in Kiangsu, dated CL 18 (1753), points to the continuation of problems attacked more than twenty-five years earlier. According to the magistrate of Chin-t’an hsien in Chen-chiang prefecture, his post was responsible for an annual tax quota of approximately 72,000 taels. Although classified as a medium post, this hsien had tremendous difficulties in getting the taxpayers to pay their taxes in full. Between CL 1 and CL 13, a total of 244,800 taels were in arrears. All except that which was exempted by special imperial edict still remained unpaid. Moreover, in spite of extremely energetic efforts by the magistrate, the governor, and the governor-general, an additional 15,800 taels were in arrears for the period since CL 14. One of the main reasons for this appalling situation was that the land and tax registers were inadequate.

The problems that arose during the Kiangnan ch'ing-ch'ia were not unique to these three provinces. Examples of false registration, clerical manipulation, official laxity and outright embezzlement could be found everywhere in China, though nowhere were they as deeply embedded in the fabric of local life as in this region. At least for the remainder of the century, arrears do not appear to have had the devastating impact in other provinces that they had in Kiangsu, and to a lesser extent in Anhui and Kiangsi. But, however much the reforms of the early eighteenth century might have helped alleviate the strains on local finances and the fiscal pressures on individual officials, so long as tax collection remained the purview of clerks and runners, so long as local gentry and wealthy households held a monopoly of power and influence below the hsien level, so long as communications remained poor and the heavy burden of official duties made it impossible for any one man...
to "see everywhere" in his jurisdiction, the ability of the imperial government to institute rationalizing reforms would always be limited.

The problem of "evil gentry and local bully" usurpation of government authority and subversion of local government was thus not a problem peculiar to China in the nineteenth and twentieth centuries. It had deep roots in the very structure of imperial rule. The specific actors who took on these roles may have changed and the power they exercised may have grown, but their existence must be seen as one of the fundamental contradictions within the late-traditional Chinese state. The Kiangan ch'ing-ch'a demonstrates that the dynasty was neither unaware of the problem nor unwilling to take vigorous action to combat it. But without a commitment to social reform, the only tools available to a reform-minded dynasty were bureaucratic. Bureaucratic methods were quite successful in eliminating the causes of corruption within the administrative hierarchy of the provinces until inflation and other factors began to erode the benefits gained from the implementation of huo-hao kuei-kung. Below the level of the hsien, however, they only meant a proliferation of paperwork. If three-stub receipts did not halt corruption in the collection of taxes, perhaps four-stub receipts would. If ch'i-wei did not ensure honest registration of land transactions, perhaps contract paper would. If magistrates could not control the embezzlement of their subordinates, perhaps keeping three different sets of records which could be checked against each other would help.

In provinces such as Honan and Chihli in the north, where land tenure was relatively simple, the turnover of land slow, and the power of the gentry over the population comparatively weak, the methods introduced during the eighteenth century to halt arrears and deficits worked surprisingly well. In the south, and in Kiangan in particular, the complexity of land-tenure arrangements, the small size of individual plots, the extremely active land market, the growing number of absentee landlords, and the close links between clerks and gentry in the countryside made any bureaucratic solution impossible. Without a vastly expanded bureaucracy capable of supplanting the informal networks of local power, no dynasty could hope to use bureaucratic solutions to solve the problem of local competition for resources.

Whether in recognition of these problems or in a traditional attempt to establish his reputation as a benevolent ruler, one of the first acts of the Ch'ien-lung emperor upon taking the throne was to declare a tax amnesty for all taxes of over ten years standing and all mint-ch'ien for YC 12 and earlier. At the same time, Ch'ien-lung opened the way for a reexamination of the reforms his father had so painstakingly guided to fruition during his short but vigorous reign. Thus, politics as well as society came to threaten the very existence of the huo-hao kuei-kung reforms.