see as their only haven in a dangerous world. The kinship/gender system is not a natural, unconstructed reality. Many people are damaged by it, as thoughtful Chinese have been aware for centuries. Its convenience for Chinese states, however, has ensured the survival of some of its worst aspects into the present. To eradicate petty capitalism, Chinese people would need to change the laws and obligations that make it possible to treat kin like commodities. The commoditization of women and the young harms them and society and puts us all in demographic peril.

But petty capitalism has positive features when compared with the tributary face of Chinese culture. It is economically productive, a result that Chinese all agree they surely need. It has egalitarian tendencies, which most Chinese, most of the time, would like to foster. Sorting out which parts of their political-economic inheritance will be preserved, and which left behind, will require distinguishing clearly among tributary "feudalism," socialism, capitalism, and petty capitalism. Intellectual distinctions, themselves drawn from the experience of present life, are only a second step to change, however. For the third step, choosing among these sometimes deadly heirlooms, people must take risks. Exempt from these risks, foreigners may analyze and suggest, but only Chinese can act.

# The Tributary and Petty-Capitalist Modes of Production 

They do not grudge tending the rice in the spring But fear the payment of taxes in the autumn.<br>The evil officials act like sparrows or rats, And the thieving clerks like locusts or caterpillars.<br>They take extra with their enlarged measures,<br>They profit by accepting strings of cash at a discount.<br>People cannot avoid being flogged to make them pay up, And are further oppressed with private debts.<br>- Fan Chengta, Song scholar

Chinese economies have been intensively studied since east Asian economic development began to challenge Euro-American dominance during the 1970s. According to Dwight H. Perkins, this growth in the east Asian region cannot be easily accounted for. Attempts to explain the phenomenon in terms of the policies pursued (export-led growth versus import substitution) or the economic system employed (laissez-faire capitalism versus socialism) have all foundered on the unavoidable fact that the rapid growth has occurred under a wide variety of economic systems governed by very different policies. What these rapid developers do have in common, most aver, is a historical or cultural heritage (1981:360). Others have made similar arguments: for South Korea (Mason and Kim 1979-1981; Koo 1981), for Japan (Morishima 1982), and for the "Neo-Confucian" systems on China's periphery as a group (e.g. Redding 1990).

These conclusions have been turned on China proper as well, with Ramon Myers (1980) arguing that its cultural characteristics make China a special case that sheds little light on development elsewhere. Perkins observes a new academic interest in "positive elements" in China's economic heritage (1981:361) which
we may assume will contribute to its future development as they have to those of the other sinitic systems.

What then is the "Chinese heritage" that may be such an advantage in economic development? Why has it not worked as well in the People's Republic of China as in the other sinitic systems? Can we specify the structure of these systems to learn if east Asians are creating fundamentally different and indigenous political economies in the age of capitalism?

The attempts to identify a Chinese heritage are generally unsatisfying, consisting of laundry lists of traits after the fashion of nineteenth-century anthropology. Hard work, respect for education, experience with complex organizations - the list could be extended indefinitely. But which traits are actually relevant? Traits that at one time were viewed as obstacles to development, such as kinship ties and the small scale of business organization (K. T. Li 1976:314-15) have come to be seen in a more positive light, as David Buck now views lineage corporations (1984:463) and as some Japanese authors have long seen small businesses (Shinohara 1962:23-25; Kiyonari 1983). But such lists remain lists, not the set of systematically related ideas that constitute theory.

Neoclassical analyses of Chinese economic history and development are particularly unsatisfying in ways that are dealt with in detail in Chapter 4. In this chapter, I expand on the Marxist interpretation already outlined in Chapter 1 , hoping to show both how China can be illuminated by properly grounded application of its concepts, and how Marxist thought can flexibly and authentically meet the challenge of recent history. I briefly criticize Marxist attempts to apply classical theory to China, examine the mid-century debates about modes of production - and then turn to a fuller description of China's tributary and pettycapitalist modes. These having been expanded beyond the outline in Chapter 1, I show the implications of this dual system for class analysis and return to the distinction between petty capitalism and capitalism proper.

The Marxist paradigm of historical change in which societies evolve, struggling and resynthesizing, from primitive communism through ancient, slave, feudal, and capitalist societies to socialism is only with difficulty applied to China. Its rejection by most Western sinologists is not due solely to political antipathy; even scholars sympathetic to Marxism have been unwilling to force history into these categories (e.g. Huang 1985), while others have flirted briefly with, and then abandoned them (e.g. Ho P'ing-ti 1954). Stalinist-Marxist analyses of China written during the middle of this century now often seem Eurocentric and sociologically barren even to those who wrote them.

In the 1960s and 1970s, enthusiasms for China's socialist experiment and for retooling Marxism inspired important world-systems-theory studies of China (e.g. Moulder 1977; contributions by Winckler, Basu, and Kraus in Goldfrank 1979; So 1986). Proponents of the world-systems paradigm, however, failed to
give sufficient attention to the precise nature of the Chinese social formation as it first confronted capitalism. In this, they were not unusual; the burden of later scholarly critique of such work was that Marxists treated capitalism as a juggernaut that nullified all that had gone before (Sahlins 1981).

By the late 1970s, Marxist failures to explain complex phenomena through a simple ideological-superstructure-is-epiphenomenal-to-material-base analysis precipitated a wave of criticism of mechanical economism. Rather than seeking more refined understandings of noncapitalist political economies and of their persistence past the moment of capitalist contact, many concluded that material life was no more important than any other aspect of human existence.

A particularly apt example of this unfortunate theoretical detour is exemplified in Andrea Sankar's dissertation, "The Evolution of the Sisterhood in Traditional Chinese Society: From Village Girls' Houses to Chai T'angs in Hong Kong" (1978). Alive with the voices of women silkworkers and servants, this study downplays the influence in the Guangdong silk boom of the late nineteenth and early twentieth centuries on what Marxists see as the key element in capitalism - wage labor in industrial production. Instead, Sankar stresses the variability of labor circumstances in the delta. Her arguments assume that a Marxist analysis of the production complex she so effectively describes would define it as capitalist. Because proletarian factory labor demonstrably did not create the unusual local patterns of female labor, she makes a characteristic antimaterialist leap. "The economic" (i.e. capitalism) did not determine the social outcome; therefore "culture" did. This strips to its osteoporotic bones the anthropological argument that came to dominate the 1980s: if the economy does not work in a simplistically conceived capitalist fashion, then the economic should not be "privileged" in our explanations.

At the same time, Sankar describes in wonderful detail the importance of what I call petty capitalism in Guangdong's early industrialization. Silk thread was made by daughters at home and for neighbors in small workshops as well as in capitalist steam filatures. Women and men worked side by side in household enterprises dependent on the complex ecology of fish, mulberry, and silkworm culture (Sankar 1978:65-66). Ten to 20 percent of households had hand-powered reels with which they produced "large quantities of raw silk for local and Indian consumption ( $69-70$ ). Women preferred to work in household production sites "because working conditions were more pleasant and compatible and work more profitable" (72), although much of the work women did in their own parents' homes contributed directly the household income. A silk reeler who also picked mulberry leaves might add half again as much to the yearly family income (74). Production was connected to wider economic networks not only through capitalist wholesaling and export but also through many and varied petty-capitalist undertakings. In one striking example, spinsters invested savings in trading ex-
peditions of women broker-peddlers who sometimes traveled as far as southeast Asia (120).

Although this was classical petty capitalism, its output was not small. Sankar writes, "In 1925 at the height of the silk boom women in the domestic sector and in the old-fashioned foot powered filatures produced twice as much silk thread as the steam filatures" (78). She points out that "in the early twentieth century the wealth created by silk production was so great that Shun-te capital underwrote 80 percent of the banks in Canton, and earlier it paid for 14 percent of the costs to put down the Red Turban Revolt" (64-65).

This is strong evidence for the political-economic complexity that underpinned the unusual behavior of delta women. In Sankar's study, however, that evidence lacks a frame that would allow for the systematic exploration of its noncapitalist elements. Sankar, like so many others, was left leaning on the crutch of "culture." An appropriate frame can be effectively supplied by a historical materialism that explores the interaction of modes of production in a complex society. Subtle but not radical reconstruction can easily reshape this frame to fit the Chinese of the late empire, the Republic, Taiwan, and the People's Republic of China.

Terry Eagleton has forcefully restated the argument for a materialist analysis in contemporary social theory:

For there is surely no doubt that [material production] is what the vast majority of men and women throughout history have spent their time engaged on. A socialist is just someone who is unable to get over his or her astonishment that most people who have lived and died have spent lives of wretched, fruitless, unremitting toil. . . . The sheer struggle for material survival and reproduction, in conditions of real or artificially induced scarcity, has tied up such enormous resources of human energy that we would surely expect to find its traces inscribed in the rest of what we do. Material production, then, is "primary" in the sense that it forms the major narrative of history to date; but it is primary also in the sense that without this particular narrative, no other story would ever get off the ground. Such production is the precondition of the whole of our thought. (1991:82-83)

Coming to an appropriate understanding of the role of various forms of production in Chinese life takes logical priority, over other styles of investigation.


## THEORIES OF MODES OF PRODUCTION

A mode of production is "the mechanism which regulates the activity of human beings in producing what they need to sustain life" (Stevens 1983:4), or, in Marx's words,

The specific economic form, in which unpaid surplus labor is pumped out of direct producers. . . . [This] determines the relationship of rulers and ruled, as it grows directly out of production itself and reacts back on it as a determinant. On this . . . is based the entire configuration of the economic community arising from the actual relations of production and hence also its specific political form. It is in each case the direct relationship of the owners of the conditions of production to the immediate producers . . . in which we find the innermost secret, the hidden basis of the entire social edifice (1981, 3:927).
Marx used the terms "social formation" and "mode of production" in several, sometimes overlapping ways.' Dominique Legros et al's definition of a "mode of production" as a "whole composed of (1) an economic base [both technical and social] and (2) the superstructural apparatuses required for the replication over time of the economic base (1979:248) makes too much of the heuristic distinction between "base" and "superstructure"; a view of modes of production with a greater emphasis on the mutual influences of material, social, and ideological elements is found in Susan Himmelwert (1983). Legros et al. relate the mode of production to the wider entity, the "social formation," which is "a geopolitical entity" seen as "a complex whole which may be composed of several modes of production" (1979:248). A definition by Antony Cutler et al. of a social formation as "a set of relations of production together with the economic, political, and cultural forms in which their conditions of existence are secured" comes usefully close to the traditional anthropological usage of "a culture" (1977).

A social formation may consist of more than one mode of production. Indeed, many social formations do so consist; some would argue that they must (Legros et al. 1979). In every known class society, kin groupings within which Thoint production and generalized reciprocity govern economic relations coexist with other patterns of economic relations with nonkin (Wolpe 1980; Foster"Carter 1978; Rudra 1988). When we analyze articulated modes of production, we observe a "combination of distinct but uncomfortably related processes" (Bloch 1983:159). Although the dominant class of the dominant mode has great power, class distinctions within the subordinate mode create both parallel and contradictory forces that shape the cultural hegemony.

Have not generations of Marxists, especially Chinese ones, already accomplished the task of anatomizing Chinese modes of production? With respect, and with admiration for the powerful insights already achieved, I submit that they have not.

This statement sounds curious, even impertinent, for the Chinese revolution was inspired by Marxism and impelled by a Marxist class analysis of Chinese so-

1. I refer the interested reader to the excellent summary of the semantics of these phrases to Legros, Hunderfund, and Shapiro 1979:243-49, and to the entry on "Modes of Production" in Bottomore 1983.
ciety. After the revolution, Chinese historians explored "sprouts of capitalism" in China's indigenous commercialization. ${ }^{2}$ Such analyses, although often of great interest for the historical complexities they reveal, differ from my own in that, first, they employ mode-of-production categories taken directly from Marx's description of European circumstances, with only limited attempts to adapt these to China's historical particularities. Second, they do not attempt to integrate kinship relations and gender roles into the process of social reproduction of the capitalist mode they describe. Japanese Marxist scholarship, to which I have only limited access, also appears to hesitate to tamper with classical categories of modes of production. In a useful summary by Linda Grove and Joseph W. Eshrick, they are criticized for ignoring European protoindustrialization literature (1980). Arif Dirlik has called for reconceptualization of the problem of cap-italist-like tendencies in Chinese economic history but suggests no solutions (1982).

Marx himself was not very knowledgeable about China, his writings indicate, although he followed the forcible intrusion of imperialism there with interest (Torr 1951; Marx 1968). He appears to have known little about the empire's economic complexity and often lumped China with India (e.g. Marx 1968:333).

Marx (and Engels) placed China, along with all the other non-European ancient empires, in a broadly sketched Asiatic mode of production (1965), and the Asiatic mode continues to inspire political and scholarly debate. ${ }^{3}$ The original formulation of the Asiatic mode implies economic and social equilibrium so complete that only external forces could impel change. As this view suggested that societies such as China's were unable to make their own revolutions without preliminary imperialist intervention - putting imperialism in a positive light - Stalin prohibited further explorations into the Asiatic mode, defining all precapitalist state-level formations as ancient, slave, or feudal modes of production. Chinese Marxists inherited this position.

The Asiatic mode is defined by its powerful state that owns all productive resources, by the absence of private property, and by strong village communes in
2. Sprouts-of-capitalism research is retrospectively explored in Myers 1976; Wakeman 1980; Fu Yiling 1980; and Fu Zhufu 1981; see also Kishimoto-Nakayama 1984 and Philip Huang 1985:11-12. For a useful compendium of some of the original 1950 sprouts research, see the unauthored /n.a. in my sources] Zhongguo zibenzhuyi mengya wenti taolun ji (Collected discussions of the problem of China's sprouts of capitalism) 1987 [1959]; and also Fu Yiling's Ming-qing shidai shangren yu shangye ziben [Merchants and merchant capital in the Ming/Qing period] (1986 [1955]); and also Peng Zheyi (P'eng Tse-i) 1987. Peng's work is referred to at length in Rowe 1984:134.
3. See Hobsbawm's Introduction in Marx 1965; Tokei 1966; Garaudy 1969; Kahn and Llobera 1981; Brook 1989. Brook's collection of 1980 essays by Chinese scholars on the Asiatic mode of production is of considerable interest for our understanding both of history and of the development of Marxist thought in China. For the most part, however, the views expressed are subject to the same criticisms of sprouts-of-capitalism research expressed above.
which the state, in Maurice Bloch's words, halts "the disruptive process of class formation" (1983:40). Marx's emphasis on the economic role of Chinese states is worth attending to. Still, his Asiatic rubric omits much of importance in recent Chinas, where markets, private property, and classes are highly visible. Nor, as we now know, was Marx's image of an unchanging China accurate. In contrast with the dramatic alterations he associated with the capitalist Opium Wars, Marx saw China, in an ugly metaphor, as utterly stagnant, "a giant empire . . . vegetating in the teeth of time" (Marx 1968:323). Such a position, from our vantage, is untenable.

Marx misread the significance of China's indigenous commerce in two ways. First, he classed it with "natural economies" in which subsistence producers locally trade small quantities of surplus goods as a convenience rather than for profit (Marx 1977, 1:911). Although natural economies can be found at some times and places in the Chinese world, in others something much more dynamic emerged. Second, he did not see Chinese petty production as dependent on the exploitation of waged labor (1981:938-43); it therefore lacked the mechanism for accumulation that gives capitalism its force.

Marx frequently mentions production based mainly on household labor as of no importance in the emergence of capitalism (especially 1981,3, chap. 20). This idea remains contentious among scholars. ${ }^{4}$ The significance of small-scale commercial producers was debated at length, but inconclusively, in a collection of essays edited by Rodney Hilton titled The Transition from Feudalism to Capitalism (1976). It was clear from this landmark debate that for Marx, and Marxists in mid-century, small owner-operated production was considered historically important but unable to stand as a mode of production independent of a feudal ruling class. The possibility of articulated subordinate and dominant modes in a single formation remained outside this debate. ${ }^{5}$ These scholars also generally, with Marx, expected that such forms of production would disappear with the spread of industrial capitalism. Indeed, the great majority of work on household production assumes that the households exist within the orbit of capitalism as a dominant mode. Scholars have overlooked the Chinese case, in which, especially prior to 1800 , commodity production was enormous but capitalism could hardly be considered a factor.
4. Maurice Dobb spoke in 1946 for an important role for "petty-mode" producers in creating the preconditions of English capitalism; Takahashi Kohachiro noted in 1952 that Japanese scholars had already come to similar conclusions about lapan (1976:89n, and passim).
5. A. V. Chayanov's 1925 analysis of a domestic mode of production (1986) has been applied to the Chinese case, generally in passing, by many scholars (e.g. Philip Huang, 1990:5-10). Susan Greenhalgh applies it to Taiwan petty-capitalist firms, with good effect (t98sb). Although it has considerable power, Chayanov's approach contains a fatal flaw. To argue that peasant economies are motivated principally by family cycles and dependency ratios is to take the structure of patrilineal extended families as an assumption. In China, at least, that structure was not an irreducible given but a construct largely of the state, as James P. McGough, sketches (1984) and as I argue in Chapters 3 and 5 .

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Recent work by anthropologists has shown that the persistence or reinvention of petty commodity production on the fringes of capitalist production is extremely common. ${ }^{6}$ Many other authors prefer to remain outside the Marxist pale by labeling this complex the informal sector (e.g. Hart 1992), Most would concur with James Wessman, who categorizes "petty" and "agrarian" capitalism along with mercantile, industrial, and monopoly capitalism as "subtypes of the capitalist mode." In the petty subtype, "agents in [the petty mode] sell in order to buy, not vice versa. In the economic shorthand used by Marx, their transactions are of this type: C-M-C (a commodity is exchanged for money, which is then used to buy another commodity). A capitalist, on the other hand, is engaged in transactions of this type: M-C-M' (money is advanced for a commodity, which is then sold for a profit )" (1981:245-46). The Chinese case, in which petty capitalism long predated the capitalist mode, is paradoxical. Transactions of the M-C-M' (capitalist) type were extremely common, as enormous indigenous commodity production attests. It is plain, however, that the resulting accumulations of wealth did not effect a transition to capitalism.

The debate over petty commodity production was given new importance by European scholars interested in the effects of household production on population growth rates. Unlike analysts in Hilton's collection, analysts of protoindustrialism (Mendels 1972, 1981; Kriedte et al. 1982, 1993) link petty production with kinship relations and demographic outcomes. With more effective inclusion of gender issues (e.g. Collins 1991; Lem 1991), students of petty production have begun to grasp the potential coherence of the petty mode.

Not all forms of petty production take the same historical trajectory. As all agree, these are subordinate forms, guided by political-economic context as well as by inherent capitalist-like tendencies. China's unitary state constructed its subjects' gender and kinship relations directly, unmediated by church, caste, or other obscurantist mechanisms. And so the Chinese petty-capitalist mode of production emerged as a clearer opponent to state and ruling-class power, to its tributary mode, than did similar patterns in other parts of the world.
the chinese tributary mode of production (TMP)

All precapitalist, class-organized social formations can be combined into a single generic TMP so that the term becomes applicable, at a high level of generality, to the whole range of ancient agrarian states and feudal systems (Amin 1972; E. Wolf 1982). Eric Wolf defines a TMP as one in which "the primary producer . . . is
6. See, for example, Kahn 1978, 1982; Littlefield 1978; Cook 1982, 1985; Littlefield and Reynolds 1990; Binford and Cook 1991
allowed access to the means of production while tribute is exacted from him by political or military means" (1982:79-80). It specifies a nonmarket mechanism of surplus extraction in the dominant mode, while leaving open the possibility of additional, subordinate mechanisms based on private ownership and free labor. Such usage also assumes a social dynamic: in tributary modes of production, direct producers and state officials confront each other as antagonistically as laborers confront their employers under capitalism (Currie 1982:16). China's late-imperial TMP engaged officials in the direct extraction of tribute, in the direct monopoly production of goods and services for its own use and for sale, and in myriad attempts to contain, manipulate, and benefit from private markets.

In this outline of China's tributary mode, I emphasize the economic functions of officials. These have been obscured in two ways. First, some analysts applying modern standards assume that the state was not able to control the late-imperial economy effectively (Feuerwerker 1984:298-305), that its economic role was thus not great. This view seems untenable. China's basic product was grain, and from the extraction of taxes in kind and of relief supplies, mid-Qing officials controlled perhaps 20 percent of all grain consumed (estimated from L. Li 1982:697-98; Will 1990). The state held vast amounts of arable land as well. In the z/14 early Qing, twenty million of China's seven hundred and forty million mu ( 6.6 $m u=$ one acre) were distributed by the court (Philip Huang 1985:87), enough to give officials enormous economic power in addition to the administrative, military, and ideological might they also wielded.
Second, the economic activities of officials are slighted by those who take extreme culturalist positions. Some see the Chinese state - as Clifford Geertz perceives the Balinese (1980) - as an administrative end in itself, with a Foucauldian fixation on power and ideological expression outweighing material considerations. Albert Feuerwerker writes of administrators' "unwitting intervention (e.g. through the collection of taxes)" [my emphasis] in the economy (1984:297). Although Chinese officials may have given priority, at times, to the cosmological order-creating aspect of their duties, they were certainly not blind to the need of the government for cash (Zelin 1987:308; Dodgen 1991:51; Lin Man-houng 1991).

Both commoners and officials, the two great tributary classes, can be stratified in a variety of ways - by wealth, consumption patterns, social esteem, and so forth. Hereditary state miners were easily distinguishable from academics of the ("Forest of Pencils,") county magistrates, and the magistrates' bullying runners, though att were state servants; rich pawnshop owners were different in important ways from owner-operator farmers or artisans and from hired laborers, though all were commoners. Those who served the state in commoner-like manual positions rather than in bureaucratic managerial ones are well exemplified by such low-ranking beneficiaries of tributary employment as soldiers, yamen-runners, domestic staff, innkeepers, and communications workers, who made govern-
ment possible. Foreign travelers in China were especially likely to record observations about the networks of inns and residences that housed officials on their travels and were staffed by servitors of many descriptions. Some - lesser innkeepers, for example - were merely impressed into official service on an occasional basis. Others were permanent state employees. One of the earliest descriptions we have of this system was written by the Portuguese Gaspar da Cruz as he traveled to negotiate for the release of his compatriots, imprisoned in southeast China in 1575:

When the [officials] are dispatched at the Court with offices for the provinces where they go to govern, they depart carrying nothing of their own more than the apparel they are to wear, and some few servants to serve them, even when they have no offices, neither need they carry any provision for the journey, nor carriage or shipping at their own charge; for through all the ways where he goeth are provision as well of shipping as of necessary carriage, and necessary food for all the King's officers, which are provided of the royal rents.

In all the cities and great towns, the King hath many good and noble houses for the [officials| both great and small to lodge in (as also all those who by any means are the King's), which houses have sufficient rents for the maintenance of every person that shall dwell in the house, according to his degree. And that which is to be given to every one for his expences is already limited. Wherefore he that may lodge there being come, the officer of the house cometh to him, and asketh him if he will have his ordinary in money, or in things necessary for provision . . . , flesh, fish, ducks, or bens, or what he will. And any lofficial] that doth lodge there, may command the host of the house to be whipped, if he serve him not to his will. And if any [official] will go to lodge at the house of any acquaintance of his, he taketh the money, which the inferior [officials] do also sometimes, either to spare some money, or to be merry at their wills more freely. . . .

Along the road at every league, and at every two leagues, are houses which only have beds and chairs for the travellers to rest and ease themselves. And some . . . give wine to the guests; others give nothing but cha, which is water. . . .

After the [officials] come to the city where they are to be resident and execute their offices, they find the houses where they are to lodge; and according as their offices are great or small, so they find their houses greater or smaller. In these houses they find all the servants necessary, scriveners, porters, and all other ministers needfull for their office. For these are continually in the houses, for to minister at all times to all the officers of the houses in which they serve. And every officer according to his house and person hath his provision necessary for his food, clothing and shoes (limited so that it sufficeth him well) which is paid to him without fail, at the beginning and end of every
month. When the [officials] are old.... they are lodged in their native places or where they will, and the King alloweth them every month so much according to their quality for their maintenance till they die ...
All the porters, serjeants, scriveners, executioners, and all the other ministers whom there are in each house of the [officials], have their own ample ordinaries which are paid them very punctually each rmonth. (Boxer 1953:163-66)

The Abbe Huc, traveling in the mid-nineteenth century, was struck by the luxuriousness of accommodations for itinerant officials, especially when compared with those available privately ( $1970,1: 23$ ). In 1612, almost 12 percent of Fujian's Putian county's taxes were disbursed for
a) regular items, for which the local government had established twenty funds: receiving high officials, treating examination graduates, repairs to the yamen buildings, street lights, costumes of officials, clothes for orphans, etc. and b) official expenditures of an irregular nature: common porterage and service personnel, stationery, fuel, candles, firewood, and rice for investigating officials, banquets at the inauguration of new officials, firewood and oil for official guests, food for visiting investigators of detained criminals, scholarships and travel expenses for examination candidates, etc. (Vermeer 1990b:157-58)
Lin Renchuan informs us of the enormous expenses paid by the Maritime Trade Supervisorate of Fujian for the entertainment of tribute envoys in 1439:

According to the report by the Investigation Censor of Fukien, Ch'eng Kui: "The tribute envoys from the Ryukyu isles all stop over in Fuchou. The costs of the reception of the guests are extravagant. Last time the interpreters Lin Hui and Cheng Chang took with them more than 200 sailors. Except for their daily ration of rice, other necessities, such as tea, salt, soy-sauce are provided through the li-chia system. . . During this last half year more than 796,900 pieces of copper coinage have already been used" (1990:174-75).
China's present government continues this Ming/Qing pattern; the most important question asked of an official traveler at present as in the past is "What's your (stipend) standard?" - not a Communist invention, as it turns out.

Among the state's servants, holders of higher academic degrees who served in officialdom constituted a ruling class, Scholar-officials, chosen since the Song by imperial appointment from among those who successfully passed competitive examinations, were the most unlikely of agrarian state elites. Heredity, strictly defined, did not channel men into these exalted ranks, Any man with literary ability and respectable antecedents might offer himself on the market for talent established in the commercially minded Song
Upper scholars, who managed the social production of tribute and its disbursement for social purposes and their own support, ruled China; even imper-
ial dictates passed through this highly class-conscious social filter. Although both upper and lower scholars formed an honored, privileged elite, distinguished from ordinary men (see Van der Sprenkel 1962:51), exempt from conscription, corporal punishment, and corvée, lower scholars were treated less gingerly in lawsuits and punishments. Upper scholars found it easier to avoid or minimize taxation and to share public revenue. Government regulations distinguished between the forms of marriage, funeral, and sacrifical ceremonies allowed upper scholars' families and those enjoined on lower scholars and commoners (Chang Chung-li 1955:7-8, 35-40). One investigator classes the lower scholars as "scholar-commoners" (Ho P'ing-ti 1962:35). China's fundamental class distinction is made graphic on this book's jacket: rulers differed from commoners as if they were separate biological phyla.

Transfers from commoners to officials in the form of taxes, corvé labor, and other exactions from nong, or agriculturalists, ${ }^{7}$ have been explored by many scholars; they are the obvious sources of state revenue, official perquisites, and peasant perceptions of exploitation. Officials taxed the owners of property, upheld land contracts, created or improved arable land by building irrigation works or reclaiming wasteland, allocated such new land and land left vacant after the frequent catastrophes of the era, confiscated property from criminals, seized or purchased land for roads, cities, and city walls, and performed rituals that organized agricultural production. The historically minded Chinese were well aware too that these officials, in the name of the emperor, had many times in the past entirely restructured the agrarian economy, instigated mass migrations, and always claimed the right to determine the relationships between people and land.

By late-imperial times, heads of agricultural households were ideally owneroperators of small farms producing for their own frugal subsistence and to meet the officials' demands for taxes and corvée labor. Recent research emphasizes the late-imperial tendency for land tenure to move to private smallholdings rather than to feudal manorial and other forms of large-scale tenure (Elvin 1973; Marks 1984; Philip Huang 1985). Agriculturalists were exhorted to produce enough for both taxes and subsistence and to consume frugally so that their surplus would be large (Hsiao Kung-chuan 1960:188-89). To assist them, officials managed and improved irrigation systems, roads, and canals and maintained substantial reserves of grain (L. Li 1982:689, 694-99; Will 1990) to alleviate famine for a population apparently not expected to be able to retain sufficient reserves to survive economic shortfalls.
7. "Notrg" is best rendered as "agriculturalist" rather than "peasant" or "farmer," because in general anthropological usage (following E. Wolf 1966;2) these latter terms imply political-economic coniexts - a precapitalist social formation for "peasant," and a capitalist one for "farmier" - whereas it is my intention here to argue for a more precise characterization of the Chinese case than the residual "precapitalist" category:

Although officials sometimes attempted to increase productivity through the dissemination of agricultural innovations, they aimed for a stable or static economy (R. Huang 1969:77, 112; 1974:229). Intentionally or not, Qing China reached a plateau of agricultural involution (Elvin 1973) - population expansion paralleling production expansion, with no growth in per-capita income. In consequence, officials could increase their share of the exploitable agricultural surplus only by taxing more efficiently or by gaining rights over more taxable households - perhaps by rising in rank or by expanding the territory they oversaw. The officials' concern for political control over persons and territory was firmly rooted in their economic interest, which sometimes overrode all other considerations; people sometimes had to sell their children to pay taxes to these officials (Waltner 1990:83).

As well as accumulating agricultural surpluses, officials as a class also controlled large industrial and commercial enterprises, acquiring products and resources needed for public use - salt, armaments, porcelains for imperial use, bricks for a city wall - through nonmarket mechanisms such as state factories, franchises, and monopolies. The enormous salt monopoly, a mainstay of government revenues from its inception in the Han ( 206 BPE to 220 PE ), shows us state production in action. By late-imperial times, most salt was made in hereditary salt households and distributed regionally by hereditary government franchise holders known as salt "merchants." For eighteenth- and early-nine-teenth-century Hankou, William T. Rowe describes the two hundred salt merchants of the central Yangzi area not as private entrepreneurs, as were most merchants, but as an extension of officialdom: they were "virtually accorded the status of government officials. As holders of hereditary . . . privileges, these merchants in essence held enfeoffed title to a particular salt distribution route." Salt transactions "were formally viewed as little more than internal accounting procedures between agencies of the imperial administration"; the stored salt and storage facilities "were officially held to lie in the public domain, as were the funds covering the depot's operating budget." These extraordinary salt "scholar merchants" had high prestige burnished by literati lifestyles, and they bought degrees by the hatful ( $91,99,119,117,184,205,207$ ), though these did not make them eligible for administrative office. Such "merchants" differed from the clas sical administrative scholar-officials in two principal ways: they were not subject to the rule that kept officials from holding posts in their native places (99); and their franchise entitled them to sell not administrative services only (like a magistrate), but a concrete material product. They constituted a special, slightly "lower" branch of officialdom - an officialdom that expected to draw goods and services directly from the population and also to sell some monopolized goods and services directly to them.
The state production of salt (and other goods such as coal, copper, and porcelain) became less "feudal" from the late seventeenth century on, when quasi-
official roles such as that of the Hankou salt merchants were eliminated in favor of more numerous and more completely privatized channels of production and distribution (Rowe 1984:119-20). These facts are consistent with the growth of a more capitalist-like system of urban commerce - which is Rowe's point. The restructured privatized salt system of the later nineteenth century also greatly limited the scale of the now purely private salt merchants, pressing them more firmly into the petty-capitalist mold.

Officials could both tax and charge for their administrative duties; they held low-paid franchises to sell official services. The Abbé Huc was amused at a mid-nineteenth-century Chengdu magistrate's candor on the subject: "If it is allowable to make a fortune by trade and commerce, why may one not also grow rich by teaching reason to the people, and developing the principles of justice?" This magistrate was noted for sending agents to dig up cases for him to try, and he complained that one of his districts had "never given me a single suit; concord reigns among all the families in it." Huc observes that these "not very elevated sentiments are common to all the Mandarins, and they express them openly and without scruple" (1970, 1:104-5).

These routine rights of extraction easily blended into the power to squeeze commoners for extraordinary contributions (R. Huang 1974: 229, 230, 232; R. Huang 1969: 103, 105, 125; Yang 1979; The Far East 1871:1-3). The British consul to Taiwan, a Mr. Swinhoe, reported in 1864 on the division of spoils among the four civil levels and the one military level of officials on the island at that time. The governor was expected to draw most of his remuneration from the "fabulous" camphor trade; the head of the prefecture drew on court fees and the salt monopoly; the various county magistrates supplemented their salaries with court fees and by intimidation; the marine magistrate had the right to commandeer vessels for state grain transport, so his income came largely from boat captains who wished to evade this onerous service. "But the military offices of Formosa may be looked upon as so many gambling lotteries. The mandarinate of the [chief military officer) is said to be the most lucrative on the island." One of these, in office for only eight months, made 4,000 taels (Davidson 1967:100).

Although the state squeezed everyone, there were both practical and ideological reasons for them to squeeze even harder those who trafficked regularly in private commodities. In official eyes, a modest income for owner-operators was legitimate; substantial petty-capitalist profit was tainted and vulnerable (Mann 1987a:16). Merchants and profit-making producers were officially viewed as troublesome elements existing outside the fundamentally agricultural integrity of the TMP, undeserving of the social esteem reserved for agriculturalists and their scholarly overseers. At least one Qing emperor is remembered for measures that intentionally benefited small commerce while suppressing "self-seeking" gentry who, presumably, were accumulating too much wealth through the private economy (Huang Pei 1974:269-70). The efficacy of the Ming state fluctuated from
"slothful and unresponsive" to "more organized and benevolent," varying greatly according to the state's linked capacities to punish and to nurture petty capitalism (Tong 1991:195).

At moments of power, officials sometimes pursued tax revenues to the point of destroying the economic success that produced them (H. Clark 1990:57). In 1876, when nearly 70 percent of Hubei province's revenues came from commercial sources, Hubei officials exported 520,000 taels for court and military use; Hubei was hit again in 1883-84 with special levies. It is no wonder that, as Rowe notes, by the 1880 "the post-Taiping commercial boom centering on Hankow had begun to lose its momentum" as the state regained its capacity to channel wealth into the TMP (1984:18, 202-203)!

Scholars have long assumed that private marketing lay outside official concern except insofar as it could be taxed. Gary Hamilton summarizes:

The government played an active role in regulating commercial activity in its official monopolies on foreign trade, salt, porcelain (from the government factory) and several other lesser items. But in the main . . . the Ming and Qing government[s] did not determine the value of commodities, enforce contracts, set standards for weights and measurements, or even specify the medium of commercial exchange. The government[s] played no significant role in establishing credit institutions, in creating commercial insurance, in setting acceptable interest rates, or even in backing its own paper currency. Beyond occasional attempts at taxation of commodities in transit (which was only institutionalized after 1853), government officially made no attempt to regulate the distribution or to tax the sale of goods. (1985:195)

Yet some scholarship suggests that controlling markets in private commodities was an important aspect of tributary organization. The state not only taxed private markets; it also manipulated them, subordinating market processes to tributary ones. In the late empire, private nonagricultural production made up as much as 30 percent of the national per-capita value added (estimated by Feuerwerker 1984:299). Writing of early Qing officials in Shandong, Susan Mann observes that a "paramount concern was controlling competition in the marketplace: curbing the power of brokers; protecting the local peasant producers, peddlers, and small traders who formed the lateral trade networks supplying local demands for goods and services as well as interregional trading systems; and regulating the activities of the merchant guilds, itinerant traders, and local entrepreneurs" (1987a:58; and see Perdue 1987:149).
The principal channel for state control of merchants was a system of franchised brokers, inaugurated in the Song and perpetuated and strengthened through to the Qing. Brokers' franchises were issued in fourteen agricultural commodities and in cotton and silk cloth. In their respective trades, brokers handled transport and contract labor and acted as legal witnesses to all wholesale transactions, it
being illegal to trade at this level without the presence of the state go-between. Though commoners, brokers held very considerable police, tax, and administrative powers as well (Rowe 1984:187). In conducting fieldwork among Sichuanese and Fujianese communities of former short-haul porters, I became convinced of the power of broker roles in the early twentieth century and of their probable efficacy in earlier periods; broker power was not an administrative fiction.

Brokers' families became a small, hereditary, and kin-linked elite among merchants, somewhat similar to salt-merchant families. They formed a quasi-official extension of the ruling class with the specific privilege of charging fees for obligatory services while at the same time monitoring their merchant brethren in the interest of the state. Although brokers may have served to regularize business practice through the application of bureaucratic standards to various commercial undertakings, the system seems rather to have invited particularization. Ties and fees to a particular broker, not a framework of even-handed law, settled disputes brought to such men.

Apart from their licences to squeeze lesser merchants, brokers appear to have done what Rowe idiosyncratically calls "maintaining market order." By this he means that they prevented price fixing by powerful merchants or consortia. They thereby helped create an oddly artificial market that limited the power over prices of those with large capital. The brokerage system - if it indeed functioned with the fullness Rowe outlines - may have been an important element in official management of the total productive process. By checking the inherent tendency of free markets to produce ever-larger pools of capital, official policy encouraged the maintenance of an intensely competitive market for petty capitalists while retaining the power to monopolize that market for its own use.

Accepting a natural economy level of local trade but keeping incipient capitalism petty absorbed much official attention. According to Ray Huang, the Ming state preferred a low level of economic development to potentially disruptive regional imbalances (1974:2). Mann's insightful study of Qing attempts to tax commerce shows that concern for limiting a challenging mode of production at least equaled desire to tap revenue. On this point, economic historians of Fujian are especially supportive. Chang Pin-tsun sums up a position that underpins most of the essays in an important collection (Vermeer 1990a):

The economic mechanism of late imperial China was formed primarily to achieve stability rather than efficiency. . . . no single economic sector was allowed to grow large and strong enough to shake the foundation of the conti-nent-centered agrarian economy. The maritime-oriented economy in late Ming Fukien was no exception. The Fukienese maritime merchants, therefore, like their inland counterparts, preferred to conform to the norms of the continental economy rather than venture to replace them with mercantile ones which were more conducive to their maritime undertaking. In consequence,
the sector of maritime economy in late Ming Fukien did not accelerate its efficiency orientation so as to erode the continental economy, but was instead eroded by the latter. If the maritime merchants of late Ming Fukien were not initiative and innovative enough to be labeled "commercial capitalists," their restraint from initiation and innovation was well justified in view of the risks involved in the challenge against the whole setup of China's continentcentered agrarian economy. (Chang Pin-tsun 1990:79-80)

THE PETTY-CAPITALIST MODE OF PRODUCTION (PCMP)

Although this outline of the TMP is familiar as the traditional Chinese cultural ideal, the PCMP has not been explicitly recognized as a coherent part of an integrated Chinese social formation. ${ }^{8}$ It is therefore necessary to describe the petty-capitalist mode and its class relations more fully. Here, I focus on several aspects of petty capitalism and the problem of distinguishing between capitalism and petty capitalism. A fuller analysis of state/kinship control of labor is developed in subsequent chapters.

The PCMP is a system of private production of agricultural and other commodities - as when an agricultural household markets part of its grain or textiles, a tofu manufactory sells beancurd, or a family raises more children than it can employ because it can sell their labor power. Products of these households enter a market in which, despite the personalism of many Chinese petty-capitalist activities, concern for profit dominates other considerations in setting prices (De Glopper 1972:311). Petty-capitalist households, especially agricultural ones, often produce for their own use, and they maintain noncapitalist exchanges with kin, friends, and fellow villagers. But their continued reproduction depends on engagement with the market, including the buying and selling of labor power.

Although private, ownership is not individual; household enterprises are managed by men who ideally are agnatic kin. Household and lineage enterprises - here, "patricorporations" - own or control the means of production, such as farmland or workshops. Patricorporate enterprise depends first, and heavily, on its own members for labor. Outsiders are hired primarily to make up for family
8. Analyses of China as an Asiatic or tributary system by Iohn Gledhill 1984 (138) and Eric Wolf 1982 (chap. 8) contain no hint that the complexities of the system might be resolved by the use of such a concept; Karl Wittfogel's treatment of the TMP seems hardly to notice the role of private property in China, though he refers to the rarity of peasant possession of land in agrarian societies generally (1957:276). Asian Marxists, as has already been indicated, continue to attempt to decipher economic history using only classical "feudal" and "capitalist" categories; non-Marxist sinologists generally produce empirical studies that rest very lightly on comparative theory.
labor deficits. Household members may be treated as commodities by the corporation of mature men who own its property; wives, daughters, and immature sons can be sold by the household head, and persons may be purchased to take up such positions for the productive and reproductive advantage of the household as a whole. The boundary between kinsperson and hired hand is often blurred. This blurring, to be explored more fully in Chapters 5, 6, and 7, accounts for the difficulties in characterizing Chinese forms of commodity production (see Judd 1994: chap. 4). In late-imperial China, labor was free neither to escape the control of kin seniors nor to enter any and all segments of the market.

Nonkin laborers were hired, typically in small numbers, for long, fixed periods such as the agricultural year or for the customary three to five years of the craft apprentice (Morse 1966:33). The commoditization of this labor was partly controlled by China's famous guilds. Scholars note that guilds produced "practically all manufactured goods sold" in pre-twentieth-century China, and the "majority of the town population live[d] by their handicraft, working in small shops" (Burgess 1966:29). These guilds "establish[ed] rules and compel[led] obedience to them; they fix[ed] prices and enforce[d] adhesion; they settle[d] or modiflied] trade customs and obtain[ed] instant acquiescence" (Morse 1966:31). As long as the guilds' institutional behavior remained orthodox, the state permitted this customary regulation of labor.

Many artisans and laborers thus were organized against competition from non-members. Wages were not set entirely by market mechanisms, and entry into some occupations was impeded by guild monopoly. Yet guilds did not control occupations as completely as the quotations from John Burgess and Hosea Morse might indicate. Their tendency in the late nineteenth century to make an occupation hereditary may have resulted from competition with foreign commerce and technology (Fewsmith 1983:626). Even where they were strong, guildsmen did not always insist on their trade monopoly (Burgess 1966:126; Rowe 1984:141). Guilds were typically neither difficult nor very expensive to join, and they responded rapidly through changes in their rules and wage levels to changing economic conditions (Burgess 1966:99, 102). Their existence and considerable power surely affected the market for skilled and semiskilled labor, but that market existed nonetheless.

China's late-imperial labor market was sticky not only in response to market competition but also in response to TMP demands. Guilds were organized as much to defend members against excessive exactions by officials as against competitors. Protests and boycotts were often successful (Burgess 1966:78; Morse 1966: 30, 31, 45-46). Responsiveness to market pressures was also slowed, though not precluded, by the tendency of employers to require introductions by guarantors or brokers from employees.

Markets in labor (as well as in other things) were also indirectly affected by the constraints the state placed on the transport of goods by sea (Davis 1972, 2:375)
and by the willingness and ability of officials to construct and maintain such infrastructural supports in production as irrigation systems, roads, and canals. But these and other constraints mentioned above, including those of kinship, seem not to have greatly impeded constant flows of Chinese workers from rural to urban areas, into lands left empty by disasters, and from China to every corner of the earth.

That markets in land were important in late-imperial China is beyond dispute. It is important to recognize that, when means of production were held by patricorporations rather than in individual tenure, land sales were complicated by the multiple rights of agnatic kin. (Aspects of these issues are explored in Chapters 5 and 6.)

Patricorporations and communities formed production networks through an extensive repertory of business skills and institutions. ${ }^{9}$ Such skills were learned mostly informally from kin, community, and even from the play of children (Huc 1970, 2:149).

Petty-capitalist business dealings were based on personalistic ties and a local reputation for honesty that made possible a great deal of extension of credit secured by unofficial rather than legal sanctions. The courts of the late empire, the People's Republic of China, and to a lesser degree Taiwan have generally been un-
9. Excellent descriptions of petty-capitalist business practice are found in Fried 1953; Skinner 1961; De Glopper 1972, 1979; T'ang Mei-chun 1974: chap. 4 ; Nonini 1979, 1983a, 1983b; Cooper 1980; Omohundro 1981; Harrell 1982, 1987; Stites 1982, 1985; Smart 1983, 1986; Rowe 1984; Numazaki 1986, 1991, 1992; Wright 1988; Xu Xinwu 1988; Bosco 1989; Hill 1989; Gardella 1990; Redding 1990; Mao Zedong 1990: chap. 3; Basu 1991a, 1991b; Smart and Smart 1991, 1992; Oxfield 1992, 1993; Skoggard 1993.

Tim Wright focuses on the "management practices of China's capitalist entreprencurs up to 1937" (1988:185); these capitalists came from the bureaucracy or politics rather than from private commerce, or industry. Rather than use "universalistic criteria in staff selection, capital mobilization and economic transactions, the entrepreneurs were impelled by 'traditional' values to work mainly through particularistic criteria - especially familial ties, but also many other relationships, such as native place loyalities and teacher-pupil, school or institutional links" (187). That is, they maintained many aspects of petty-capitalist practice.

Ann Maxwell Hill's study of the tea trade in a predominantly Dai area of South China stresses effortful participation by merchants, their development of personalistic ties, and their cautious capitalization dependent on social relations and guarantees. "Merchant associations, tea 'futures,' shortterm loans, and production for market using labor-intensive technology" characterized this trade (1989:333-34).

In discussing the persistence of handicraff cotton production against early industrial competition, Xu Xinwu concludes (as, he says, did the English diplomat, W. H. Mitchell) that handicrafts competed so well because "domestic handicrafts and the small peasant economy were so intertwined that they were able to resist stubbornly machine industry. The small peasants of China could fully utilize and rationally distribute surplus household labor. They also economized with the greatest of care, as for example in the use of raw cotton." They could make cloth for domestic consumption "almost without concern for cost-benefit calculations" (1988:46).
sympathetic to business disputes. Recourse to the courts was and is too dangerous to complainants to be anything but a last resort. People uphold their business agreements because the gods enjoin probity (Saso 1982), because they want to protect reputation and future creditworthiness, and because creditors sometimes enforced repayment through political clout or physical muscle. These sanctions have long worked well enough for the regular transaction of business (Huc 1970:2:150). In the present as in the past, in the absence of trust nurtured through personalistic ties, one observer notes that "financial control practices are still so clandestine that they are only partly rational" (Redding 1990:11).

Petty-capitalist enterprises, whether enormous or tiny (Huc 1970:2:145), found capital and arranged for the extension of credit through rotating credit clubs, personal loans, the transfer of brideprice and dowry, pawnshops, moneylending, gambling, protection rackets run by gangs, and other mechanisms large and small. Private postal systems of great efficiency and honesty connected much of the Chinese world, including southeast Asian settlements (Ball 1982:522-23; Bird 1983:158). Effective money transfers within China by highly personalistic private banking systems are also well attested (e.g. Ball 1982:63-66; Commeaux 1970:61). Even the poorest experienced money as a commodity (Ball 1982:445-50).

Personalism in business, like many aspects of petty capitalism, was strongly reinforced by the state. The official pawnshop interest rate in mid-nineteenth century, for example, was 30 percent. Officials intended this high charge, according to Chinese views of the time, to keep land prices from rising by offering a strong alternative investment so as to "render the distribution of land proportioned to the number of families, and the circulation of money more active and uniform" (Huc 1970, 2:133; see also Staunton 1810:530-32). Such usurious interest encouraged borrowers to "pull" on personal ties for loans.

It is difficult to manage capitalist-like relations of production without a system of law that is directed to protect private property and that transcends kinship. Authors seeking sprouts of capitalism have ferreted out examples of corporate-like partnerships, such as those discussed by Rowe (1984:72-74; see also Numazaki 1991:42-45). I have encountered them myself in fieldwork among ordinary folk: unrelated men in some Fujian coastal villages have traditionally put in small capital shares to pickle oysters for sale to Xiamen City. They split the profits; then the temporary production unit dissolves. But impersonal business ties were viewed negatively by officials who feared the expansion of local fortunes. They sometimes forbade joint land purchases by multiple households, even if these were organized as lineages (Perdue 1987:147). Impersonal dealings were also risky. In Hankou during a speculative credit boom between 1860 and 1890, thousands of debtors absconded. The domino effect of one bankrupt's bringing down others shows that mechanisms to protect purely commercial contracts were virtually absent (Rowe 1984:166). Susan Mann Jones makes the same point (1972).

Businessmen could and did petition local officials for legal status for the regulations they and their organizations drew up to protect their contracts. This bottom-up mechanism for creating a legal framework for private property rights was inherently weak, if relatively democratic. The initiative must generally have been the merchants'; the laws thus enacted must have been localized and fragmentary; and officials willing to accept the laws in principle might have been unwilling to enforce them. In late-nineteenth-century Hankou, merchants of the tea guild successfully pressed regional rulers to authorize a series of measures ensuring honest business practice. Both the pressure and the legalization were reiterated in language that Rowe sees as suggesting "a resemblance between the forms of market management the guild and the brokers desired for the tea trade and those employed in the government-supervised salt market" (1984:146). The merchants requested the same degree of legal and practical protection for private as for state transactions. No measures for enforcement of these laws appeared, however. For the most part, "The Chinese seemed willing . . . to rely upon private compulsion to guarantee prompt and fair payment" (1984:145). Although brokers themselves were in an excellent position to enforce official commercial codes to protect merchant property (against default, breach of contract, etc.), it is not at all clear that they did so. Rowe's detailed account of brokers' roles offers no suggestion that merchants took problems, such as the wave of absconding debtors, to brokers as they might have to a court. One must also assume that the multitude of brokers in many trades and circumstances, concerned primarily with trade and with their role as privileged middlemen in their associates business deals, could hardly have formulated and promoted the sort of regular legal precedents required to protect individual, corporate, or other nonfamily-estate property. Until evidence to the contrary comes to light, we must continue to assume that Chinese officials were more inclined - and strongly so - to protect family estates based on inheritance than the recent and individualistic earnings of entrepreneurs and nonkin partnerships.

Rowe himself disagrees with the idea that officials did not try to enforce commercial liability, noting that Chinese merchants in Hankou frequently brought debtors to magistrates' courts, and he illustrates the point with three cases. In one, the governor's yamen compelled the dishonest dealers to pay up, but his other two examples remind us why courts were understandably feared and avoided in business as in other matters: the defendants - one, apparently innocent - were beaten to death in open court $(168-70)$. Legal action was punitive and ex post facto rather than aimed at the construction of a legal framework for the protection of property. Only in the realm of property as it undergirded the patricorporations was the state both firm and enduringly consistent in its legal stance.

Harsh and unceasing competition was another factor that limited the growth of business relations outside the patricorporation. Market processes generated
pressures that trade associations attempted to limit, but against which agriculturalists, artisans, and merchants living in their home communities had few defenses. Where each producer household's earnings threaten every other's, the long-term tendency of commoditization is to dissolve the bonds of human relationships in the impersonality of the market, where everything can be bought and sold. Such an economy breeds fear and distrust of one's neighbors in addition to that felt for autocratic authorities.

Distrust and fear of strangers, or even of those who are simply outside the circle of kin, are striking characteristics of Chinese people (as well as of others, such as rural Italians and Mexicans who struggle on the fringes of capitalist economies [G. Foster 1967]). This distrust is vividly dramatized in the near-universal Chinese anxiety about ghosts. Ghosts represent perhaps the ultimate fear in Chinese life, that of being alone in an exacting, competitive world, with no economic base. Their lack of human connection to material resources makes them essentially evil. In life, such a person is a wandering stranger, or a beggar (Jordan 1972; A. Wolf 1974b; Weller 1985, 1987), the ultimate in propertylessness. Many vivid rituals and beliefs are foils for these images; funeral and marriage rites, for example, stress the family as the only safe haven in a dangerous world. The chasm between the household and the outer economy is built into China's highest ethics, and into its deepest fears.

People in the PCMP produced their own ideologies, symbols, and rituals through which common folk articulated their perceptions of their world, instructed the young and one another, and enacted them into reality. These ideologies were vast and protean in scope, responsive as they were to problems of practical production, ecological balance, political power, gender definition, ultimate meaning, and a myriad of other cultural complexities. (see D. Johnson et al. 1985; Gates and Weller 1987). They are similar in many ways to those produced by peasant peoples generally. Fertility, for example, whether of people, animals, vegetation, or the soil itself is stressed, symbolized, and sacralized.

Some PCMP ideological preoccupations are unique to and characteristic of petty-capitalist culture. Money is a magical and a sacred substance in Chinese folk life, offered to gods and spirits, used for purification and to symbolize productive and reproductive increase. The highly commercialized Cantonese tell folk tales of fetishized money that chooses to "come to a new home" or "run away from [its] old home" (Sung Hok-pang 1974:163-66). Folk rituals support the virtues of getting rich, paying one's debts, and investing for profit. Petty-capitalist commoners, producing for market with wage labor and partially commodified patricorporate labor, oppositional to a demanding tributary mode, created moral visions in which upward class mobility is both possible and imperative. The climb began on the rugged petty-capitalist path to wealth through work, from which a few talented fortunates might float free into the tributary empyrean.

THE PETTY-CAPITALIST CLASSES
Competition among patricorporate producers created a ferment of social mobility among commoners, dividing them into three petty-capitalist classes: those that owned capital and hired labor, those that largely labored on their own capital or on land in secure tenancy), and those that depended primarily on selling their labor for survival.

Class relations within the PCMP enabled some households to accumulate resources from the exploitation of labor, the renting of land, commerce, the profitable production of commodities, and the lending of money. Whatever may have been the long-term effect of such accumulations, the circulation of wealth through the economy had a profound effect on its constitutent households, dividing them roughly into labor-hiring owners, owner-operators (and, sometimes, secure tenants), and laborers. Economic limitation and political caution converged to make owner-operators/secure tenants the statistical norm, but competition and the secular growth of commoditization made the line between them and surplus-accumulating households only a quantitative matter.

In cotton-growing north China, Philip Huang sees these as "social strata" distinguished by different motivations as well as by different production relations. He contrasts "managerial landlords" who employed family and waged labor with "leasing landlords," usually absentee, who rented out to tenants. Of the two, the managerial households derived higher returns "because most managerial farmer households did some farm labor themselves, whereas those who leased out their land did not." As this pattern emerged, Qing officials characterized these employers of labor together with their workers: "they were all commoners who got their hands dirty in the lowly and menial task of farming" $(72,98)$. To the hired hands, although they were relative equals who shared in household life and work, the gap must have seemed much wider.
Huang's study reveals another important characteristic of petty-capitalist commodity production - its tendency to emerge from leasing landlord/tenant relations, and to return to them when the boorm was over ( 78 ). The leasing land lord/tenant relationships that are the foil to Huang's managerial system operated more on tributary than on petty-capitalist principles. In times and places of undynamic markets, such landlord/tenant relations might have been (as they were Huang's description) a relatively unprofitable but secure means for merchants to protect accumulated wealth. In other regions, such as Taiwan or the Pearl River delta, where wealthy men speculated in land, imported tenants, built infrastructure, and sometimes processed and sold the products, tenancy was part and parcel of petty capitalism, their tenants a semiproletariat. John Shepherd warns us against mistaking tenant status for poverty (1988:427); Dwight Perkins observes that southern tenants were sometimes better off than northern owners (1969:06-7). The vexed question of what tenancy meant in China must be an-
swered in locally specific terms and must take into account the local concatenation of tributary and petty-capitalist options.

Household firms circulated through the petty-capitalist classes in a social eddy internal to the TMP, spinning off into officialdom members of the rare families - lucky and clever enough to groom outstanding scholars. Although scholarly work on social mobility in China emphasizes movement between official and commoner classes, most mobility in fact occurred among commoners. Except in rare periods when economic expansion greatly outstripped population growth, most of that mobility was always downward.

Class relations in the PCMP - the relations among landlord/merchants, owner-operators (including Huang's managerial landlords), and the largely propertyless - are clear in principle but blurred in practice. Descriptions of rural classes in China at the time of Communist land reform show a spectrum of imperceptible gradations in many parts of the country - from households that owned a great deal of land and did no manual work themselves, to "rich peasants" who did a little work but hired out most of it, to those that balanced household labor and capital (the unit that best matched the purposes of the TMP), to those who owned insufficient land and so rented a little additional land, to families farming tenanted land, to hired laborers with no means of production at all (Crook and Crook 1959; Hinton 1966: chap. 3 and app. C). Similar ranges could be found outside agriculture, from the wealthiest of merchants through artisan households that sold their own products to jobbers who peddled others' goods on city streets.

When land, labor, or commodity markets were volatile, individual persons and households are difficult to pigeonhole. (The Marxist concept of class is less a sorting system for persons than an image of political-economic forces in motion.) Empirically intermediate cases need not obscure the distinctions that, in our different ways, Huang and I see as characteristic of Chinese commoners. It should be noted too that the sharp distinction between agricultural and nonagricultural enterprise as the basis for family fortunes characteristically made by the Chinese themselves turns out, in the light of much recent scholarship, to be illusory (e.g. Rowe 1984:119; Mann 1987a:21-23).

Petty capitalism's economic free-for-all held a promise of stability in the small owner-operator household. This political-economic unit owed its institutional strength and its culturally perceived desirability to two sources. First, in the petty-capitalist competition for resources, such a household achieved the relative certainty of controlling both its own labor and its own means of production, and hence its own subsistence. Although having more property than family labor to work it might seem desirable - it was unattainable for most people - those who hired outsiders or rented resources to them risked losses from incompetent or absconding workers, tenants, or managers, a frequent source of anxiety. On the other hand, those with nothing to sell but their labor faced both constant competition for subsistence earnings and the dreadful reality that when they were
too weak to work they would not eat. Running a small farm or business did not entirely exempt a family from economic competition, but it provided a haven from some of its worst features. The relative safety of family proprietorship versus the risks to which other petty-capitalist classes were liable strongly motivated people to make whatever economic and kinship choices necessary to achieve it.

The second source of strength for the owner-operator class was the official fixation (necessary to the TMP) on patricorporations as society's most significant units. The accumulation of resources in patricorporations was limited by the law of equal inheritance, by officials' exactions, and by the general insecurity of property not held by kinship entities recognized by the state. At the same time, Chinese states gave kin seniors powerful claims to the labor and persons of their juniors, especially women and girls. These claims, in commoditized contexts, provided a universally available source of primitive accumulation to every household head. The gender/kinship system that has formed around these claims is discussed in detail in subsequent chapters.

To the degree the late-imperial economy was stable - that is, did not experience capitalist-like technical innovation and a resulting sharp expansion landlords and merchants were essentially the recipients of the benefits of inequalities deriving from market competition combined with family-cycle variation. Where there were few market opportunities or where the influence of the TMP was especially strong, such potential capitalists appear often to have acted in most uncapitalist fashion, consuming their surpluses in the support of everlarger households and (relatively) luxurious living rather than frugally accumulating and reinvesting. Many of them also invested money and potential family labor in the expensive and painful process of traditional education, hoping through success in official examinations to tap into not only the glory and power but also into the wealth that came from membership in the class of scholar-officials that dominated the TMP. The intense competition for places in this class assured that most would fail. Abandoning the core PCMP values of frugality and manual work for the leisured life of a would-be scholar-official before one gained access to TMP resources was a likely road to loss of all. Downward mobility of such families was one of the important sources of motion within the PCMP.

Where in this dually driven class analysis are the "gentry"? The term has been used to describe local wealthy powerholders on whom the state depended to maintain control in the countryside and who were in return permitted to extract surplus through both political and economic means. Although sometimes a convenient descriptive term, like "commercialization" or "market economy," it carries no theoretical implications, leads to no further questions. Why did these "gentry" espouse an anticommercial ideology of agrarian stability while maintaining their position in the world through vigorous economic competition? Why did they believe themselves to be obliged to sink capital into relatively lowprofit land and into very chancy investment in sons' educations when commod-
ity production promised greater profit? Just as it is worthwhile to ask "what does the ruling class do when it rules?" we may inquire what the gentry did when it gentrified pawnbrokers and brickmakers into scholars.

Many of the oddities and variations of this portmanteau category are better understood when we see the gentry as those unusual petty capitalists who accumulated resources beyond their capacity to expand their households or lineages, and thus beyond the protection afforded to property properly subordinated to kin relationships. Such men converted wealth (via the subjection of young men to a harsh educational regime) into officeholding and hence into the right to benefit from TMP economic relations rather than to be exploited by them. Paradoxically, because wealth could not be privatized beyond the family, the rich had to find a public role to safeguard private property. Without degrees, the merely rich, half-escaped from the control of kinship, existed uneasily in an unac-counted-for social space between the molecular producer patricorporations and the ruling officials responsible for their responsiveness. Thus the odor of immorality, of illegitimacy, hung about merchants, whose wealth was so easily hidden, privatized, from state and family alike.

## the PCMP yersus capitalism

Marx defined capitalism in two ways: by its characteristic relations of production and by its historical tendency to expand both its productive capacity and its hegemony. Capitalist relations of production are those of the marketplace. All major factors of production - and most especially labor power - can be freely bought and sold in an impersonal market so that the relationships between persons engaged in production become impersonal money transactions. Those who own the means of production confront those who have only labor power to sell from a position of power which enables the former to set the terms of the exchange. By paying in wages only what is required to maintain and reproduce the average worker, while selling the product for more than that amount, the owner of the means of production extracts surplus value from, technically exploits (see Littlefield 1978), the worker. Owners then reinvest at least a part of that surplus in expanding their firms.

Did late-imperial China have a free market in the factors of production which produced class inequality, exploitation, and capital accumulation? Whether most agricultural labor was freely sold as a commodity - as in the relations among owner-employers, owner-operators, and tenant/hired hands - or was tied to class superiors in some form of bondage - as in serfdom and slavery - is extremely significant. Many analysts have made the transition from serf or bonded to "free" status the primary criterion for detecting sprouts of an indigenous Chinese capitalism (e.g. So 1986; Wang Fangzhong 1987; Ke Changji 1987; Kamachi 1990). According to Mark Elvin, serfdom on large private estates or manors en-
compassed most of the peasant population during the Song (1973: chap. 6), and large but generally decreasing proportions of that population until the eighteenth century, Agricultural labor was increasingly subject to the market from the eighteenth century on, a trend on which "sprouts" scholars of the People's Republic of China base their judgment as to the beginnings of indigenous capitalism Chao Kang has argued, however, that servile or indentured labor was a relatively minor part of China's agricultural system. Chao insists that relatively small farms, including a large proportion of owner-operated ones, have been the most characteristic agrarian form, especially since the Song (1987:222). Farms, both would agree, ranged from large manors to independent smallholders, using labor obtainable through the noneconomic "feudal" power of servile and filial obligation as well as through the market. The determination of the timing of a shift to wage labor, whether in the Song or during the Ming/Qing expansion, cannot yet be made. Even if wage labor was not common before the eighteenth century, however, recurrent pressure for its commoditization may have been a powerful source of tension and dynamism in earlier centuries.

Too sharp a focus on this issue may be misleading, however. A brief comparison with the Euro-American case shows us why. Whether New World slavery was a precursor to capitalism or a part of it has been much debated (Banaji 1979). As Sidney Mintz so precisely argues, if investors in American plantations "were not capitalists, if the slaves were not proletarians, if mercantilism rather than a free economy prevailed, if the rate of accumulation of profit was low and the organic composition of capital static - if all of these things were true, it also remains true that these curious agroindustrial enterprises nourished certain capitalist classes at home as they were becoming more capitalistic" (1985:61). Parallel arguments cannot be made for China, which was not connected until much more recently to the world capitalist system, and where the ruling class was not a reinvesting bourgeoisie. Free, or wage, labor helps define capitalism, but so does the character of the dominant class. In China, no matter what the labor regime, most surpluses beyond the ambit of limited patricorporate expansion were channeled to officials, not to capitalists.

If capitalist-like tendencies are both indigenous and deeply rooted, the further / question arises of whether today's China can reject its lingering late-imperial "feudal" elements and move directly to a version of socialism or whether it must and should pass through a period of capitalist development. The argument ceases to be a battle if China's commodity production, now accepted by all as early and important (see, for example, Fu Yiling 1986 and Chao Kang 1987) is distinguished from capitalism and seen in its own terms.

If China had a labor market, it follows that exploitation in a formal sense occurred. But whether surplus value was extracted by owners from nonowners has been obscured by a perhaps dogmatic unwillingness to perceive that ownership had both a market and a tributary meaning. Exploitation, the extraction of sur-
plus value from a worker's unpaid work, was a normal part of Chinese life, where landlessness was common and many earned their livelihood through labor alone. Exploitation occurred too in households, where women were legally and customarily excluded from ownership in the agnatic corporation but obliged to work for that corporation as long as they remained members of it.

Whether this exploitation resulted in the accumulation of capital as in capitalism proper, however, is problematic. Here, we must consider Marx's concern for the historical tendencies of the capitalist mode. If capital accumulates through the exploitation of labor and is reinvested, reaps additional surplus value, and thus accumulates further, we may expect to see an expansionary thrust to the entire economy. In the West, capitalism triggered revolutions in science, technology, and economic growth with the industrial revolution. From there, it became the dominant mode of production in Europe and in most of the rest of the world. Capitalism enabled favored classes and countries to amass capital, power, and knowledge at an unprecedented rate. In China, something rather different occurred.

Although China surely failed to develop an expansionary hegemonic capitalism like that of the West, it did not fail to expand; the Qing especially was an era of extraordinary absolute growth. Per-capita interprovincial trade may have been larger than Europe's internal trade at the beginning of the nineteenth century (Murphey 1970:23). Though the population expanded more than fourfold from the Northern Song (ca. 1080) to the time foreigners forced an entry for capitalism in the mid-nineteenth century, rice production per capita remained stable throughout the period (Feuerwerker 1984:300), and the general standard of living does not seem to have fallen significantly until the impact of the West was felt. Chinese productivity came close to keeping up with population growth, even though the amount of arable land did not increase by much. As we know from Elvin (1973), this balance was accomplished largely through labor intensification rather than through the technical innovation or greater use of capital characteristic of capitalism.

Economic development is defined as per-capita increase in productivity and, by implication, as the private accumulation of capital. With inherently expansionary tendencies, the PCMP did generate increases in productivity, but private accumulation was sharply limited. Apart from making a scattering of merchants rich, China's wealth accumulated in the hands of the ruling class of officials, who spent it in building a state strong enough to maintain its tax-collecting power, to defend itself from internal and external enemies, and to create a sophisticated ideological apparatus sufficiently powerful to convince most people to submit voluntarily (and inexpensively) to its demands. That state, for all its failings by our and others' lights, excluded Western imperialism more effectively than did any other part of the world but Japan, and it regained its independence from that system after only a century of partial penetration. China was not (or only very
briefly) politically partitioned, unlike southeast Asia, Africa, and South America, and thus not made permanently vulnerable to the mercies of the world system that created Bangladesh, Zaire, Brazil, and Haiti. China's economic expansion was moved by the motor of petty capitalism but guided by state-minded rulers who were as engaged with making productivity serve the state as with repelling barbarians.

Rowe summarizes the very considerable scholarship on state-merchant relations as supporting four possible, and not necessarily exclusive, stances by officials toward commodity production: repression, neglect, collusion, and stimulation (1984:177). Out of this complex, I would stress the two most apparently contradictory: repression and stimulation. That is, officials saw no harm in encouraging the petty productive pursuits of small people - of tiny firms that could be perceived as kin groups. Such activity produced several outcomes of value to the state: tax revenues larger than those obtainable from subsistence farming, the small daily comforts (for themselves as well as for commoners) invented by a population of energetic perfectors of low-technology techniques, and an outlet for the aspirations to social mobility inspired, but never satisfied, by the educational route to power and wealth.

