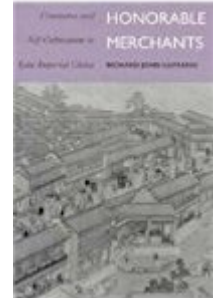




Richard John Lufrano. *Honorable Merchants: Commerce and Self-Cultivation in Late Imperial China.* Honolulu: University of Hawaii Press, 1997. xii + 241 pp. \$39.00, cloth, ISBN 978-0-8248-1740-4.



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Published on H-Business (October, 1997)

There was a time when social scientists and historians believed that Confucianism permeated every aspect of Chinese life and obstructed China's development toward capitalism. This tradition-bound, substantivist or moral economy was fundamentally incompatible with the rational and individualistic traits treasured by modern economic man and woman.

Lufrano's nuanced book belongs to a new generation of scholars questioning this accepted wisdom. Late Imperial China's (1550-1930) diverse and commercialized economy did not produce a uniform Confucian merchant culture. Drawing upon pioneering studies on popular culture by Carlo Ginzburg and Stuart Hall, Lufrano argues that despite the best efforts of the conservative Confucian elite in perpetuating its cultural hegemony, the middle merchants appropriated the Confucian value system for their own purposes and used it in ways unforeseen and unintended by orthodox Confucian educators. On the other hand, these local retailers in medium- or large-sized market towns, or operators of small household/family businesses who failed the civil service

examination, also accepted the overall message of the Confucian elite to form the backbone of a loyal and non-heterodox urban citizenry.

Evidence in support of this argument is drawn from merchant manuals, supplemented by fiction, family instructions, and observations of Western travelers. In a minimally regulated economy fraught with dangers, a tradition of prejudice against merchants, a state with little interest in economic development, unsympathetic officials, and vulture-like local government functionaries, the middle merchants struggled to survive and prosper through self-cultivation. Beginning with a vigorous Confucian-influenced education, apprentices went on to these manuals, written probably by merchants, which advised hard work, flexibility, generosity, eradication of selfish desires, sincerity, trustworthiness, seriousness, reciprocity, and an enlightened self-interest. Appropriating these Confucian-influenced ideals, middle merchants projected themselves as upright members of local society, thus accumulating not merely wealth but also respectability denied them by the conservative elite. If the middle merchants found

these manuals and the self-cultivation approach useful in guiding them through the business world, such writings also departed from the classic Confucian position by not addressing the merchants' "obligation to serve society" (p. 130). Compared to the morality guides and ledgers of merit and demerit from the same period, the merchant manuals also exhibit a rationalism: wealth is a result of hard work, not fate or "heaven," an explicit rejection of the conservative elite's "manipulation of supernatural forces to limit the behavior and activity of the merchant" (p. 84).

Such pragmatism also implies that these cautious merchants would not pursue goals beyond their means. Instead, the manuals counseled long term steady profits as opposed to maximizing short term gains. Frugality and patience, combined with conservative business and credit management, meant "a rejection of the great risk taking and large-scale deal making of the ideal capitalist merchant" (p. 178). Indeed, it would be surprising for "capitalists to emerge from a group of mid-level merchants" (p. 216, note 3). Confucianism, at least as it interacted with the middle merchants, did not obstruct the development of a thriving market economy. On the other hand, it also did not spur the development of a special kind of Confucian capitalism in late Imperial China.

These provocative conclusions will occupy a prominent place in the research agenda for intellectual historians. As Tu Weiming puts it, our task "to identify and define [how] the Confucian ethic actually works in economic organization...and social behavior" is fraught with methodological difficulties. Identifying the values propagated in these manuals is the first step in reconstructing the middle merchants' moral architecture. While values such as sincerity, seriousness, and unselfishness might be associated with Confucianism, it does not mean that they are exclusively or uniquely Confucian. From the Warring States until the Ming dynasty when these merchant manu-

als first appeared, a span of some two thousand years, Daoism, the so-called Legalists, and Buddhism also enjoyed currency, not to mention folk religious practices. The coalescing of these schools of thought, religion, and popular beliefs into a "Chinese" (p. 62) "proverbial wisdom" (p. 82), or simply "common sense" (p. 118) render the task of isolating their origins difficult. Even if we accept the moral architecture of the merchants as a Confucian construct, whether it be a vulgarized version (after Peter Berger), or a bourgeois edition (after Robert Bellah), questions remain as to other sources that shaped the merchants' minds, including a changing and evolving Confucianism. Furthermore, a "vigorous Confucian-derived" education does not necessarily produce a vigorous Confucian. Could young impressionable minds be alienated by the disciplinarian and rote-memorization of an early Confucian-influenced education? Or be led astray by a sybaritic urban counter-culture? As Lufrano carefully points out, Confucianism, however defined, did not constitute the totality of merchant culture.

Equally challenging methodologically is the demand for a unity of knowledge and action posed by Wang Yangming (1472-1528). How did the merchants actually behave and make business decisions? Did they lay the groundwork for network capitalism as well as "a second case of industrial capitalism"? This book thus directs economic historians to focus on case studies of middle merchants and how they fared in modern China. A sizable number of early capitalists in England came from the ranks of its middle merchants, and their modern Chinese counterpart also developed putting out systems. Compared to merchants who occupied the two ends of the spectrum were the middle merchants more adverse to risk-taking or more likely to take advantage of opportunities as they had more capital than peddlers and less to lose than their rich brethren? As operators of household business, how successful were they in reconciling the Confucian ideal of a harmonious household with the demands of busi-

ness? Did this harmony extend to labor relations, competition, and contractual disputes? As the middle merchants became successful and join the ranks of capitalists, did their values and behavior change?

Answering these questions requires years of research, and Lufrano's book fills a void in the existing literature on China's merchant culture, and points the way to deciphering the nature of the East Asian economic miracle (although lately the word from the street is a burst bubble).

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Citation: Kwan Man Bun. Review of Lufrano, Richard John. *Honorable Merchants: Commerce and Self-Cultivation in Late Imperial China*. H-Business, H-Net Reviews. October, 1997.

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