

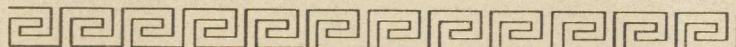
SELECTED WORKS OF MODERN CHINESE LEARNING

THE ECONOMIC PRINCIPLES OF CONFUCIUS AND HIS SCHOOL

Chen Huan-Chang



商務印書館
The Commercial Press





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CHEN HUAN-CHANG

(1880—1933)

Editorial Note

One hundred years ago, Zhang Zhidong tried to advocate Chinese learning by saying: “The course of a nation, be it bright or gloomy, the pool of talents, be it large or small, are about governance on the surface, and about learning at the root.” At that time, the imperialist powers cast menacing eyes on our country, and the domestic situation was deteriorating. The quick infiltration of Western learning made the long-standing Chinese tradition come under heavy challenge. In those days, Chinese learning and Western learning stood side by side. Literature, history and philosophy split up, while many new branches of learning such as economics, politics and sociology were flourishing, which made many Chinese dazed. However, there appeared a vital and vigorous learning climate out of the confusing situation. It was at this critical moment that modern Chinese scholarship made the transition—by exchanging views, basing on profound contemplation and even with confrontation of idea and clash of views, the scholarship made continuous progress, bringing up a large number of persons of academic distinction and creating numerous innovative works. Changes in scholarship and in general modes of thinking made transition in all aspects of the society possible, thus laying a solid foundation for revitalizing China.

It's over a century since the journey of modern Chinese learning started, during which various schools of thought stood in great numbers, causing heated discussions. The journey sees schools of thought as well as relevant arguments rising and

falling, waxing and waning instantly, leaving complicated puzzles to followers. By studying and reviewing the selected works, one may gain new insights into that journey; and it is the editor's sincere hope that readers would ponder over the future by recalling the past. That's why we have compiled "Selected Works of Modern Chinese Learning". The effort includes masterpieces of celebrated scholars from diverse fields of study and different schools of thought. By tracing back to the source and searching for the basis of modern Chinese learning, we wish to present the dynamics between thought and time.

The series of "Selected Works of Modern Chinese Learning" includes works (both in Chinese and in foreign languages) of scholars from China—mainland, Hong Kong, Macau, and Taiwan—and from overseas. These works are mostly on humanities and cover all fields of subjects, such as literary theory, linguistics, history, philosophy, politics, economics, jurisprudence, sociology, to name a few.

It has been a long-cherished wish of the Commercial Press to compile a series of "Selected Works of Modern Chinese Learning". Since its foundation in 1897, the Commercial Press has been privileged to have published numerous pioneering works and masterpieces of modern Chinese learning under the motto of "promoting education and enlightening people". The press has participated in and witnessed the establishment and development of modern Chinese learning. The series of "Selected Works of Modern Chinese Learning" is fruit of an effort to relay the editorial legacy and the cultural propositions of our senior generations. This series, sponsored by National Publication Foundation, would not be possible if there were no careful planning of the press itself. Neither would it be possible without extensive collaboration among talents of the academic circle. It is our deeply cherished hope that titles of this series will keep their place on the bookshelves even after a long time.

Moreover, we wish that this series and “Chinese Translations of World Classics” will become double jade in Chinese publishing history as well as in the history of the Commercial Press itself. With such great aspirations in mind, fearing that it is beyond our ability to realize them, we cordially invite both scholars and readers to extend your assistance.

Editorial Department of the Commercial Press

December 2010

FOREWORD

DR. CHEN HUAN-CHANG, the author of *The Economic Principles of Confucius and His School*, has seen some service as a mandarin in one of the metropolitan offices in Peking; he is deeply versed in his native literature, of which the so-called Confucian classics have occupied him for many years; he is a personal friend and has been a pupil of Kang Yu-wei, one of the originators of the modern Chinese reform movement and himself a profound connoisseur of Chinese literature. Thus armed, he came to New York about five years ago to study English and take courses in political economy at Columbia University. Kang Yu-wei's moral success among the masses of China was largely due to the fact that, while being thoroughly convinced of the necessity of reform in social and political life, he continued to be an eager adherent of Confucian principles. Dr. Chen proves a disciple worthy of his great teacher. His enthusiasm for the great sage and his doctrine could not be surpassed; western readers will find in his book the representation of Confucianism from the purely Confucianist point of view by an author who is a Confucianist himself and has had the advantage of sifting his ideas through the methods of western science.

FRIEDRICH HIRTH,
Professor of Chinese, Columbia University.

NEW YORK, OCTOBER 15, 1911.

PREFACE

IN presenting the economic teachings of Confucianism, Dr. Chen has adopted the same order of arrangement that has become usual in English treatises on political economy. The danger which this plan involved of creating the impression of a more systematic exposition of economic principles than is to be found in the sacred writings, is much more than outweighed by the large number of clear anticipations of the accepted economic teachings of today which it reveals. Incidentally it enables the author, with his wide acquaintance with the best English economic literature, to bring out many interesting contrasts between Chinese civilization and the civilization of the Occident. His discussions of such institutions as the family, marriage, private property and the position of woman have an interest and value quite apart from their relation to the main purpose of his study.

No one can read these pages without becoming convinced that Confucianism is a great economic, as well as a great moral and religious, system and that it contains most, if not all, of the elements necessary to the solution of the serious problems that confront China to-day. That these problems may be speedily and happily solved and that Dr. Chen may take the prominent and distinguished part in the reformation of his country for which his high character and unusual attainments so well fit him is the earnest hope of his American friends.

HENRY R. SEAGER,
Professor of Political Economy.

COLUMBIA UNIVERSITY, OCTOBER 15, 1911.

AUTHOR'S PREFACE

THE following treatise includes a discussion of the economic principles of the chief disciples of Confucius in successive dynasties, as well as of the teachings of the Master himself, and, briefly for purposes of comparison, of the leaders of other schools, *e. g.*, those of Kuan Tzū, Lao Tzū, Mo Tzū, Shang Yang, and Hsü Hsing. It was deemed best to combine with the discussion of economic theory some consideration of economic history. Consequently the conditions out of which the theories arose and to which they were to be applied have usually been described. The canonical writings were taken as primary sources, and the historical writings as secondary. In connection with every theory and institution considered, the attempt has been made to throw light upon its origin and earliest development. Because of the wealth of material, only the most important or most interesting historical facts since the Han dynasty have received attention. Although some information in regard to conditions in China to-day is given, it was not thought desirable to go very much into detail, because these conditions are in process of revolutionary change and many questions are still unsettled.

The treatise is, therefore, essentially a study of the old régime in China. It is a survey of the Chinese thought and Chinese institutions which developed independently of the Occident. Although my arrangement of the material follows that which has become conventional among western writers and my understanding of the old texts was greatly helped by western thinkers, I have been very careful not to read into the writings of the ancient Chinese ideas drawn from modern western economists. All my statements are based upon the words or the spirit of the words of the

original texts, and are in harmony with the whole system of Confucius as revealed by a comparative study of the various sources. In support of my interpretation numerous quotations and references are given. The Confucian writings may be compared to a great mountain containing rich mineral resources. I am in the position of a miner, extracting a particular ore and contributing it to the world's production. As the miner does not create the ore itself, but through his labor in exploring, digging and refining makes it available for human use, so I have tried to add something to human knowledge. My task has been so great that I have doubtless made some mistakes, but I have earnestly tried to be accurate in all my statements. This is the first attempt to present the economic principles of Confucius and his school in a systematic form in any language. At some future time I intend to translate this book into Chinese.

I am under heavy obligations to many persons. My greatest indebtedness is to Kang Yu-wei, my former teacher, from whom I obtained a general view of Confucianism. From my American friends, especially among the professors and students of Columbia University—e. g. Professors John Bates Clark, Edwin R. A. Seligman, Friedrich Hirth and Warren B. Catlin—I received many ideas and secured assistance in various ways. My greatest obligations, however, are to Dr. and Mrs. B. M. Anderson, Jr., who corrected the greater part of my manuscript; to Professor Henry Rogers Seager, who made numerous suggestions and corrections throughout the whole book; and to Professor Henry Raymond Mussey, who read all the proof sheets.

CHEN HUAN-CHANG.

COLUMBIA UNIVERSITY, NEW YORK, *the seventh day of the seventh month, two thousand four hundred and sixty-two years after Confucius, (August 30, 1911 A. D.).*

CONTENTS

VOLUME I

FOREWORD. By Professor Friedrich Hirth	vi
PREFACE. By Professor Henry R. Seager.....	vii
AUTHOR'S PREFACE	ix

PART I

INTRODUCTION

BOOK I. CONFUCIUS AND HIS SCHOOL

CHAPTER	PAGE
I. Life of Confucius.....	5
II. The Fundamental Concepts of Confucius.....	17
III. Writings of Confucius and His Disciples.....	25
IV. Historical Movements of Confucianism	41

BOOK II. RELATION OF ECONOMICS TO OTHER SCIENCES

V. Economics and Other Sciences in General	50
VI. Economics and Sociology	54
VII. Economics and Politics.....	75
VIII. Economics and Ethics	96

BOOK III. GENERAL ECONOMIC PRINCIPLES

IX. Economic Development as the Chief Cause of Progress	121
X. Economic Organization	141
XI. Economic Policies and the Divisions of Economics....	170

PART II

CONSUMPTION

CHAPTER	BOOK IV. CONSUMPTION	PAGE
XII.	General Principles of Consumption	187
XIII.	Happiness for Both Rich and Poor	209
XIV.	Different Ways of Getting Pleasure.....	218
XV.	General Standard of Expenditure	244
XVI.	Particular Expenditures	271

PART III

PRODUCTION

BOOK V. FACTORS OF PRODUCTION

XVII.	Three Factors of Production.....	295
XVIII.	Labor-Population	299
XIX.	Nature and Capital	341

VOLUME II

PART III

PRODUCTION

BOOK VI. BRANCHES OF PRODUCTION

XX.	Branches of Production in General	367
XXI.	Agriculture	380
XXII.	Industry	398
XXIII.	Commerce	411

BOOK VII. DISTRIBUTION

XXIV.	General Principles of Distribution: Rent, Interest and Profits	460
XXV.	Wages	480

BOOK VIII. SOCIALISTIC POLICIES

CHAPTER	PAGE
XXVI. The Tsing Tien System	497
XXVII. Monopoly	534
XXVIII. Exclusion of the Ruling Class from the Economic Field	543
XXIX. Government Control of Demand and Supply	552
XXX. Government Control of Grain	568
XXXI. Government Loans and Public Relief	586

PART IV

PUBLIC FINANCE

BOOK IX. PUBLIC FINANCE

XXXII. Public Expenditures.....	605
XXXIII. Taxation in General.....	621
XXXIV. Direct Taxes.....	638
XXXV. Indirect Taxes	683

PART V

CONCLUSION

XXXVI. Conclusion.....	717
APPENDIX I Table of Chinese Chronology.....	731
APPENDIX II List of Authorities in English and Chinese	733
INDEX.....	737
VITA.....	757

VOLUME I

PART I
INTRODUCTION