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Differentiation of the Confucian Elite  
and Modernization in Nineteenth-century  
China: A Sociological Approach

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**Suggested citation:**

Lau, Siu-kai. 1976. *Differentiation of the Confucian Elite and Modernization in Nineteenth-century China: A Sociological Approach*. Hong Kong: Occasional Paper No. 61, Social Research Centre, The Chinese University of Hong Kong.

The Chinese University of Hong Kong

Social Research Centre

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CENTURY CHINA: A SOCIOLOGICAL APPROACH

by

Lau Siu-kai

August, 1976

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DIFFERENTIATION OF THE CONFUCIAN ELITE AND MODERNIZATION  
IN NINETEENTH-CENTURY CHINA: A SOCIOLOGICAL APPROACH\*

Lau Siu-kai

INTRODUCTION

The attempt at modernization by a portion of the Confucian elite since the middle of the nineteenth century has been, and still is, intensively documented and analyzed by sinologists and historians, usually under the theme of the T'ung-Chih Restoration or the Foreign Affairs Movement (Yang-wu Yün-tung 洋務運動).<sup>1</sup> However, studies of this kind usually focus on factual descriptions and only rarely do they venture into causal analysis.<sup>2</sup> Though most of these studies are able to distinguish between two groups of Confucian elite, the conservatives and the modernizers, they have failed to provide in-depth analysis of the socio-economic as well as cultural differences between the two, nor are the structural conditions which gave rise to these differences investigated. As these structural conditions are of primary importance in conditioning the response of the Confucian elite toward modernization, a comprehensive understanding of these conditions will not only

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\* This research was supported by a grant from the Institute of Social Studies and Humanities, the Chinese University of Hong Kong, under the auspices of the Social Research Centre. An earlier draft of the paper had been presented in a seminar organized by the Social Research Centre. I am grateful to Dr. Rance P.L. Lee, Dr. Ambrose Y.C. King, and Mr. C.C. Lau for comments on the earlier version. Research and clerical assistance from the Social Research Centre are deeply appreciated.

facilitate explanation of the relevant historical events, but will also contribute significantly to the theoretical analysis of the process of differentiation of the traditional elite, which is a common phenomenon in societies confronting modernization from without (i.e., imposed by exogenous forces).

#### STRUCTURAL DIFFERENTIATION, INTEREST DIFFERENTIATION, AND ELITE DIFFERENTIATION

Many case studies have been done on the differential responses of the members of the traditional, formerly monolithic, elite in underdeveloped societies toward modernization and modernity, after their societies have come into contact with the Western powers which enjoy a much higher level of technological achievement.<sup>3</sup> However, it is still not possible to generalize about how members of the traditional elite will divide into supporters for and opponents to modernization; and, in the case of the supporters, the type and extent of modernization they desire. This difficulty arises because the conflict dividing the traditional elite over the issue of modernization may overlap and become entangled with the numerous conflicts over which traditional elite members shall control positions involving wealth, prestige and glory that have divided traditional elite from time immemorial. Despite these difficulties, Kautsky has managed to put forth the following hypothesis:<sup>4</sup>

. . . aristocrats with a "national" power base, like monarchs and top bureaucratic and military leaders, will tend to be friendly to modernization and to colonialism, while local rulers and landlords and religious leaders, including perhaps even the top, "national", religious leaders, will tend to be hostile to modernization and colonialism.

Underlying this hypothesis is the assumption that whether a traditional elite member would adopt a favorable attitude toward modernization depends ultimately on his personal interests and the interests of the group with which he identifies. Hence, even though the above hypothesis cannot be directly applicable to the process of elite differentiation in nineteenth-century China, the argument that interest differentiation within the traditional elite can lead to elite differentiation is acceptable.

The next problem to consider is why interest differentiation takes place at all. Modern sociology of development, under the tradition-modernity dichotomy, is handicapped in that it presumably treats the traditional society as static, changeless, and stable.<sup>5</sup> Hence, differentiation of interests within the traditional elite can hardly be imagined, particularly if the process of interest differentiation is a continuous and dynamic one long before the coming of the Western powers. To handle this problem of interest differentiation, we have to reject the tradition-modernity dichotomy and put the traditional society in the proper historical focus. Traditional societies, just as modern ones, have experienced structural change, though perhaps at a slower pace. These structural

changes can be expressed in terms of changes in the power structure, in the value systems and in the social institutions. These changes will also have serious repercussions on the dominant traditional elite. Before structural changes, members of the traditional elite might share similar vested interests and thus constitute a monolithic, solidary group in society. However, structural changes might mean that the interests of different members of the traditional elite are no longer the same, and, to ensure that their interests will continue to be gratified, the formerly monolithic elite will divide into several groups and engage in conflict with one another. In Latin America, this process of elite differentiation has been vividly described by Robert E. Scott,<sup>6</sup>

Social and economic development have put the three traditional elites (large landowners, army and Church) more often than not in conflict with each other over the proper role of government in their society. Although the elites do often agree on certain questions involving perpetuation of their political influence, they agree less and less on other issues. At the same time the three traditional elites themselves have fragmented, as functional differentiation occurs and as their members have disagreed over the nature of their institution and its relation to society in the light of social and economic change.

Elite differentiation results not only in conflicts between the different subgroups in the traditional elite, it also has significant implications for the process of modernization. Elite differentiation means that the traditional elite can no longer provide a united front against or for modernization, but that



different subgroups in the traditional elite will emit different responses, depending on the relevance of modernization to the protection and furtherance of their interests. In this sense, modernization is considered as a means to be utilized for the attainment of the coveted ends of the elite members. Elite members, whose interests can be served by modernization, will more likely to support it. Contrariwise, elite members, whose interests cannot be served by modernization, will either oppose it or be indifferent to it.

Thus far, we have tried to establish an analytic model comprising the variables of structural differentiation, interest differentiation, and elite differentiation. This model will be employed to analyze the modernization efforts in mid-nineteenth century China. Our basic problem is : why is it that, in general, the Confucian elite members from South China adopted a more favorable attitude toward modernization, while those from North China espoused a more negative attitude?<sup>7</sup> To answer this question, the above analytic model would require us to compare the structural contexts in South and North China, determine their effects on the value systems of the elite members in these two regions, and investigate the relationships between these value systems and the differential responses to modernization.\*

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\* The study reported here espouses no intention to proffer a conclusive explanation for the process of elite differentiation. Alternative explanations are equally possible and might be more plausible. Hence, this study should more appropriately be regarded as an exploratory attempt to elaborate one line of explanation.

## SOUTH CHINA AND NORTH CHINA: STRUCTURAL DIFFERENCES\*

During the M'ing and Ch'ing dynasties, the Chinese society experienced drastic socio-economic transformations, which can be subsumed conveniently under three major processes: commercial expansion, industrial development and agricultural growth.<sup>8</sup> Though there is still no definite conclusions as to the extent and magnitude of these socio-economic changes,<sup>9</sup> at least one thing is clear: the Chinese society in this period is one characterized by high levels of division of labor, economic integration, and commercial activities, and there is evidence showing that some of the traditional forms of human relationships had been replaced here and there

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\* The selection of South China and North China as units of comparison is, in a sense, unfortunate, in view of the fact that the internal differences within either South or North China are sometimes greater than the differences between them. The delineation of North and South China is more in accordance with a broad socio-economic sense than with a strict geographical sense, whereby we mean that these two units are adopted with the explicit heuristic purpose of indicating two social systems under different levels of socio-economic development. If detailed data for a variety of localities within smaller geographical extension are available, a more sophisticated study can be undertaken without utilizing such ambiguous units as South and North China. Since this study is only exploratory in nature and constrained by limited resources, the units of South and North China are the natural choice. Roughly, by North China we mean that area of China where wheat is the staple crop. In geographical terms, North China will consist of the areas surrounding the Yellow River (the Huang Ho) and north of it (but excluding Manchuria since it was not open for the migration of the Chinese people until the end of the nineteenth century). By South China we mean that area of China which grows rice as the staple crop, this would include all the areas along the Yangtze River (the Changkiang) and south of it. These areas are usually called central China and south China.

by more novel forms, and new institutions arose and stood side by side with old institutions.

### Commercialization of Agriculture<sup>10</sup>

Traditionally, agricultural activities were undertaken primarily for subsistence purposes; agricultural products rarely left the place of origin for exchange purposes, the only exceptions being the transport of grains to the towns and cities to comply with tax requirements. Long before the Ming and the Ch'ing dynasties, production of agricultural products for commercial purposes gradually appeared. In the last several hundred years of traditional China, the process of commercialization of agriculture had accelerated. Both the staple crops of rice and wheat had entered into the circulation process. Many counties and districts had become specialized in the production of one or several major products, such as cotton, raw silk, tea, and tobacco. Areas located at the periphery of towns and cities very often concentrated on garden farming and provided the urban residents with products like vegetables and flowers. Division of labor in agriculture was extensive in the countryside, and this took the form not only of specialization of products within a locality, but also the form of regional specialization. Specializations of this kind resulted in the expansion of marketing and commercial activities, as well as in the rationalization of the production techniques. In this period, many small agricultural households were involved in the

process of commercialization of agriculture, gearing their activities to the demands of the market. In addition, large farms, employing several thousand laborers, also made their appearances here and there, and many of the farm owners had turned into agricultural entrepreneurs in the rural areas.

### Industrial Development<sup>11</sup>

Handicraft industry had long been an integral part of the family farm economy in China, and its prime function was the provision for the consumption requirements of the peasants. Independent handicraft industries, on the other hand, catered only to the demands of the wealthy and powerful. However, during the Ming and Ch'ing dynasties, several processes were apparent. First, familial handicraft production was undertaken with the purpose of exchanging for money in the market. Some family farms had gone as far as specializing completely in handicraft production, while procuring their food with profits earned in the market. This process was particularly evident in the case of cotton spinning and weaving. These handicraft industries had become the mainstay in the farm economy of traditional China. Second, many handicraft industries had moved from the family farm to the workshops in the towns and cities. Depending on the type of industry, these workshops could employ from less than ten to as many as several thousand employees, who were usually recruited from the landless laborers in the rural areas and were paid a wage salary on a contract basis. Among the

industries located in workshops, the textile industry (particularly cotton) was the most important, since it accounted for a large proportion of the total value of the industrial production in the period. Other industries like mining, porcelain ware, silk, iron wares, paper-making and printing had also grown into large-scale enterprises, employing hired labor. The owners of these workshops, except those operated by the government, were usually merchants, who occasionally might be able to utilize more rational methods of operation and management. Third, there was growing division of labor and specialization within industries as well as between industries. Not only can we discover a lot of occupational titles within each industry, we can also find minute division of labor inside a single department in it. The technology to be found in these industries was pretty advanced, though still within the bounds of traditional knowledge. Finally, there was also extensive geographical division of labor, so that no individual region could claim to be self-sufficient, and an extensive network of commercial exchange had to be instituted to allow the economy to continue to function.

#### Commercial Expansion

Specialization and division of labor in both agriculture and industry within and between regions meant that the exchange function was vitally important in the Chinese society, and this provided the backdrop for the rising importance of the merchants.<sup>12</sup>

The growth in the number of market towns in the Ming and Ch'ing dynasties<sup>13</sup> signifies the magnitude of commercial development in this period. Merchants not only got rich by transporting products from one place to another and by illegal means of controlling the market such as hoarding and speculation, they also engaged themselves in the process of production. Merchants entered the process of production in two ways: they could function as owners of workshops and actually supervise industrial production there, but this was very rare; or they could coordinate the production of a large number of small productive units (such as families and small workshops) by distributing to them raw materials and capital and then collecting the finished products afterwards. However, by far the most popular method to get rich was to be moneylenders and pawnshop owners, and it is not surprising to find most of the merchants engaged in these activities.

#### Geographical Diversities in Levels of Economic Development

Not all regions in China experienced the same degree of agricultural, commercial and industrial development. As a matter of fact, most of this development was restricted to a small number of locations, primarily in South China. Therefore, these various forms of economic development did not lead to any large-scale structural change in the traditional Chinese social structure. Rather, it is more appropriate to say that in those areas undergoing

these kinds of development, portions of the traditional structure had been eroded to a certain extent, and had been replaced by other structures alien to the traditional scene.

Historical records have unmistakably demonstrated the higher level of economic development in South China.<sup>14</sup> And it is no accident that Emperor Tai-tsu of the Ming Dynasty (明太祖) had imposed an extraordinary tax burden on the four districts of Su 蘇, Sung 松, Chia 嘉, and Hu 湖, in Southeast China, in view of the phenomenal development of the handicraft textile industry in these areas.<sup>15</sup> Hsu Ta-ling 許大齡 describes the extent of development in the South in this way:<sup>16</sup>

Approximately before and after the sixteenth century, towns and cities with magnificent industrial growth were mainly located in three different areas: the area south of the Yantze River, Southeast China along the coast, and the canal zone north of the Yangtze.

The prosperity of the cities in the canal zone was closely related to the re-opening of the canal and the expansion of grain transport, while that of Southeast China was apparently due to the growth in overseas trade. However, at that time, there is no question that the Chiangnan area (area south of the Yangtze) was the most economically advanced. The Chiangnan area (including today's south Kiangsu, West Chekiang and parts of Kiangsi and Anhwei) had not undergone any large-scale destruction since the Sung and Yuan dynasties. It not only had abundant agricultural products, it had also handicraft industries with comparatively more advanced technology. The five major industrial zones (specializing respectively in paper-making, porcelain-making, silk textiles, cotton textiles and starching and dyeing) in this area were intimately integrated. Moreover, the Chiangnan area, with the coast, the Yangtze River, and the canal forming a complex communication network, not only was the center of industrial and commercial activities in the country, but was also its transport center and cultural center.

Since the Sung Dynasty, the economic center of China had gradually shifted to the southeast.<sup>17</sup> The growth of population and households in the south was particularly rapid. According to historical statistics, the Chiangnan area's population in mid-Sung was six times its population in the last years of the West Han Dynasty; by early Ming, it was more than 14 times.<sup>18</sup> In the eve of the First Anglo-Chinese War, the seven provinces along the Yangtze River (Szechwan, Hupeh, Hunan, Kiangsi, Anhwei, Kiangsu, Chekiang) alone accounted for 55% of the total population in the country. Furthermore, because of the development in overseas trade along the coastal areas, there was a dense concentration of population there. The population of Shantung, Kiangsu, Chekiang, Fukien and Kwantung along was 36% of the national total.<sup>19</sup> In terms of population density, the three provinces of Chekiang, Kiangsu and Shantung were among the highest. Taking the population figures alone, the areas around the Lower Yangtze should be the most economically developed region in the country.

The higher population density in South China was largely due to its higher agricultural productivity based on irrigated farming techniques. With a smaller piece of arable land, the peasant in South China could reap a better harvest than his counterpart in the North, who was endowed with a much larger piece of land. Moreover, the higher level of development in cash crop production, in agricultural commercialization, in handicraft industrialization,



and in exchange activities can also be attributed as factors underlying the growth of population in the South.

Economic expansion in the South inevitably intensified the process of urbanization there. Not only were the old towns and cities prospered, but the rise of new towns and cities was also clearly evident. In the North, towns and cities were small and sparsely dispersed, and, in most cases, northern towns and cities could only be compared to the villages in the South in terms of population and standard of living.<sup>20</sup> People in late Ming had made a comparison between Hang-chou ( 杭州 ) and the towns in the North:<sup>21</sup>

In the north of Hang-chou is the town of Hu-chou ( 湖州 ), and south of it is Che-chiang-i ( 浙江 驛 ). The whole area covers a distance of ten li ( 里 ), with wells and houses arranged in close order. Several hundreds of thousand people were accommodated here. . . . What is the cause for this huge population? In the North, there are large areas without any concentration of population in them; even if a town can be found, the population there usually does not have half the population of a market-town in the South.

The northern towns and cities not only suffered from a scarcity of population, there were also limitations in the geographical circulation of commodities. For instance, the Lin-hsien ( 林縣 ) in Honan and the Chin-an-hsien ( 秦安縣 ) in Kansu were characterized by "the virtual nonexistence of merchants"; in the Yung-p'ing-hsien ( 永平縣 ) of Hopeh, "even commodities transported there from Lin-ch'ing ( 臨清 ) cannot be completely sold out".<sup>22</sup>

The differential level of economic development in South China and North China delineated here is primarily a crude and general characterization. As a matter of fact, there were isolated spots of intensive economic activities in the North, while there were still large areas in the South which still retained the traditional modes of subsistence farming. Nonetheless, it is still safe to conclude that much more areas in South China had experienced these various types of economic transformation than North China and hence, in a very broad way, that South China demonstrated a higher level of structural differentiation than North China during the Ming and Ch'ing dynasties.

#### FORMATION OF THE TRIUMVIRATE OF LANDLORD-CONFUCIAN ELITE-MERCHANT IN SOUTH CHINA

Concomitant with the process of structural differentiation in South China were changes in the socio-cultural contexts. However, for the present study, the most significant structural change was the change in the power structure in South China. Previously in traditional China the community power structure was characterized by a hierarchy with the monolithic coalition of the landlords and the Confucian elite at the apex, and the peasantry forming the vast base. The coalition of landlords and Confucian elite was further consolidated by an intricate power exchange system between them. Landlords could aspire to the status of a Confucian elite by procuring academic degrees themselves or through their sons, while

members of the Confucian elite could become landlords simply by purchasing land in the rural areas. These two groups shared similarities in interests, particularly those with regard to the stability of the social system, and this largely explained their common hostility toward the merchants.\* Through their political, social and cultural powers, these two groups had succeeded in setting the merchants aside as an outcaste in the Chinese society, with only economic power but enjoying low social status and a modicum of political influence.

Nevertheless, this traditional power structure began to break down in South China during the Ming and Ch'ing dynasties. Agricultural commercialization, industrial development, and the intensification of exchange activities all helped boost the importance of the merchants in the Chinese society. At a time

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\* The hostility of the Confucian elite and the landlords toward the merchants can be explained by the incongruence between the prerational or traditionalistic action emphasized by the former groups and the rational action stressed by the latter. As Marion J. Levy, Jr. put it: "For any large-scale society (relatively nonmodernized one, LSK) there are always spheres of action, usually the most clearly instrumental spheres of action, in which rationality is emphasized and recognized to some extent. The extent of that emphasis, however, need not be great, and it may be associated with spheres of behavior of relatively low ideal status. One of the best examples of this has to do with the activities of merchants. Merchants always understand rational operations to a marked degree and place heavy emphasis upon them. Ideally speaking, merchant members of relatively nonmodernized societies frequently have low prestige, which may continue to be low ideally, even though they may become powerful and important actually." (Modernization and the Structure of Societies. Princeton, N.J.: Princeton University Press, 1966, pp. 109-110).

when the local communities had gradually lost their economic autonomy through involvement in the market network, the role of the merchants in supplying the daily necessities to the urban (and to a lesser degree, rural) residents assumed an increasingly dominant magnitude. With their wealth, the merchants were capable of engaging in sprees of conspicuous consumption which were jealously envied by both the landlords and the Confucian elite. Both the objective and subjective images of the merchants changed so much that the merchants' subculture was even able to downgrade the status of the Confucian elite. In the Wu-chiang-hsien (吳江縣):<sup>23</sup>

In the beginning of the Ming Dynasty, . . . the status system was strictly observed. . . . Before the Cheng-te (正德) reign, no change had yet been made. In recent years (under the Chia-ting 嘉靖 reign), status obligations were no longer observed, . . . some of the low-status people even maintained that they did not envy a chu-jen 舉人 degree.

Not only was the social status of the merchants raised, they had also gained tremendous progress in their struggle for political power. They were able to influence government policies by either bribing the officials or by offering them economic advantages. Besides individual efforts, the merchants were not hesitant to organize collective actions. The merchants' guilds, formerly performing primarily economic and social-welfare functions, naturally were turned into political uses. The exertion of political

pressure through these guild on the part of the merchants leads to the following remarks by Mark Elvin:<sup>24</sup>

This was . . . a time when the political power of the merchants was increasing. Its most obvious form was the confederations of guilds which became the municipal governments of a number of cities in the course of the nineteenth century . . . .

. . . the guild confederations of the nineteenth century were not organizations of powerful outsiders. Nor were they organizations defending purely merchant against 'gentry' interests. They symbolized the consolidation of the power of a new urban elite based at least as much on commerce as on landholding. Businessmen in late traditional China were not members of a disadvantaged caste, but were respected and influential citizens.

The merchants in this period were not merchants pure and simple. In addition, they were money-lenders, workshop owners, pawnshop owners, coordinators of household handicraft production, and occasionally semi-officials performing some of the economic functions for the government (e.g., supplying provisions for the imperial army, regulating money supply, transporting official commodities like salt and grain, and acting as bankers for the government).

Despite their growing power, the merchants were not inclined to seek institutional changes in the traditional society, unlike their counterparts in the medieval cities of Western Europe. Since they prospered under the auspices of the government and some avenues had been open to them for upward social mobility (in contrast to the merchants in feudal Europe and Tokugawa Japan), obviously the

merchants in this periods were ardent supporters of the status quo. Their behavior tended to manifest a strong traditionalistic flavor. Apparently activities such as building temples, installing schools, etc. were performed with the goal of attaining status in the traditional society in mind.

I have tried to investigate the activities of the Fukien merchants listed under the categories of "Delight in doing good" (lo-shan 樂善) and "Sedulous working" (tu-hsing 篤行) in the Chuan-cheu-fu Chih, 泉州府志 as well as their ways of capital utilization. These are, without exception, the building of temples, ancestral halls and graveyards, the repair of bridges, the cleaning of barren land for cultivation, distributing money to the famine victims, subsidizing the poor when they married, taking care of the orphaned and the destitute, donating money to the school land, and financially assisting the scholars, etc. Upon analysis, these various forms of activities demonstrate that the attention of the merchants was not focused on the expansion of their wealth through re-investing it in commercial or industrial enterprises, but was on supporting of the traditional institutions and thus acting as the preservatives for the old society.<sup>25</sup>

Most of the merchants would invest their financial resources in commercial activities and in lending at usury,<sup>26</sup> which guaranteed a quick return of profits and a permanent fluidity of the capital. To a certain degree, these activities of providing credit to the peasants had the function of stabilizing the peasant society, but it also had the opposite effect of allowing merchants to appropriate land from the poor peasants through the latter's inability to repay the loans. The merchants acquired land not just through this means alone; they, as a matter of fact, were prepared to buy land with

their financial resources and to quit commercial activities altogether if the opportunities arose.<sup>27</sup> Land was attractive to the merchants not only because of the sense of economic security it furnished its owner, but also because it constituted a symbol of social status. Among the many consequences, land appropriation on the part of the merchants resulted in the identification of their interests in this matter with those of the landlords and the Confucian elite, as both of them usually owned an enormous amount of land.

The rise of the merchants foreboded a significant change in the power structure in South China, and both the landowners and the Confucian elite could not from then on monopolize social and political power in their hands. However, the entry of the merchants into the power scene did not result in intense power struggle among the three parties, nor did it lead to polarization in the community power structure. Power struggle between the old power groups and the new one was avoided in traditional China (unlike Europe during the period of Industrial Revolution) mainly because the old power groups had developed links with commerce and industry and they increasingly identified their interests with those of the merchants. Despite the limitedness of the magnitude of change, this turnabout in the socio-cultural orientation of the old power groups was extremely significant. It means that the merchants were smoothly accommodated in the power structure of the traditional society, and

that a triumvirate of landowners-Confucian-elite-merchants, with an intricate system of power exchange among them, had become the dominant power group (or the elite) in society.

The growing interest of both the landowners and the Confucian elite in commerce and industry had been abundantly documented, and there is no need to review the historical records here. For the Confucian elite, Ko Kien-chung 柯建中 has the following to write:<sup>28</sup>

. . . materials published in late Yuan and early Ming informed us that only the wealthy families could afford to have their children studying in schools, but still then only one-tenth to two-tenths of these children did so. Most of the people had to labor day and night in order to make a living. Therefore, there grew up among the intelligentsia an intense sentiment toward commercial activities. They were not willing to spend their time on books and leave their relatives worrying about their livelihood; instead they claimed that even the sages had taught them to make a living first before engaging themselves in other activities. Moreover, because they were aware that many scholars were unable to maintain themselves, these intellectuals turned themselves into merchants. From then on commercial pursuits had become their means to make a living. . . . There were many examples of intellectuals forsaking their academic career and becoming merchants, indicating clearly that these intellectuals had carved out an alternative way to earn their livelihood, aside from the traditional ones of farming and studying. . . .

In the case of the Fukien merchants, it has been reported that many of them were also Confucian scholars, and they had no difficulty in assuming both roles at the same time.<sup>29</sup>



Landowners engaging in commercial pursuits were quite common in South China. In the agricultural realm, many of the landowners were virtually agricultural entrepreneurs. "Firstly, they were involved in large-scale, orderly agricultural production, combining rationalistically both physical and human resources. It was a very progressive management pattern at that time. Secondly, they were able to accumulate wealth through minimizing the costs of production, and agricultural activities took on the characteristics of industrial enterprises. Thirdly, unlike those idle traditional landowners, they personally participated in production management and supervised the work of their employees."<sup>30</sup>

Besides becoming agricultural entrepreneurs, the landowners might turn themselves directly into merchants and moneylenders,<sup>31</sup> thus reinforcing their interests in commercial and agricultural activities.

The rise of the merchants, and the changing orientations of the landowners and the Confucian elite toward commercial and industrial undertakings, made the formation of the triumvirate of these three power groups possible. The appearance of this triumvirate had several structural consequences for South China. First, this more or less monolithic group constituted the new power group dominating the society in South China. Second, the vested interests of this group were closely tied to industrial and commercial development; contrariwise, any changes which might portend detrimental

effects to industrial and commercial development would inevitably damage the interests of this power group. Third, despite their innovative attitudes toward economic development, this group was still primarily traditionalistic in terms of their orientation toward the social and cultural systems of traditional China. That is to say, this group had no desire to change the basic institutional makeup of the Chinese society.

#### NORTH CHINA AND SOUTH CHINA: INTEREST DIFFERENTIATION

By mid-nineteenth century, the structural differences between South China and North China were pretty evident. In South China, the higher level of economic development and structural differentiation, together with the formation of the triumvirate of landowners-Confucian elite-merchants were in stark contrast to the lower level of structural differentiation and the continual dominance of the biumvirate of landowners-Confucian elite in North China. Even though members of the Confucian elite in both North and South China still shared the same basic value system derived from Confucianism, the fact that members of the Confucian elite in South China were connected in varying degrees with commercial and industrial interests means that inevitably some of the values of the Southern Confucian elite would differ from those of the Confucian elite, and these differences were particularly evident in the attitude toward merchants and commercial activities. The Northern Confucian elite still retained the disparaging attitude

toward merchants and their activities, and they were inclined to put the merchants in the lowest rungs of the status hierarchy, while dissociating themselves as much as possible from the merchants as a class. On the other hand, the Southern Confucian elite had developed a more liberal attitude toward the merchants and commercial activities, tending to elevate both to an important position in the functioning of society. These changes in the value system of the Southern Confucian elite were evident even in early Ming dynasty. Chang Chu-cheng, 張君正 a high-ranking Ming official, pointed out that "the function of the merchants is to facilitate exchanges in society, while that of peasants is to farm. If either of the two is not fulfilling their responsibilities, then both of them are going to lose. Hence these two groups should enjoy equal status in society. . . . Therefore, my view is that if the government wishes to increase production, then it is advisable to cut the taxes imposed on the peasants and the merchants; if the goal is to have the people enjoy all the necessities they need, then commercial dues should be lessened to benefit both the peasants and the merchants."<sup>32</sup> Another Confucian scholar, Hu Chin-chai, 胡敬齋 maintained that the parasites in society were the impractical scholar, while the peasants, the craftsmen, and the merchants all had significant contributions to society.<sup>33</sup> The family instructions and family regulations in the Ming period also emphasized commercial activities. In advising his son, the Confucian scholar Chang Yu-chu 張又渠

considered that the occupations of peasant, craftsman, and merchant were of equal value to society.<sup>34</sup> Other Ming scholars such as Chao Nan-sheng, 趙南星 and Huang Chung-hsi, 黃宗羲 also granted high social status to merchants.

The interests of the Confucian elite in commerce and industry were vividly reflected in the economic values of two important Confucian scholars in the period shortly before the Opium War -- Kung Tzu-chên 龔自珍 and Wei Yuan 魏源. Even though innovative economic and social thoughts could be found in many Confucian scholars in that time,<sup>35</sup> those of Kung and Wei were prototypic. Kung's economic and social values were deeply influenced by the commercialization and rationalization of agriculture in South China. He argued for capitalistic mode of agricultural cultivation, with the wealth thus generated distributed according to achievement and universalistic criteria.<sup>36</sup> He also proposed a vulgar form of individualism, claiming that the individual was the basis of society, and that to be selfish and to get rich were perfectly moral.<sup>37</sup> Social wealth, to Kung, came primarily from agriculture, and hence agricultural land should be allocated only to those who had the talent to increase production.<sup>38</sup> Hence, for the sake of social well-being, ascriptive standards bearing on landholding and land-ownership should be done away with.

In the case of Wei Yuan, we can see clearly how the economic interests of the Confucian elite became linked up with those of the

merchants. After witnessing the societal transformations accompanying the processes of industrial and commercial development, Wei heavily criticized the Confucian dogma of "elevating the peasants and downgrading the merchants". He not only considered "original wealth" (pên-fu, 農富 wealth generated by agriculture) and "derived wealth" (mo-fu, 商富 wealth generated by commerce and industry) as of equal significance to society, though of different forms; he also claimed that both forms of wealth should be protected by the government.<sup>39</sup> Hence the status of the merchants should be improved to recognize their contribution to society. To increase the wealth of the nation, Wei called for the loosening of the restrictions placed on commercial and industrial activities, straightening up the monetary system, and the provision of supportive services for industrial and commercial development.<sup>40</sup> In propagating these recommendations, Wei stood unmistakably for the interests of both the merchants and the Confucian elite in South China, which had its interests connected with those of the merchants.

The personalities and their thoughts we have briefly reviewed indicated clearly that the processes of economic development had resulted in the differentiation of the Confucian elite in North and South China, with the Southern Confucian elite adopting a more innovative orientation toward commercial and industrial interests and the Northern Confucian elite still retaining the traditionalistic, agrarian economic values. Furthermore, it should be pretty obvious

that the process of elite differentiation was grounded directly on the processes of structural differentiation and interest differentiation, which operated in different manners in North and South China. Before the Western powers made their disruptive impact on the Chinese society in mid-nineteenth century, this process of elite differentiation was virtually complete. When the problem of modernization had to be tackled with, we find differential responses from the Northern Confucian elite and the Southern Confucian elite.

#### ELITE DIFFERENTIATION AND THE PROBLEM OF MODERNIZATION

The central problem of this study is: why did the Southern Confucian elite adopt a more favorable attitude toward modernization than the Northern Confucian elite? In view of the discussion in the previous sections, we can give an explanation by using the concepts of structural differentiation and interest differentiation. The Southern Confucian elite, being closely linked up with commercial and industrial interests, would be more severely damaged socio-economically by the economic invasions of the Western powers, since most of the commodities produced locally were in no position to compete with foreign, machine-made products. However, since the Southern Confucian elite tended to espouse more innovative attitudes toward socio-economic development, they were more prone to adopt modern technology and ideas to protect and strengthen their position in society. On the other hand, the Northern Confucian elite, still grounded on agrarian interests, would not be damaged very much by the

flooding of cheap foreign goods or the expansion of economic power by the foreign powers, and, being more traditionalistic and conservative, would be more inclined to resist any attempt at modernization which might affect their position and role in society.

Despite its more favorable attitude toward modernization, the Southern Confucian elite was not totally committed to modernization. Its attitude toward modernization was largely conditioned by its structural position and interests in society. Because its power and status in society were still primarily based on its cultural learning and the legitimacy of Confucianism in society, the Southern Confucian elite was not likely to jeopardize their elite status by relying on other sources of power or influence. The adoption of modernization by the Southern Confucian elite was largely for instrumental purposes, i.e., to regain their economic power in society by strengthening native commerce and industry, to stabilize society by suppressing social turmoil arising from the disruption of the local economy by the foreigners, and to restore its dominant position in society when it was threatened by the presence of the foreigners, particularly the missionaries.

#### Disruption of the Southern Economy and Its Consequences

The opening of the Chinese market by force in mid-nineteenth century had resulted in an influx of cheap, machine-produced Western goods which exerted enormous competitive pressure on the locally-produced commodities. Even though the traditionalistic consumption

needs of the common Chinese people had some deterrent effects on the rapid expansion of the market for Western goods in the initial stages, it was a long-term trend that the Chinese handicraft industry would lose out. In the late 1860's, and particularly after the 1870's, the demand for Western commodities accelerated at the expense of native goods.<sup>41</sup>

As the degree of industrial development was much higher in South China than that in North China, the impact of Western economic competition was disastrous. The most important industry in South China, as has been mentioned, was the cotton spinning and weaving industry, and it is precisely this vital industry which was the hardest hit by foreign imports. For a long time, spinning and weaving of cotton were done largely at home by the peasants, and constituted an integral part of the household economy. The competition of foreign goods had changed the situation, leading to a disintegration of this industry. In the first stage, the spinning industry was destroyed by imports of cheap cotton yarn, particularly those from India. Increasingly the Chinese cotton textile makers turned to the use of foreign yarn to manufacture their cotton cloth. The destruction of the hand spinning industry forced a large number of hand spinners into unemployment, and underemployment arousing a lot of violent activities among them.<sup>42</sup> In the second stage, even the weaving industry was affected. Though most of the native cotton cloth was made with foreign yarn, it was still no match for foreign



cotton cloth in terms of prices. Therefore, many peasant families were deprived of this extra source of income, while the income derived from agriculture was often insufficient.<sup>43</sup> The whole process of disintegration of the cotton spinning and weaving industry had disruptive effects both in the rural areas and in the towns and cities, and had turned these areas into areas of social instability.

The cotton spinning and weaving industry was only a typical example of what foreign economic competition could do to the local handicraft industry. Other handicraft industries, such as iron casting, steel refining, candle-making, needle-making, and indigo manufacturing suffered even more badly, with most of the workshops in these industries either partially or completely closed because of lack of local markets.<sup>44</sup>

There were still other handicraft industries which, to a certain extent, managed to survive and even prosper under foreign economic impact, such as the silk and tea industries. Nevertheless, there was a gradual process going on whereby the control and ownership of these industries passed into the hands of foreigners and thus they became profit-making enterprises for the outsiders.<sup>45</sup>

Even though there were still some handicraft industries still largely untouched by foreign economic competition because of their close relationships with the unique socio-cultural contexts in China (e.g., china and porcelain production, firecracker-making,

fan industry, tin-foil making, bamboo furniture, knife and scissor making, Chinese medicine, copperwares), the overall picture was that the Chinese economy in the South was heavily disrupted, with this disruption seriously threatening the status of the triumvirate there.

#### Adoption for Modernization by the Southern Confucian Elite

The disruption of the economy in South China inevitably eroded the power base of the merchants and the landlords, as well as the Confucian elite whose interests were closely allied with them. Firstly, the influx of foreign goods meant that, in order to survive, the Chinese merchants and manufacturers must be able to compete successfully with foreigners for a share in the local market. This implied that modern technology had to be imported to upgrade the industrial output of the Chinese producers. Hence, a modernizing attitude toward Western technology (or "material culture") was both necessary and urgent. For the sake of their own interests, the Southern Confucian elite naturally assumed the role of the spokesman for the commercial and industrial sector. Secondly, that the foreigners were able to invade and control the Chinese economy was, in the opinion of the Southern Confucian elite, due to the lack of adequate military self-defence capabilities of the Chinese, thus allowing the foreigners to force economic concession at the gun-point from the Chinese authorities. The privileges enjoyed by the foreign merchants and producers, plus the suppressive restrictions

imposed on native commercial and industrial activities by the government under the dogma of "repressing merchants" (i-shang 抑商), had put the Chinese at a disadvantage in their economic struggle against foreigners. Therefore, two interrelated measures were called: the removal of the restrictions on commercial and industrial undertakings, which was tantamount to a policy to elevate the status of the merchants; and the strengthening of the military capability of the Chinese so as to ward off foreign threat. Thirdly, the breakdown of the economy had in its wake the proliferation of unemployed peasants and laborers who might easily be instigated into taking part in riots and rebellions, thus endangering the dominant position of the Confucian elite in society. All in all, the attitude of the Southern Confucian elite toward modernization was primarily instrumental, reflecting the structural position it occupied in the social system. Basically the Southern Confucian elite's socio-cultural loyalty was still attached to the tenets of Confucianism, hence its adoption of modernity was limited in scope, and conditional on an overriding purpose: the maintenance of their dominant elite status in society. In this manner the elite members tended to assume a bipartite conception of modernization, treating Western technology and Western culture as autonomous and unrelated parts, and considering that a better world could be built by combining Western technology and Chinese traditional culture. And it is easy to demonstrate that both the expressed views and the actual behavior of the Southern Confucian elite revealed their instrumental attitude toward modernization.

### Elevating the Status of the Merchants

To restore their economic power in society, the Southern Confucian elite members deemed it necessary to modify the traditional value system so as to upgrade the status of the merchants in society and to establish modern industrial projects. Throughout the writings of the Southern Confucian elite members, we can find statements bearing on the importance of the merchants in society.<sup>46</sup> A sample of these statements should suffice to underscore this attempt at value change:

Confucian scholars, who are ignorant of practical affairs, are fond of advising the government not to bother with profit-seeking businesses; and they themselves know nothing about finance and economics. For a long time, our country has maintain the policies of elevating the status of the farmers while downgrading that of the merchants, valuing grain while disparaging money, treating agriculture as the basic wealth while commerce as the insignificant wealth. If we imitate the West, we will be accused of abandoning the important and chasing after the unimportant by these impractical scholars. . . . Alas, granted their concern for agriculture is sincere, how often have these scholars been able to tackle with various problems connected with agricultural activities? They only know how to measure the size of the land, impose heavy duties on the peasants, press for taxes and rent, and allow their servants to harass the common people. Most of the scholars of today share this tendency to hide themselves behind high-sounding words without doing anything with concrete contributions.<sup>47</sup>

Farmers are the foundation of society; however, the most urgent business of today is commerce. Without the merchants, agricultural products cannot be transported to other places; without the farmers there will be nothing for the merchants to transport. . . . To protect the merchants, two measures need to be taken: first, commercial dues have to be reduced; second, government officials should be prohibited from causing trouble for the merchants.<sup>48</sup>

. . . Western nations, by opening their ports to facilitate commercial activities, and by collecting dues from merchants, are thus able to procure the financial resources for official use. Because of their contribution, merchants are allowed to participate in the process of decision-making in the government.<sup>49</sup>

. . . In foreign nations, merchants exert tremendous power and influence, and they cooperate closely with the government, hence these nations are able to prosper. Contrariwise, in China, merchants are not allied with the government, and their power is meagre, hence this country grows weaker and weaker. In foreign nations, merchants obtain their wealth from other nations, and this wealth is used in turn to maintain the army. Therefore, these nations become strong. In China, the army is supported by the peasants, and using wealth generated within the country, therefore China is weak.<sup>50</sup>

Not only should merchants be respected, the whole Confucian conception of depreciating workmanship was under attack. In the words of Hsüeh Fu-ch'eng 薛福成:<sup>51</sup>

. . . The reason why the various industries in the Western countries are able to demonstrate tremendous creativity and ability is to be found in the encouragement and support given to them by both the government and the common people. This is different from the situation we find in China today. However, the disparagement of workmanship did not characterize the whole history of China, because the sages of antiquity very much appreciated the contributions made by the artisans. If China were to strengthen itself, workmanship should be stimulated; and, to stimulate workmanship, the traditional attitude toward artisans must be revised. . . .

Some people even reinterpreted the Confucian classics to support their emphasis on workmanship,<sup>52</sup> and claimed that scholarship

and workmanship were complementary to each other, and both were of equal value to society.<sup>53</sup>

Besides endeavoring to upgrade the status of the merchants in society, the Confucian elite actually sought the help of the merchants in establishing industrial enterprises to meet the economic challenges of the foreigners. It is pretty clear in the mind of the Southern Confucian elite that the primary aim of industrialization was the restoration of their economic power in society through the invigoration of commercial and industrial activities. In Li Hung-chang's 李鴻章 words:<sup>54</sup>

. . . most of the imports from foreign countries are accounted for by foreign yarn and foreign cloth. In 1892 the value of the imports of foreign cloth was more than 31,000,000 taels of silver, while that of foreign yarn was 21,000,000 taels of silver. Our receipts from tea and silk exports cannot balance out this deficit in the import-export trade. Clothes are needed by the common people, and those produced by machines are cheaper and of higher quality, hence they are in great demand. The more the foreign clothes are sold here, the more the local products are hurt. Therefore, we also have to produce our clothes with machines in order to match the quality of our products with that produced by foreigners. Only in this way can we sell our clothes; only in this way can we find employment for our workers; and only in this way can our merchants be able to make profits. This matter is of tremendous importance and urgency. . .

The elevation of the status of the merchants was primarily instrumental in purpose, which means that though the Southern Confucian elite was differentiated from the Northern Confucian elite

in adopting this approach, it still shared with the North elite the goal of maintaining Confucianism as the only ideology in China and the Confucian elite as the only dominant elite in society. Thus, the intention of the Confucian elite was to upgrade the status of the merchants, but not to the extent that the merchants could form a power group and threaten the dominant position of the Confucian elite, rather the purpose was to utilize the merchants for the benefit of the Confucian elite. This whole conception of the role of the merchants can be clearly inferred from the kuan-tu shang-pan 官督商辦 principle in connection with the operation of the industrial enterprises. Translated as "official supervision and merchant management", kuan-tu shang-pan industries<sup>55</sup>

were joint official-merchant undertakings. . . . From the past they retained a bureaucratic management and the monopolistic restrictions and official exactions which had characterized the salt administration. These features were combined with such new nineteenth-century developments as the growth of provincial at the expense of imperial power and the appearance of new sources of capital in the treaty ports. The product -- the kuan-tu shang-pan institution -- was deficient in the rationalized organization, functional specialization, and impersonal discipline associated with the development of modern industry in the West.

What this system implies is that the Southern Confucian elite, in protecting their vested interests, was prepared to take the tactical move to cooperate with the merchants, while sticking firmly to the basic Confucian doctrines.<sup>56</sup>

The kuan-tu shang-pan system was in fact a compromise with traditional institutions and patterns of behavior. It provided a vehicle whereby the overwhelming inertia of an imperial political system and

Confucian ideology, the basis of which was a society founded on prescientific intensive agriculture, could be adjusted to the compelling need for modern industry and means of communication.

This system also reflected the traditional relationship between the Confucian elite and the merchants:<sup>57</sup>

In the expression kuan-tu shang-pan itself, we see reflected a dichotomy between official (kuan) and merchant (shang) which reveals the underlying negative attitude towards commercial enterprise in a saturated agricultural society. The official (or government) was suspicious of the merchant who was a competitor with the landlord and bureaucrat for the surpluses of peasant production. Although he too, in the last analysis, lived on the proceeds of the traditional economy, the presence of the merchant might upset the equilibrium that had been reached among three interests: (1) the minimum return to the peasantry consonant with further production (and reproduction!); (2) rents and interest on usury for the landlord-gentry; and (3) the bureaucrat's perquisites in the form of taxation or less legitimate "squeeze." Therefore the activities of the merchant were regulated in the interest of the status quo by the official, whose existence was most directly dependent on the continued operation of the equilibrium. Government monopolies of commerce in such essential commodities as salt and iron, which extend back at least to the beginning of the imperial epoch in the Han dynasty, are to be seen in this light.

The late nineteenth-century kuan-tu shang-pan industries continued this same pattern of relations between official and merchant. In most general terms, merchant management was to be guided by official supervision. There were two specific ways, moreover, in which the dominant role of the bureaucrat was maintained and the merchant pure and simple constrained. First, the treaty-port merchant who had made good tended to be assimilated to the official bureaucracy. He could and did use his money to purchase official titles, thereby acquiring not only the title but inevitably some of the outlook of officialdom as well. The compradore, whatever the extent of his contacts with Occidentals and with



Western ways, thus identified himself with the traditional order and supported it with his contributions. Secondly, the position of the treaty-port merchant was never allowed to be secure. Like the salt merchants, who also depended on government favor and support, he was always liable to official exactions on his personal wealth or the assets of his enterprises.

But at the same time that the official sought to regulate mercantile activity and keep it within safe dimensions in regard to its scope and size, he was not averse to profiting personally from commerce. It was taxed and "squeezed" for the benefit of government coffers and private purses. Beyond this, and despite legislation forbidding it, the Confucian official would himself engage clandestinely in commercial activity under the cover of some merchant accomplice. This means of seeking after personal gain, however, was not equivalent to the legitimization of commercial endeavor or the acceptance of equal status for merchants as a class.

Hence, the acceptance of modernization by the Southern Confucian elite was geared to the goal of maintaining the dominance of the triumvirate in the face of foreign threat, and with the Confucian elite occupying the supreme position in the coalition.

#### Restoration of Social Stability and Strengthening the Country Against Foreign Invasion

The worsening of economic conditions in South China had generated numerous instances of social unrest among both peasants and artisans, culminating in the large-scale rebellion of the Taipings.<sup>58</sup> Factors underlying the extension of social stability are many. The destruction of the peasant household economy due to the competition of foreign goods was one, while the increasing concentration of the ownership and control of arable land in a few hands arising from the commercialization of agriculture was another.

Government corruption and exploitation further aggravated the already tense situation. Irrespective of which was the operational factor, prevalence of social stability constituted a threat to the dominance of the Southern Confucian elite. Since economic disruption was considered as the important causal factor at work, the Southern Confucian elite attempted to install modern industrial enterprises so that those in economic difficulties could be re-employed and their need to participate in illegal activities dissipated. Thus, in arguing for the opening of copper mines in the province of Yunnan, Tsao Pao 皂保 explained:<sup>59</sup>

. . . mine workers were dispersed all over the province, and they all depended on mining for their livelihood. After the copper mine was closed, they had lost their means of living, and half of them was forced to join the bandits. If the copper mine is re-opened, then, with their livelihood secure, these people will not be deceived by the agitators. . . . The bandits, deprived of recruitment, can be easily suppressed.

The Governor-General of Yunnan and Kweichow reiterated the same line of reasoning:<sup>60</sup>

. . . the opening of various mines will require a lot of laborers. The employment of these people will insure against their becoming bandits. With the provision of adequate training, these people can even be used as soldiers.

To deal with the revolts and rebellions already going on, the modernization of the army and navy was urgent, and the Southern Confucian elite did not even hide its intention of adopting Western military technology to suppress internal social unrest:<sup>61</sup>

Since the successful suppression of the Taiping rebels, the provinces have not experienced any serious social turmoil. Only in the border regions can we occasionally hear about insurrections. In recent years, even though the heterodox bandits in the province of Jê-ho and the Moslem bandits in the province of Kansu were disturbing, however, they either surrendered upon the arrival of the government army, or crumbled when attacked by us. The reason for our success lies in the fact that our army had, since early Tung-chih, shifted to the use of foreign guns and artillery as the primary weapons, and, though foreign weapons differ in quality, they are still superior to those used by the bandits. There is no way that the bandits can resist these new weapons, and these people have to think twice before they dare to take a move.

The strengthening of the military power of China was not undertaken with only the rebels in mind, it was also aimed at the foreign nations. Usually these two groups of enemies were mentioned at the same time under the phrase "Nei-huan Wai-wu" ( 外患内侮 ). The presence of foreigners, accompanied by the influx of foreign goods and the usurpation of local and national power by them, constituted a serious challenge to the traditional status of the Confucian elite. Hence, the instrumental attitude toward modernization was deemed as appropriate and not contrary to the teachings of Confucianism, inasmuch as the defeat of the foreigners was pivotal to the continual preservation of the Confucian value system.

#### DISCUSSION

In this study we try to explain the differential responses of the Southern Confucian elite and the Northern Confucian elite to modernization in the second half of the nineteenth century. Among

the many explanatory schemes possible, we have selected the sociological one. These differential responses are accounted for by the different levels of structural differentiation in North China and South China generated by the differential operations of the processes of industrial, agricultural and commercial development in the two areas. Differences in the level of structural differentiation in turn led to differentiation of interests between the Northern and South Confucian elites, with the former still basing its power and influence on agricultural pursuits and the latter gathering increasing interests in commercial and industrial undertakings. The Northern elite's power was by and large rurally based, while that of the Southern elite relied increasingly on urban support. However, both of them remained steadfastly Confucian in orientation and outlook, since the legitimizing mechanism for their dominant status in society was still the doctrines of Confucianism. Be that as it may, the different structural positions these two groups occupied in North and South China and the associated differentiation of vested interests mean that they had to utilize different tactical means to uphold their dominant statuses. In the North, the stabilization of the agrarian society was essential. Contrarily, the compromise with the rising commercial and industrial power figures, as well as the actual participation by the Confucian elite in these new forms of economic activities, was necessary to prevent any drastic change in the power structure in South China. When the impact of the West was

felt in China, it affected the Southern Confucian elite and its vested interests much more severely than its counterpart in the North, and, in order to survive, innovative measures had to be taken. The adoption of modernization represented a timely remedy to ensure the continual existence of the Southern Confucian elite, hence its more favorable attitude toward it. Nevertheless, the Southern Confucian elite had not forsaken the doctrines of Confucianism, as these were their ultimate source of legitimacy and power in society. Therefore, it is not surprising that its adoption of modernization remained reserved, limited, instrumental, and characterized by suspicion toward Western culture.

Analysis of the processes of elite differentiation and modernization in nineteenth century China was fundamental to a fuller understanding of the failure of the attempt at modernization by China in this period. The structural position of the Southern Confucian elite oriented it to assume a favorable attitude toward modernization, it also necessarily prevented it from structurally transforming the traditional Chinese society. Modernization measures taken in this period were, without exception, piecemeal, inadequate, and self-defeating. Short of structural change and changes in the power structure in society, no endeavor at modernizing China can succeed, and the self-serving attitude toward modernization on the part of the Southern Confucian elite only constituted a hindrance to the inauguration of this vital process. Paradoxically, however, the limited modernization attempts on the part of the Southern Confucian

elite had unintentionally gave rise to a group of indigenous capitalists and entrepreneur, who, as well as their supporters, later turned into one of the deadly enemies to the vested interests of the Confucian elite as a whole.

## NOTES

- 1 See, for example, Mary C. Wright, The Last Stand of Chinese Conservatism: The T'ung-Chih Restoration, 1862-1874 (New York: Atheneum, 1966), and Mou An-shih, 牟安世 Yang-wu Yung-tung 洋務運動 (Shanghai, 1961).
- 2 Usually the causal analysis, if undertaken, is on a very superficial level, e.g., the various reforms made in this period were explained by saying that the gentry was determined to strengthen their country so as to fend off foreign threats, to protect themselves against the rebels, etc.
- 3 See, for example, John H. Kautsky, The Political Consequences of Modernization (New York, John Wiley and Sons, Inc., 1972), pp. 75-79. For a comprehensive review of literature, see particularly Carl Beck and J. Thomas McKechnie, Political Elites: A Select Computerized Bibliography (Cambridge: M.I.T. Press, 1968).
- 4 Kautsky, op. cit., p. 102.
- 5 See, in particular, Joseph Gusfield, "Tradition and Modernity: Misplaced Polarities in the Study of Social Change", American Journal of Sociology, 72, 1967, pp. 351-362; and L.E. Shiner, "Tradition/Modernity: An Ideal Type Gone Astray", Comparative Studies in Society and History, 17, 2, April 1975, pp. 245-252.
- 6 Robert E. Scott, "Political Elites and Political Modernization: The Crisis of Transition" in Seynour Martin Lipset and Aldo Solari, eds., Elites in Latin America (New York: Oxford University Press, 1967), pp. 117-145, p. 122.
- 7 I have done a very crude survey of the place of birth of the modernizing Confucian elite, and there should be no question that most of them came from South China. Some examples are in order: Shên Pao-chên 沈葆楨 (Hou-kuan, 侯官 Fukien), Ting Jih-ch'ang 丁日昌 (Fêng-shun, 豐順 Kwantung), Ting Pao-chên 丁寶楨

(P'ing-yüan, 平遠 Kweichow), Li Hung-chang 李鴻章 (Ho-fei, 合肥 Anhwei), Tso Tsung-t'ang 左宗棠 (Hsiang-yin, 湘陰 Hunan), Tsêng Kuo-feng 曾國藩 (Hsiang-hsiang, 湘鄉 Hunan), Tsêng Chit-sê 曾紀澤 (Hsiang-hsiang, 湘鄉 Hunan), Liu K'un-i 劉坤一 (Hsin-ning, 新寧 Hunan), Lo Ping-chang 駱秉章 (Hua-hsien, 花縣 Kwantung), Chiang Chung-yüan 江忠源 (Hsin-ning, 新寧 Hunan), Lo Tse-nan 羅澤南 (Hsiang-hsiang, 湘鄉 Hunan), Liu Ming-ch'uan 劉銘傳 Ho-fei, 合肥 Anhwei), Chou Shêng-ch'uan 周盛傳 (Ho-fei, 合肥 Anhwei), Wang Wên-shao 王文韶 (Jen-h'u, 仁和 Chekiang), Kuo Sung-tao 郭嵩燾 (Hsiang-yin, 湘陰 Hunan), Hsüeh Fu-ch'eng 薛福成 (Wusih, 無錫 Kiangsu), Li Han-chang 李瀚章 (Ho-fei, 合肥 Anhwei), Sheng Hsüan-huai 盛宣懷 (Wu-tsin, 武進 Kiangsu).

- 8 Many historians in Mainland China have called this overall process of socio-economic transformation the "sprouting of capitalism" (Tzŭ-pên-chu-i Ti Meng-ya 資本主義的萌芽), meaning that the Ming and Ch'ing dynasties represented the period wherein the elements of capitalism could be found haphazardly in the Chinese society. Debates centering around this subject-matter had been going on heatedly in the 1950's, and most of the articles written in this period have been compiled in two books: Chung-kuo Jen-min Ta-hsüeh Chung-kuo Li-shih Chiao-yen-shih 中國人民大學中國歷史教研室 (comp.), Chung-kuo Tzŭ-pên-chu-i Meng-ya Wen-ti Tao-lun Tsi 中國資本主義萌芽問題討論集 (hereafter abbreviated as TPCIMY), 2 volumes (Peking, 1957); and Nan-ching Ta-hsüeh Li-shih-hsi Chung-kuo Ku-tai-shih Chiao-yen-shih 南京大學歷史系中國古代史教研室 (comp.), Chung-kuo Tzŭ-pên-chu-i Meng-ya Wen-ti Tao-lun Tsi, Sü-pien 中國資本主義萌芽問題討論集, 續編 (hereafter abbreviated as TPCIMY-SP), (Peking, 1960).
- 9 For a summary of some of the controversial issues involved in the debate, see, for example, TPCIMY-SP, pp. i-v.



- 10 For a detailed analysis of the patterns and consequences of commercialization of agriculture, see particularly Li Chih-ch'in, 李之勤 "Lun Ya-pien Chan-cheng I-chien Ch'ing-tai Shang-yeh-hsin Nung-yeh Ti Fa-chan" 論編比戰爭以前清代商業性農業的發展 in Chung-kuo Jen-min Ta-hsueh Chung-kuo Li-shih Chiao-yen-shih 中國人民大學中國歷史教研室 (ed.), Ming-Ch'ing She-hui Ching-chi Hsing-tai Ti Yen-chiu 明清社會經濟形態的研究 (Shanghai, 1956) (hereafter abbreviated as MCSHCCHTYC), pp. 263-357. See also Wu Tan-ko, 伍丹戈 Ya-pien-chan-cheng-chien Chung-kuo She-hui Ching-chi Ti Pien-hua 編比戰爭前中國社會經濟的變化 (Shanghai, 1959), pp. 28-34. Li Wen-chih 李文治 has compiled quite a lot of raw historical data on the process of commercialization of agriculture, see his Chung-kuo Chin-tai Nung-yeh-shih Tzū-liao, 中國近代農業史資料 (Peking, 1957), Vol. I (1840-1911), pp. 82-84. For other secondary historical studies, see, for example, Mark Elvin, The Pattern of the Chinese Past (London: Eyre Methuen, 1973), Ch. 16. Evelyn Sakakida Rawski has given a comprehensive account of the characteristics of agricultural commercialization in Fukien and Hunan, see her Agricultural Change and the Peasant Economy of South China (Cambridge, Mass.: Harvard University Press, 1972), Chapters Four and Five. Rozman has done research on the formation of a national market for grains in China in this period, and the following description of the movement of rice within the country is particularly revealing: "By the Ch'ing period, Kiangsu and Chekiang required rice imports from Anhwei, Kiangsi, and Hunan and at times from other Sheng as well. When prices were exceptionally high in East-central China, even Szechwan rice was forwarded via Wuhan to these lower Yangtze sheng. Why did rice have to be imported into these fertile rice-growing provinces? There were three contributing conditions: population growth made parts of East-central China the most densely populated areas in the country,

the imperial government forced rice exports as part of tax revenues to Peking; and a larger proportion of farmers in East-central China than elsewhere were engaged in commercial agriculture of products other than grain. In addition to grain a wide variety of other goods floated down the Yangtze and many luxury items and processed goods sailed back in the opposite direction." (Gilbert Rozman, Urban Networks in Ch'ing China and Tokugawa Japan. Princeton, N.J.: Princeton University Press, 1973, pp. 130-1.)

- 11 Perhaps the most detailed source of historical materials on the development of handicraft industries in Ch'ing China is found in Peng Tse-i's 彭澤益 Chung-kuo Chin-tai Shou-kung-yeh-shih Tzū-liao, 1840-1949 中國近代手工業史資料 (Peking, 1962), 4 volumes. The amount of secondary historical studies on the industrial development in both the Ming and Ch'ing dynasties is enormous. Among the more representative are: Mark Elvin, op. cit., ch. 16; Wu Tan-ko, op. cit., pp. 35-43; Hu-peh Ta-hsüeh Cheng-chih-ching-chi-hsüeh Chiao-yen-shih, 湖北大學政治經濟學教研室 Chung-kuo Chin-tai Kuo-min Ching-chi-shih Chiang-i 中國近代國民經濟史講義 (Peking, 1958), pp. 10-55; Wang Chung-lo, 王仲濤 "Ming-tai Su Sung Chia Hu Szu-fu Ti Tsu-ê H'u Chiang-nan Fang-chih-yeh", 明代蘇松嘉湖四附的租額和江南紡織業 in TPCIMY, vol. 1, pp. 1-19; Li Kuang-pi, 李光璧 "Ming-tai Shou-kung-yeh Ti Fa-chan", 明代手工業的發展 Ibid, pp. 31-46; Kung Ching-wei, 孔經緯 "Chung-kuo Feng-kien She-hui Shou-kung-yeh Chung Ti Tzū-pên-chu-i Meng-ya", 中國封建社會手工業中的資本文義萌芽 ibid, pp. 467-488; Peng Tse-i, 彭澤益 "Shih-ch'i Shih-chi-mo Tao Shih-chiu-shih-chih-ch'u Chung-kuo She-hui Ti Kung-ch'ang Shou-kung-yeh", 十七世紀末到十九世紀初中國封建社會的工場手工業 Ibid, pp. 489-539.
- 12 The major study on the role of the merchants in the Ming and Ch'ing dynasties is that by Fu I-ling 傅衣凌. See his Ming-Ch'ing Shih-tai Shang-jen Chi Shang-yeh Tzū-pen 明清時代商人及商業資本 (Peking, 1956). One of the indicators of

the growing importance of merchants and inter-regional commerce is the distribution of merchants' guilds (hui-kuan 會館) in Ch'ing China. Altogether there were more than one thousand hui-kuan in Chinese cities.

- 13 The phenomenal growth of market towns in the Ming and Ch'ing dynasties signifies the intensification of commercial activities in this period. Mark Elvin has described these market towns in the following words: "The origins of these market towns were many and varied. They grew up around temples, around the manors of great landlords and the country residences of important merchants, and even around industrial undertakings such as pottery works. They appeared at nodes in the transport system, at bridges, at the intersections of waterways, at resting-spots along main water-routes, and at customs houses in 'places through which merchants have to pass'. They were the by-products of the location of official salt stores, military stations and arsenals. Sometimes they were set up by influential persons as a deliberate act of will. In other instances they were the outcome of accident, as when bad harvests in a region forced the inhabitants into commerce, or rebels overlooked a village in their otherwise thorough plunder of a countryside. Some of them straddled county borders. All of them helped the flow of persons, goods, money and ideas locally, regionally, and nationally. Anyone who is tempted to think of the late traditional Chinese rural economy as 'cellular', 'self-sufficient', or 'uncommercialized' has only to look at this network and its density to realize how inapplicable these terms are." (Mark Elvin, *op. cit.*, pp. 268-9). For analysis dealing with the distribution, patterning, and national integration of these market towns, see Rozman, *op. cit.*, *passim*; and G. William Skinner, "Marketing and Social Structure in Rural China." Journal of Asian Studies, 24: 3-43, 195-228, 363-399 (1964-1965).

- 14 For some of the historical data, see Fu I-ling, 傅永浚 Ming-tai Chiang-nan Shih-min Ching-chi Shih-t'an 明代江南市民經濟試探 (Shanghai, 1963), pp. 1-23.
- 15 Tso Yun-pêng and Liu Chung-jih, 左云鵬, 劉重日 "Ming-tai Tung-lin-tang-cheng Ti She-hui Pei-ching Chi Chi Yu Shih-min Yun-tung Ti Kuan-hsi", 明代東林黨爭的社會背景及其與市民運動的關係 in TPCIMY, vol. 1, pp. 1-19.
- 16 "Shih-liu Shih-chi, Shih-chi Shih-chi-ch'u-chi Chung-kuo Feng-kien She-hui Nei-pu Tzū-pên-chu-i Ti Meng-ya", 十六世紀十七世紀初期中國封建社會內部資本主義的萌芽 in TPCIMY, vol. 2, pp. 906-7.
- 17 Chang Chia-chü, 張家駒 Liang-Sung Ching-chi Chung-hsin Ti Nan-i 兩宋經濟重心的南移 (Wuhan, 1957).
- 18 Li Chien-nung, 李劍農 Sung Yuan Ming Ching-chi Shih-kao 宋明元經濟史稿 (Peking, 1957), p. 6.
- 19 Yen Chung-p'ing et al, 嚴中平等 Chung-kuo Chin-tai Ching-chi-shih T'ung-chi Tzū-liao Hsüan-chi 中國近代經濟史統計資料選輯 (Peking, 1955), p. 364.
- 20 Rozman has compiled some statistics from historical data bearing on the level of urbanization in different regions in Ch'ing China. Though the reliability of the statistics is questionable, a rough picture of the differential levels of urbanization in North China and South China can still be depicted.

<u>Region</u>	<u>Total Population</u> (millions)	<u>Urban Population</u> (millions)	<u>Urban (%)</u>	<u>Urban % in Levels 1-3</u>
North China	96	5.40	5.7	42
Northwest China	26	1.45	5.6	43
East-central China	105	6.25	6.0	53
Central China	80	4.60	5.8	49
Southeast China	55	3.95	7.1	55
Southwest China	55	3.10	5.7	49

See Rozman, op. cit., p. 272.

- 21 Chao-yü Chih, 肇域志 vol. 9, "Che-chiang", 浙江 p. 81b.
- 22 Kang-hsi Yung-p'ing-fu Chih, 康熙永平附志 chüan 5, "Feng-hsu, 風俗" p. 17a.
- 23 Chia-tsing Wu-chiang-hsien Chih, 嘉靖吳江縣志 chüan 13, "tien-li", 典禮 3, "feng-hsu" 風俗
- 24 First quotation from Mark Elvin, op. cit., p. 292; second quotation from ibid, p. 293.
- 25 Fu I-ling, Ming-Ch'ing Shih-tai Shang-jen Chi Shang-yeh Tzū-pen, op. cit., p. 143.
- 26 Shang Yueh, 尚餞 Chung-kuo Tzū-pên-chu-i Kuan-hsi Fa-sheng Chi Yen-pien Ti Ch'u-pu Yen-chiu 中國資本主義關係發生及演變的初步研究 (Peking, 1956), pp. 39-40.
- 27 For example, see Fu I-ling, Ming-Ch'ing Shih-tai Shang-jen Chi Shang-yeh Tzū-pen, op. cit., p. 78.
- 28 "Shih-lun Ming-tai Shang-yeh Tzū-pên Yü Tzū-pên Chu-i Meng-ya Ti Kuan-hsi", 試論明代商業資本與資本主義萌芽的關係 in TPCIMY-SP, p. 94.
- 29 Fu I-ling, Ming-Ch'ing Shih-tai Shang-jen Chi Shang-yeh Tzū-pen, p. 138.
- 30 Ko Kien-chung, op. cit., p. 92. See also Fu I-ling, Ming-Ch'ing Nung-ts'un She-hui Ching-chi 明清農村社會經濟 (Peking, 1961).
- 31 Huang Sheng-tseng, 黃省曾 Wu-feng lu, 吳風錄 cited from Chen Yeh, 陳野 "Lun Hui-chou Shang-yeh Tzū-pên Ti Hsing-cheng Chi Chi Te-sê", 論徽州商業資本的形成及其特色 TPCIMY-SP, p. 121. See also Ko Kien-chung, op. cit., p. 93.
- 32 Chang Wên-chung-kung Ch'uan-tsi, wên-tsi, 張文忠公全集, 文集 chuan 8, "Tsêng Shui-pu Chou Han-pu Chüeh-chun Huan-chao Hsü" 贈水部周漢浦旌竣還朝序
- 33 Chu-yeh Lu, 居業錄 chuan 5.
- 34 Ko-tzū Sui-pi, 課子隨筆 chuan 2.

- 35 For the economic values of some of the prominent figures of the Confucian elite in this period, see Wu Pao-san et al, 巫寶三等 Chung-kuo Chin-tai Ching-chi Szü-hsian Yü Cheng-t'sè Tzū-liao Hsüan-chi 中國近代經濟思想與經濟政策資料選輯 (Peking, 1959).
- 36 "Nung Tsung", op. cit.
- 37 See "Nung Tsung", 農宗 in Ting-an Hsu-tsi, 定庵續集 chuan 2; "Lun Ssü", 論私 Ibid, chuan 1; "Lu Yen-jo So Chu Shu Hsu", 陸彥若所著書序 Ibid, chuan 3; "Ming Liang Lun I", 明良論一 in Kung Ting-an Ch'uan-tsi 龔定庵全集。
- 38 Ibid.
- 39 Ku-wei Tang Nei-tsi, 古微堂內集 chuan 3, "Chih-pien 14", 治篇十四。
- 40 Sheng-wu Chi, 聖武記 chuan 14, "Chün-chu Pien, 1, 2, 4" 軍儲篇一, 二, 四; Ku-wei Tang Wai-tsi 古微堂外集 chuan 7, "Hai-yün Ch'uan-an Hsu" 海運全集序。
- 41 For a general overview of the impact of foreign economic invasion on the Chinese handicraft industry, see Fan Pai-Ch'uan, 樊百川 "Chung-kuo Shou-kung-yeh Tsai Wai-kuo Tzū-pên-chu-i Ch'in-ju Hou Ti Tsai-yü H'u Ming-yün." 中國手工業在外國資本主義侵入後的遭遇和命運 in Li-shih Yen-chiu, 歷史研究 No. 3, 1962, pp. 88-115.
- 42 The most comprehensive study on the disintegration of the cotton spinning and weaving industry was that by Yen Chung-p'ing, 嚴中平 Chung-kuo Mien-fgau-chih Shih Kao, 1289-1937 中國棉紡織史稿 (Peking, 1963), see especially pp. 39-77. For raw historical materials, see Peng Tse-i, op. cit., vol. I, pp. 471-517; vol. II, pp. 195-264. For data on the unemployment situation among handicraft workers, see *ibid*, vol. II, pp. 265-284.

- 43 See Yen Chung-p'ing, op. cit.
- 44 See Fan Pai-ch'uan, op. cit., p. 104. Also, Peng Tse-i, vol. II, pp. 1-284, passim.
- 45 Fan Pai-ch'uan, op. cit., pp. 107-8.
- 46 See, for example, Chao Feng-t'iên, 趙豐田 Wan-Ch'ing Wu-shih-nien Ching-chi Szü-hsian Shih, 1861-1911 晚清五十年經濟思想史, 1861-1911 (Peking, 1939), pp. 88-146. Some of the famous Southern Confucian elite members in propagating the idea are: Chu T'sai, 朱采 Li Fan, 李藩 Kuo Sung-t'ao, 郭嵩燾 Hsüeh Fu-ch'eng, 薛福成 Ma Chien-chung, 馬建忠 and Cheng Kuan-ying 鄭觀應.
- 47 Wang Tao, 王韜 Tao-yüan Wên-lu Wai-pien, 弢園文餘外篇 chuan 2, pp. 14-17.
- 48 Chang Chien, 張謇 "Shang-hui I", 商會議 in Chang Chi-tzū-chiu Lu, 張季子九錄 Shih-yeh Lu, 實業錄 chuan 1.
- 49 Kuo Sung-t'ao, 郭嵩燾 "Fu-kein An-cha-shih Kuo Sung-t'ao Tiao-i Hai-fang Shih-i", 福建按察使郭嵩燾條議海防事宜 in Chung-kuo Shih-hsüeh-hui (comp.), 中國史學會 Yang-wu Yün-tung, 洋務運動 (hereafter abbreviated as YWYT), (Shanghai, 1961), vol. 1, p. 138.
- 50 Li Fan, "Kuang-hsu Szu Nien Tsou-che", 光緒四年奏摺 in YWYT, vol. 1, p. 167.
- 51 "Chên Pai-kung Shuo", 振百工說 in Yung-an Nei-wai Pien, 庸盦內外篇 Hai-wai Wên-pien, 海外文篇 chuan 3, p. 17a.
- 52 For example, see Chang Chih-tung, 張之洞 Chuan-hsüeh Pien, 勸學篇 vol. 2, pp. 31a-b; Chang Chien, op. cit., Cheng-wên Lu, 政聞錄 1/20a-b.
- 53 See the memorial of I Hsin, 奕訢 in YWYT, vol. 2, p. 25.
- 54 See YWYT, vol. 7, p. 453.

- 55 Albert Feuerwerker, China's Early Industrialization: Sheng Hsuan-huai (1844-1916) and Mandarin Enterprise (New York: Atheneum, 1970), p. 11.
- 56 Feuerwerker, op. cit., p. 242.
- 57 Ibid, p. 244.
- 58 Lau Siu-kai, The Confucian Elite, Power and Social Stability in Traditional China: Toward a Theory of Segmental Coordination (Unpublished Ph.D. thesis, University of Minnesota, 1975).
- 59 Chi-wên Lui-pien, 記聞類編 chuan 1, p. 4a.
- 60 See the memorial of Liu Chang-yu 劉長佑 and others in 1877, in YWYT, vol. 7, p. 10.
- 61 Chang Chih-tung, Chang Wên-hsiang-kung Ch'uan-tsi, 張文襄公全集 Tsou-i 奏議 chuan 48, p. 12.