

Review Essay

Profit and Statecraft in Nineteenth-Century China

William T. Rowe. *Speaking of Profit: Bao Shichen and Reform in Nineteenth-Century China*. Cambridge, MA: Harvard University Press, 2018. 230 pp. ISBN 978-0-674-98380-9, \$39.95 (cloth).

Peter B. Lavelle. *The Profits of Nature: Colonial Development and the Quest for Resources in Nineteenth-Century China*. New York: Columbia University Press, 2020. 304 pp. ISBN 978-0-231-19470-9, \$65 (cloth).

Similarities between William Rowe's *Speaking of Profit* and Peter Lavelle's *The Profits of Nature* are not hard to find. Both are focused on the lives of elite men enmeshed in the political world of nineteenth-century China, explain and analyze their views of proper governance and their places in the intellectual milieu of the era, and cast an eye toward global comparisons. Both also feature the word "profit" in the title, and not by coincidence. However, their respective focuses lie on opposite ends of the momentous ruptures of China's mid-nineteenth century, most notably the Opium (1839–1842) and Taiping (1850–1864) wars. Reading these two books together poses the provocative question of whether their similarities outweigh this considerable difference.

Rowe's subject is Bao Shichen (1775–1855), a reform-minded scholar and adviser who came of age at a time when the fortunes of the Manchu Qing Dynasty (1636/44–1912) were beginning to flag. Bao's first professional experience was as a military adviser during the White Lotus War (1796–1804), a seemingly unthreatening rebellion limited largely to highland "internal frontiers." The conflict nevertheless dragged on for nearly a decade—thanks to a combination of military incompetence, logistical challenges, and rampant war profiteering—and severely taxed the surplus the Qing treasury had accumulated over the course of the prosperous eighteenth century.¹ Although he received a classical education and sat for the imperial exams, Bao never received the highest examination degree (*jinshi*), which by his time was practically a prerequisite for embarking on an official career. Instead, he parlayed his deep interest and facility in "useful studies" (together with his calligraphic skills) into a career as a secretary and adviser, becoming "the preeminent policy 'expert' of the era" (12), as Rowe calls him. Intellectually, Bao situated himself within the Changzhou branch of what we know as "statecraft studies," which included prominent—and sometimes outspoken—literati like

1. For a recent treatment of this conflict, see Yingcong Dai, *The White Lotus War: Rebellion and Suppression in Late Imperial China* (Seattle: University of Washington Press, 2019).

© The Author(s), 2022. Published by Cambridge University Press on behalf of the Business History Conference. All rights reserved. This is an Open Access article, distributed under the terms of the Creative Commons Attribution-NonCommercial-NoDerivatives licence (<https://creativecommons.org/licenses/by-nc-nd/4.0/>), which permits non-commercial re-use, distribution, and reproduction in any medium, provided the original work is unaltered and is properly cited. The written permission of Cambridge University Press must be obtained for commercial re-use or in order to create a derivative work.

Hong Liangji (1746–1809) and Wei Yuan (1794–1857, known for his compilation of knowledge about foreign countries).

Rowe's book is organized thematically and roughly chronologically. After Chapter 1 introduces Bao's family background and early career, Chapter 2 introduces one of Bao's early treatises, *Shuochu* (1801), translated pointedly but justifiably by Rowe as "On Wealth," which conveys two themes in Bao's thought that stretch across the book. The first is Bao's optimism that the agricultural potential of the empire was sufficient to provide for the livelihood of its growing population, so long as people were suitably supported in their agricultural endeavors and not overburdened by government taxation and official corruption. The second is Bao's belief that the way to limit the burden of government on the people was not simply to reduce its size—for that would only promote the imposition of extra-statutory exactions—but rather to carefully manage fiscal policies so that government at all levels would receive the funding it needed. Chapter 3 elaborates on these themes in reference to Bao's commentary on various aspects of the agrarian economy. Rowe describes how Bao's optimism about the empire's agrarian potential was grounded in both a remarkably quantitative analysis of population and land supply and a belief that the application of human labor and government policies could be adjusted to maximize productivity. This chapter demonstrates Bao's pragmatic approach to problems of political economy, which makes it difficult to pigeonhole him as belonging to one or another school of thought, and leads Rowe to shy away from others' efforts to apply the label "liberal" to him. For example, despite his prioritization of agrarian production, Bao took private land ownership and commercialization for granted. However, he prescribed limits to both, believing that certain natural resources should be collectively owned (even while extraction should be privately managed to maximize profits for both the people and the state) and perceived maritime trade as a threat to domestic producers. In line with his pragmatic bent, these views changed with time. For example, Bao became more accepting of foreign trade in general but grew increasingly concerned about the effects of widespread opium addiction. Likewise, his optimism about the sufficiency of the empire's land supply for its growing population waned over time.

Chapters 4, 5, and 6 each focus on specific aspects of the Qing fiscal system and further illustrate Bao's pragmatic approach to problems of political economy and his belief in the possibility of pursuing the benefit of the state and people in tandem. Chapter 4 focuses on the grain tribute system, which was responsible for transporting grain requisitions from the Yangzi River valley to Beijing via the Grand Canal. The growing cost and technical challenges associated with continuing to ship via the canal made the system a recurring topic in reformist discourse. Like others, Bao advocated abandoning the government-managed canal transport system in favor of sea transport. Again, though, Rowe argues that this position reflected Bao's belief that delegating the task of grain transport to the already well-organized mercantile community in Shanghai rather than imposing new layers of bureaucracy would be more efficient and maximize the profit for the people and the state alike. Likewise, in Chapter 5, Rowe argues that Bao's critique of the salt gabelle was reflective not of laissez faire ideological proclivities but rather of his belief that giving freer rein to private enterprise within the strictures of government regulation was the most effective way for the entire realm, including the government, to benefit from this natural resource. Chapter 6 puts Bao in conversation with Wang Liu's proposals in the 1830s to revive paper currency. Bao disagreed with key elements

of Wang's writings, like his "unduly sanguine" appraisal of the infinite elasticity of paper currency (159), but he was sympathetic to his ideas generally. This position set him against the dominant stream of statecraft discourse, which saw paper currency as detrimental to the fortunes of the people based on its historical failures. Although their support for paper currency did not win out during their lifetimes, Rowe argues provocatively that Wang and Bao were presciently turning the tables in the debate by arguing that the adoption of paper currency could strengthen the state in such a way that it would enable it to protect its "economic rights" (*liquan*) against the threats posed by foreign trade and so benefit the government and the people alike.

Rowe builds on this theme in Chapter 7, staking his claim for the significance of not only Bao but also the early nineteenth century in modern Chinese history. Two elements of Bao's thought make him stand out against the backdrop of contemporary statecraft discourse and seem to align him with thinkers from the later nineteenth century, whom historians tend to associate more closely with modern Chinese history. First, Bao paid considerable attention to strengthening the state as a goal distinct (even if never completely separable) from that of maximizing the welfare of the people. Second, Rowe argues, Bao's thought evidences signs of Chinese nationalism, particularly in his concerns about the threat posed by foreign trade. Bao "anticipated" tendencies that would become quintessential features of modern Chinese political thought (195). The fact that the context of the early nineteenth century was itself generative of these tendencies, even prior to the outbreak of the Opium and Taiping wars, shows that it deserves more attention in both research and teaching on modern China.

Peter Lavelle's *The Profits of Nature* picks up almost exactly where Rowe ends, with an introduction to mid-nineteenth century debates about the limits of the Qing Empire's natural resources and a review of the narrative, which Bao Shichen belies, that the *late* nineteenth century saw a shift from thinking about political economy in terms of "social reproduction" to emphasizing state-building (6). Lavelle's contribution to this discussion is threefold. First, he offers a compelling account of one of the most influential figures of the second half of the nineteenth century, Zuo Zongtang, who gained prominence first as a commander in Zeng Guofan's famous Hunan (Xiang) Army and then as the re-conqueror and administrator of the empire's northwestern regions, particularly Xinjiang. Second, whereas studies of late Qing state-building typically focus on coastal areas that experienced foreign threats and influences most directly, Lavelle draws attention to the interior and practices (especially agrarian improvement) that demonstrated continuity with existing statecraft practices. Finally, in his discussion of Xinjiang, which has been central to scholarship on Qing colonialism, Lavelle reiterates that the Qing continued to be a colonial power into the nineteenth century, thus making its colonial exploitation of natural resources coeval with similar European projects around the world and part of a common but not uniform model of "resource-based development" (13).

The six chapters of *The Profits of Nature* can be divided into three pairs. The first two chapters provide background on Zuo Zongtang's career and the empire in which he lived. Chapter 1 discusses Zuo's background—somewhat like Bao Shichen's—as a literatus who earned a *juven* (provincial) but not *jinshi* (metropolitan) degree, engaged with statecraft scholarship (albeit via the branch associated with his family's home city of Changsha), and developed a keen interest in agricultural best-practices, which he implemented on his own

family's farms. Chapter 2 introduces both Xinjiang and Zuo's encounter of its physical and human geography through texts like the *Xiyu tuzhi* and a memorable conversation with the famous official Lin Zexu in Changsha. Zuo and his contemporaries (including Wei Yuan) supported moves to loosen restrictions on Chinese settlement in Xinjiang since increased settlement could both provide the labor needed to make full use of the region's resources and provide an outlet for the growing population in China proper. The next two chapters take Zuo through the war against the Taiping (very quickly) to his appointment as governor of the eastern province of Zhejiang—one of the principal battlegrounds of the Taiping War—and then governor-general of Shaanxi and Gansu (Shaan-Gan) in the northwest, where he directed the suppression of a Muslim uprising. In Chapter 3, the focus is on the resuscitation of the agrarian economy in these two provinces that had been devastated and heavily depopulated (by up to 75 percent in some areas) by warfare. Chapter 4 traces Zuo's ill-fated drive to discourage opium cultivation in favor of cotton in the northwest, revealing how domestic and global market dynamics provided opportunities and challenges to resource-based development.

Chapters 5 and 6 bring Zuo's administration to Xinjiang (eastern Turkestan). Like Shaan-Gan, Qing control of Xinjiang had lapsed in the face of a major uprising—that of Yaqub Beg—and was also threatened by Russian encroachment. Zuo reestablished Qing control of most of Xinjiang and, again, set about rebuilding the region's economy. Chapter 5 narrates Zuo's extension to Xinjiang of an administrative infrastructure of postwar reconstruction first developed in eastern China. One of the primary tasks of this administration was conducting a new land survey, which also entailed investigating and repairing hydraulic infrastructure in southern Xinjiang (the Tarim Basin). Here, we see officials under Zuo adapting to local conditions (loose and permeable soil) and irrigation techniques, like lining irrigation canals with felt and repairing and expanding subterranean irrigation networks (*karez*). One of the crucial problems Zuo encountered was a shortage of labor, which he addressed by imposing a corvée on local Turkestanis, employing Qing soldiers in hydraulic projects, and attracting additional Chinese settlers through a familiarly generous range of inducements. This latter measure served Zuo's goal of increasing the population of Xinjiang but also put pressure on the local environment, including the water supply. Chapter 6 addresses Zuo's efforts to promote sericulture in Xinjiang along the lines typically practiced by Chinese in the east through importing both experts and cuttings from mulberry trees in Zhejiang. Of all the chapters in the book, this one presents the most quintessentially colonial narrative: Zuo and his Chinese subordinates looking down on local sericulture practices; going to great lengths to induce local Turkestanis to adopt the Chinese methods they deemed preferable at the expense of local prerogatives; experiencing some success but also setbacks, particularly at the hands of the local intermediaries on whom they depended; and then drawing down government investment in favor of private enterprise.

Lavelle makes a compelling case for thinking about global development in a new way from the perspective of a Chinese statesman like Zuo, whose career was dedicated to agrarian improvement primarily in inland areas of the Qing Empire. The global framing and an emphasis on conjuncture remain, but Lavelle's attention to Chinese networks of knowledge disrupts diffusionist narratives that privilege Euro-American agency and ingenuity (even when recognizing Chinese mediation). The writing is crisp, and the narrative is unencumbered by side-

trails that might interest specialists but distract nonspecialists. The body chapters seem tailor-made to assign to undergraduates.

One corollary, which has its drawbacks, is that the book's theoretical work is economical and limited to the introduction and conclusion. In particular, the book's use of "colonialism" raises a series of questions it leaves unanswered. It is entirely plausible to use this concept to describe the relationship between (Han) Chinese (officials, soldiers, and civilian settlers) and Turkestani people in Xinjiang. However, the book shies away from precisely identifying what was colonial about these interactions. This is unfortunate insofar as one of the most thought-provoking aspects of the book is that it takes the reader across the boundary between "China proper" and the frontier (i.e., presumably the boundary between metropolitan and colonial). Lavelle usefully blurs this boundary by emphasizing continuity between the developmental projects Zuo pursued in China proper and Xinjiang (not to mention the intermediate zone of Shaan-Gan). Likewise, to a significant extent, Zuo's interest was not in maintaining a sense of difference between colony and metropole but in turning the former into an image of and constitutive part of the latter, embodied most clearly in his effort to convert to Xinjiang into a province (170). This bent suggests that while Zuo was engaged in a colonizing project, he was also invested in a kind of nation-building that characterized his own work in Zhejiang and projects of "rural reconstruction" that continued to take on new forms into the twentieth century.² Clearer disambiguation of these forms and contexts for development would be beneficial for understanding both the long-term history of Xinjiang and its current conditions.

To understand the colonial nature of Zuo's administration in Xinjiang—that is, why it was not just a nation-building project—we need to consider the production of a sense of ethnic difference and its effects on the region's inhabitants. In places, Lavelle allows us to see this sense of ethnic difference at work, but the production of it is not the primary focus of the text. To some extent, this is justifiable insofar as ethnicity is simply not the primary focus of the book, and readers particularly interested in Xinjiang and ethnicity are advised to read *The Profits of Nature* alongside other texts.³ However, depopulation (after military conflicts in each of the regions covered) is a recurring theme, and Zuo—a military commander whose forces were responsible for some amount of that depopulation—is the book's central character. The role of violence in reshaping the social and cultural landscape in which Zuo implemented his developmental projects merits consideration beyond reminding the reader of the fact of reconquest (which the book does) in order to fully appreciate the colonial nature of this history.⁴ To be sure, in some places this comes through in the text. For example, the forced relocation of Sino-Muslims in Shaan-Gan (which was motivated partly by security concerns) strikes a marked contrast to the positive inducements Zuo had used to encourage Chinese settlers to resettle depopulated land while in Zhejiang. The implications of relocation policies

2. Kate Merkel-Hess, *The Rural Modern: Reconstructing the Self and State in Republican China* (Chicago: University of Chicago Press, 2016).

3. One such text that addresses a number of the issues I raise is Eric Schluessel, *Land of Strangers: The Civilizing Project in Qing Central Asia* (New York: Columbia University Press, 2020).

4. Examples of works that forefront experiences of violence and physical destruction in histories of the post-Taiping period in eastern China include Tobie Meyer-Fong, *What Remains: Coming to Terms with Civil War in 19th Century China* (Stanford, CA: Stanford University Press, 2013); Chuck Wooldrige, *City of Virtues: Nanjing in an Age of Utopian Visions* (Seattle: University of Washington Press, 2015).

in Xinjiang are less clear, though. It seems that Turkestanis were eligible for the same kinds of inducements as Chinese settlers from other provinces to move to the northern part of Xinjiang, but whether they benefited equally from these policies is not addressed (136–137). Lavelle also notes that the Qing government relied heavily on Turkestani laborers for hydraulic projects, but it is unclear whether the treatment and compensation they received was substantially different from what Chinese laborers either in Xinjiang or elsewhere in the empire could expect (125). To what extent Turkestanis (as individuals and communities) willingly provided and substantially benefited from this labor or begrudged it is also unclear. Without further consideration of Zuo's and others' use of ethnically targeted violence to reconquer and rule Xinjiang, though, it is difficult for readers to evaluate the political dynamics underlying these and other exchanges. To sum up, Lavelle makes a valuable contribution to discussions of colonialism in the Qing period, but on its own *The Profits of Nature* does not offer as clear an explication of colonial dynamics in nineteenth-century Xinjiang as one might hope.

Returning to Lavelle's other titular theme ("the quest for resources") and the issue of "profit" brings us back to Rowe and Bao Shichen. In retrospect, "profit" may seem like a strange catchword for both texts, since neither is a business nor a commercial history per se. However, "profit" is an effective interpretation of a Chinese term (*li*) that does effectively tie together both texts. *Li* can denote business profits, but it also suggests the broader meaning of "profit" as a benefit that can be material or abstract, like the aforementioned "economic rights." In this more generic sense, profit becomes interesting when we consider what it meant for it to be a subject of discussion unto itself and ideas about to whom it should accrue.

In the first instance, both Rowe and Lavelle complement existing scholarship that shows the ascendancy of "practical studies" (*shixue*) in early modern China, in distinction to the moralistic philosophy often associated with Confucianism. Bao Shichen's life illustrates the various media—letters, treatises, and personal meetings—through which literati exchanged ideas about statecraft and the possibility that someone could craft a respectable professional identity based largely on expertise in these areas. That practical statecraft would be a dominant concern for Zuo Zongtang is somewhat less surprising, based on the reputation of not only him but also the coterie of officials who came up through the ranks during the Taiping War. Here, though, Lavelle's effort to link Zuo's statecraft to his earlier experiences reading and putting into practice what he learned from agronomical and geographic texts rather than the milieu of "Western impact" that still attaches itself to the late nineteenth century is instructive. Together, these books suggest a continuous trajectory of practical statesmanship that stretched across the mid-nineteenth century, which we still tend to think of primarily in terms of disjuncture.⁵

Continuity does not preclude evolution, though, and it is in terms of how Bao and Zuo thought about the question of to whom the profits of natural resources and the agricultural and commercial activities they enabled should accrue that we see fascinating developments that might be broadly characteristic of modern China. Rowe argues that Bao by no means abandoned the position that good government ought to benefit the people, but the crises of political

5. Both books follow Philip Kuhn in this sense, although they both approach continuities in political thought in ways different from the "constitutional agenda" Kuhn discusses. Philip Kuhn, *Origins of the Modern Chinese State* (Stanford, CA: Stanford University Press, 2002).

systems in his times pushed him toward thinking about the state itself as a primary beneficiary of profit. The twin crises of silver and opium likewise prompted him to join with others who were starting to think of the nature of that state in what we would call nationalistic terms. In Lavelle's account of Zuo Zongtang, particularly the portion of his career in Xinjiang, we see the development of this theme in three interlinked ways. First, in Zuo's time, rebellions and foreign incursions posed unprecedented acute threats to the empire's territorial sovereignty and demanded increasingly scrupulous guardianship of frontier territories. Second, the intensive exploitation of the frontier became increasingly central to ideas about unlocking the profits of nature for the benefit of the state.⁶ Finally, increasingly, it was Han Chinese themselves (specifically Hunanese, like Zuo) who bore the immediate responsibility and power to implement a developmental agenda in Xinjiang, in contrast to earlier Qing policies that left the administration of Xinjiang primarily in the hands of Manchus and Mongols.⁷ These three developments all marked a departure from Bao's tendency to express affinity primarily with China proper rather than the Qing Empire as a whole (185), even if certain factors that informed these developments, like the circulation of texts about Xinjiang, predated Zuo.

This set of changes supports Lavelle's claim that Zuo and his approach to resource-based development ought to be of interest to scholars of global history. Lavelle makes an important contribution in showing how Zuo was responding to the threat of foreign imperialism, including the incursion of foreign experts who catalogued Xinjiang's natural resources, but also contributing a distinctly Chinese intellectual pedigree to an emergent global practice of colonial exploitation.

What about Bao Shichen, though? Bao does not lend himself quite so neatly to narratives that are global in scope. Some elements of his story, such as his concern with silver and the opium trade, are of obvious global interest. Others, like his writings about the grain tribute system, will likely draw little interest from non-China specialists. Rowe's conclusion that it is misguided to label Bao as an economic liberal removes one route for placing him in a global context, and colonialism, a quintessentially global theme, never comes into the conversation. Perhaps, then, Bao belongs less to the realm of global history than does Zuo.

The intimate connections between Rowe's history of Bao and Lavelle's of Zuo belie this conclusion, though. To be sure, the mid-nineteenth century was a major watershed in the history of China and, arguably, the world.⁸ However, Bao's views show that the challenges of the late eighteenth and early nineteenth centuries prompted lines of thinking that would be elaborated rather than abandoned amid the turmoil of the late nineteenth century. In this sense, we might understand Bao Shichen as not only anticipating the world of Zuo Zongtang—and hence the broader practices of colonial resource-based development Lavelle discusses—but actively building it and so, despite not being a transnational actor in the conventional sense, becoming a world historical subject in his own right. As valuable as these two books are individually, their sum is arguably greater than their parts since together they provide new

6. See, for instance, Judd Kinzley, *Natural Resources and the New Frontier: Constructing Modern China's Borderlands* (Chicago: University of Chicago Press, 2018).

7. On the Hunanese and Chinese nationalism, see Stephen Platt, *Provincial Patriots: The Hunanese and Modern China* (Cambridge, MA: Harvard University Press, 2007).

8. For example, see Eric Hobsbawm, *The Age of Empire, 1875–1914* (London: Abacus, 1989).

impetus for rethinking not only the chronology of modern Chinese history but also the range of actors that we take to be relevant to understanding global histories of political economy.

Daniel Knorr
University of Cambridge
E-mail: dk629@cam.ac.uk

doi:[10.1017/eso.2022.9](https://doi.org/10.1017/eso.2022.9)

Published online March 17, 2022

Cite this article: Knorr, Daniel. "Profit and Statecraft in Nineteenth-Century China." *Enterprise & Society* 23, no. 2 (2022): 582–589.