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Book Review: Zhang, Xiaojing, and Qing Wang. *Wealth Accumulation and Distribution in Traditional China: Research on Social Wealth in the 1820s in the Yangtze Delta*. Beijing: Social Sciences Academic Press, 2022. 309 Pp.

It is never easy to quantitatively investigate how people lived in the past. Finding appropriate numerical evidence is one of the smallest challenges economic historians face when we take into account the reliability of the data they find. The picture becomes even more blurred if others question whether the quantitative association between a few variables could update our knowledge about society. Nonetheless, while the methodology of quantitative history is still continuously debated, academic progress in quantitative economic history is eye-catching. As an increasing number of accomplished and young scholars engage in compiling historical data for international comparison, old conclusions are revised, and new insights are gained. In this regard, the book by Xiaojing Zhang and Qing Wang, which is written in Chinese, provides systematic information about the economic situation of Hualou County in China's Jiangnan Region in the 1820s. It is one of the newest efforts in the fields of social and economic history. Like a microscope, it offers a chance not only to glimpse the economic development at the time but also to reflect on the sources of the Great Divergence.

If one can accept coarse conceptualization, the Great Divergence refers to the phenomenon that after the Middle Ages in Europe (i.e., Northwest Europe) the economy developed quickly and persistently, while most regions of Eurasia (probably except Edo Japan) stagnated or even declined economically. Two key questions haunt every effort to define it. First, while earlier generations of scholars, such as Georg Hegel and Karl Marx, announced that the East has stagnated for hundreds of years, more recent economic historians, notably the California School scholars such as Kenneth Pomeranz (2000) and Jack Goldstone (2002), ascertained that Asia was not less developed than Europe before the nineteenth century. The timing of the Great Divergence is vital because it is closely related to how it could be explained. This leads to the second question. What caused the different economic performance between Western Europe and the rest of the world? The California School argues that contingent events, including the Industrial Revolution and the discovery of the New World, gave England and other European countries a spur to surpass Asia, unlike classical writers, such as Adam Smith, Karl Marx, and Max Weber, who believed that Asia's stagnation was caused by deeper roots, including the sociocultural tradition and institutional ossification.

From the two perspectives, this monograph makes a special and valuable contribution. It compiles in detail the balance sheet of citizens, public departments, and private enterprises in Hualou in the 1820s. During the Ming and Qing dynasties (1368-1911), the Jiangnan Region, where Hualou is located, was the most developed area in China. Not only agricultural but also non-agricultural sectors experienced stable development. Additionally, marketization and commercialization mushroomed so that interregional trade facilitated the development of premodern financial organizations. The authors categorize assets into non-financial and financial assets: they respectively compile the data of non-financial assets of citizens (Chapter

2), non-financial assets of public departments (Chapter 3), metallic financial assets (Chapter 4), and assets of financial enterprises (Chapter 5). Booked in the weight of silver, the assets in Hualou are calculated as follows: the authors first count the physical objects, such as buildings, arable land, and non-fixed assets, and then calculate their value via the records of corresponding transactions at markets. Furthermore, Chapter 6 pays attention to the distribution of assets in Hualou. The accumulative and distributive situations of wealth in Hualou are thus presented.

Therefore, based on the rich data, economic historians can better explore the position of China in the bigger picture. A few interesting observations can be concluded (Chapter 7): first, Hualou in the 1820s was like Northwest Europe regarding wealth accumulation; second, wealth accumulation in public departments in Hualou was relatively small, which proves the limited role of the government; and third, economic inequality was smaller in Hualou than in the West. With solid quantitative evidence, Chapter 8 investigates the nature and mechanisms of economic growth in Hualou. Social scientists are interested in whether premodern China could have developed its capitalist economic growth if the West had not intruded. The authors deny such a possibility, arguing that Hualou was severely constrained by a series of institutional and cultural disadvantages, including the discouraging effect of traditional ethics and the underdevelopment of finance under the coercive government. Hualou's economic prosperity in the 1820s might be comparable to Northwest Europe, but it had reached its limit given its institutional and sociocultural conditions (p. 271). The analysis shows that premodern China could not progress further in the absence of institutional and cultural change.

In many countries, the compilation of historical balance sheets is being carried out. As leading scholars in the field, Zhang and Wang are performing this role in China. Since quantitative data would be indispensable to identify the sources of divergent economic performance in different areas, the method of historical accounting provides significant opportunities to advance economic historical research. On the other hand, since archives available for such purposes cannot be identical to reality in the past, the authors acknowledge that the compilation of balance sheets can never be complete. This might be a dilemma shared by all economic historians. Nevertheless, a famous Buddhist story admonishes us when we follow the direction of the finger pointing towards the moon when a monk is telling you about where the moon is. The moon is not at the monk's finger—it is at the direction of the finger. I believe that this important book is just such a "finger" in the Great Divergence debate.

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