

* The Political Economy of Empire - The Emperor Hung-wu (Chien-Lung 1736-1796)

A. The Problem of Population
& Grain Prices in North China
(1737)

B. The Emperor as Supreme
Magistrate - Policy Issues
of the 1730's

1. Order - Piracy in the Southeast

2. Law - Review of Death Penalty Cases;
Investigation of Litigation Backlog

3. Standards - Counterfeiting, 'Purifying
Measures

4. Infrastructure - Land Reclamation;
Managing Shifts in the Course of the Yellow
River

5. Regulation - Reconciling Imperial
Law (Proscribed local custom

Problem of Moral Markets I, Political Economy (900 A.D. - 2000's), Focus on 1700's)

A. Political Economy - The
Study of the Efficient Mix
of Government and Market
Provision of Economic Values

1. Contemporary Economics -
The Standard of Evaluation -
Perfectly Competitive Markets
(Necessary Abstraction)

2. Confucian Political Economy
- The Efficient Mix of Material
and Moral Incentives In the
Creation of a Flourishing
And Proper Order.

II. East Asia And The Market 900 A.D. - 1900'S

A. The Fact of Commercialization

1. Commercial / Urbanization

2. The Use of Money

3. The Development of Efficient
Commercial Institutions -

4. Contracts, & property "rights"

5. Financial & Merchant Institutions

B. The Confucian Recognition of Commerce & The Necessary Role of Merchants

1. Confucian Consensus - The
Necessity of Markets, But

2. The Risk Potential - Conflict,
Corruption, Paradoxes of

Rationality. Governments should
Appeal to Moral Incentives (Law, Policy)

(Be Thrifty to Your Families)

II.C. The Confucian Policy Consensus (After 900)

1. The Necessity of Markets
(Government Cannot Replace
Markets In Production and Distribution
of Scarce Resources)

2. The Moral Constraint - The
Subordination of Market Logic
To Household Survival And
Proper Order

3. Example! Government
Regulation of Product And
Factor Markets (Land, Labor, Capital)
- Government Gradually Withdrew
From Any But Minimum Regulation
of Both Sides of Markets, Except
In the Attempt To Guarantee Household
Prosperity (The Importance of Families)

II.D. The Confucian Adaptation The Market And Confucian Learning And Innovation

1. The Acceptance of Markets
As Institutions of Social Self-
Ordering Along with Families
And Voluntary Associations

2. The Validation of Material
Incentives And The Recognition
of Humans As Wealth Maximizers

a. Subject To The Constraint
of Morality And The Belief In
The Power of Moral Incentives

3. The Role of Markets As
Partial Solutions To The Problem of:

- Population Pressure (Land Reclamation)
- Infrastructure Investment (Irrigation)
- Food Supply & Urbanization

4. Privatization (of State-Owned Land, Forestry)

III. The 1900's - The Age of the
Great Political-Economic Debates:
A. Popular Consumption (Good
or Bad) - Liqueur - Yeast Debate (1937)
B. Land Reclamation (Public or Private)
C. Inflation (Monetary or Real)
D. Regulation of Product and
Factor Markets (More or Less)
E. The Policy Factors - Regulators
vs. Voluntarists (Both Recognize
The Importance of Material
and Moral Incentives)
F. The Concepts - A Conceptual
Consensus Underpinning Debates
(Do they Converge with or
Diverge from Modern Economics)

IV. Concepts And Consensus

A. Price Formation, Scarcity,
And Social Opportunity
Costs (Opportunities Foregone)

B. Money Values And
Inflation (Causes
Inflation)

C. The Need For A State

Enforcement of Efficient
Institutions (Formal/Informal)

1. Merchant Contracts And

Imperial Law

2. Debt, Labor, Land, Capital

As "Rights" That Can Be
Traded, Used As Assets

IV. D. Positive And Negative Incentives (Material)

1. Profit, Wealth
2. Perverse Incentives
Prohibitions Can Cause Opposite Effects

E. Political Economy As A

Distinct Area of Government Policy (Jing-shi, Shih-shu; Jitsugaku) post 900 A.D.

F. A-E. Are At least Basic To Modern Economies (Convergence)

G. Divergence - The Agrarian Theory of Value (Primacy of Agriculture In Wealth Creation)

H. Natural Utilities (Food, Family)

I. Illusory Values (Luxury)

I. A Natural Division of
Cao - Shi (Scholars); Nung
(Farmers); Gong (Artisans);
Shang (Merchants) - All
Are Honorable & There Is
Legitimate Social Mobility,
But This Is The Model
Social Order.

4. The Liquor-Year Debate
(1731)

IV. Lasting Legacies

- A. Acceptance of Market Logic
- B. Belief in Moral Incentives
And Material Incentives
- C. Legitimacy of Merchants, Commerce
- D. Problem of Socially Responsible Wealth
And Moral Market.

Additional Final Questions

Poli. Sci 113A (Same Length, Use Turn

In Intro Cont

I. Explain the Five Constant

Virtues with A particular

emphasis on Ren? (Sources: lectures,

Yao).

II. Explain self-cultivation and its

political significance (for the character

of rulers). (Sources: lectures, Yao, the

ZHUXI selections on self-cultivation in

de Bai).

III. Explain the overall significance

of the family for human flourishing

(Sources: lectures, Yao).

IV. Is Confucianism compatible

with contemporary economic concepts

(Sources: lectures, Yao).

V. Is Confucianism "liberal" or "conservative"?

(Sources: lectures, Yao)