



Wang Anshi, Reformer

Background

Crisis for Song China

(1021-1086)

Under the Song Dynasty, the growth of large estates, whose owners managed to evade paying their share of taxes, resulted in an increasingly heavy burden of taxation on the peasantry. To make matters worse, two powerful states arose along China's northern borders, and annexed traditional Chinese land, while insisting on tribute from China. This forced China to maintain a large, expensive army that happened to be ineffective on the field of battle.

The drop in state revenues, a succession of budget deficits, and widespread inflation prompted the Emperor Shenzong (r. 1068-85) of Song to seek advice on reforming the government. After other officials proved unable to provide a solution, the emperor then turned to Wang Anshi for answers to the budget problem.

Wang came from a family of imperial scholars and placed fourth in the imperial exam of 1042.¹ At age 21 Wang earned his *jinshi* ("advanced scholar") degree in the civil service examinations, and for sixteen years he served ably as a local administrator in various posts in the south, in the Yangtze region. While in the southern provinces, he repeatedly refused appointments and promotions. The more he refused appointments, the more his fame grew. He had in fact proved himself while in the provinces. He had built dams, reformed schools, and administered loans for farmers. He had also written prose and poetry. Then, in 1058, Wang Anshi traveled to the capital, Kaifeng, from his home province of Jiangxi to present what would be his most famous memorial to the Emperor Renzong (r. 1022-63). His "Ten Thousand Word Memorial" contained the basics of his later policies and political theories. Although Wang entered the imperial government in 1060, it wasn't until after the succession of a new emperor, Shenzong, in 1067, that he achieved a powerful rank close to the throne and gain the trust of the emperor.

¹ Estimates for the 1100s are around 100,000 examinees for all of the exams; the imperial exam (administered in the capital) was the highest of the three levels—other exams were administered in smaller districts and provinces.

Before Shenzong acceded to the throne, while still a crown prince, his secretary, Han Wei, a great admirer of Wang Anshi, would discuss policy the emperor. When Shenzong would agree, Han would tell him that it wasn't his own idea, but Wang's—thus, improving Wang's standing in the eyes of the heir to the throne. In 1067, as soon as he had ascended to the throne, at the age of 20, Shenzong had Wang appointed chief magistrate of Nanking, and later, in September of that year, to the rank of a Hanlin scholar (a select group of scholars at the Hanlin Academy, who performed *ex officio* duties for the Emperor). Wang accepted the post at once, but still delayed returning to the capital. Finally, in April 1068, he appeared in the capital.

In February 1069, Wang was appointed a vice-premier. It was from this position that he introduced and promulgated his reform policy, referred to as the “New Policies” or “New Laws.” There were three main components to this policy--state finance and trade, defense, and education. His reforms sought to equalize the tax burden, allow the government to cut its expenses (by not buying and selling with merchant cartels), and to use government resources to help farmers and small, independent merchants. His military reforms shrunk a large, expensive standing army, and instituted a trained citizen militia in its place. His educational reforms attempted to provide practical training for would-be bureaucrats, instead of the strong traditional focus on classics of Chinese literature and philosophy.

Opposition and End

As reasonable as many of his reforms sound, they evoked a very hostile reaction. His reforms were instituted on the basis that the current system was producing deficient personnel—hardly a stance that the current bureaucrats would be inclined to agree with. In the traditionalist society that China was, such reforms would have horrified many scholars. His attempts to circumvent the merchant guilds would have hurt them in their wallet, as well as any officials they might have bribed. As such, Wang retired after only nine years in office, and the emperor who supported his rise, died ten years after Wang's retirement.

The beginning of the end came in 1074. A famine in northern China drove many farmers off their lands. Their circumstances were made worse by the debts they had incurred from the seasonal loans granted under Wang's reform initiatives. Local officials insisted on the loans being paid back, as the farmers were leaving their land. This crisis was depicted as being Wang's fault. That year, he briefly left his post as Grand Councilor to accept the position of governor of Nanjing. This move was due to his embarrassment over the poor implementation of the State Trade System which, according to memorials written by the opposition, had led to discontent in the capital city. He was recalled by the emperor the following year, but now he was seen as vulnerable and was openly attacked. In 1076, Wang left the capital, Kaifeng, for good, but continued to write until his death in 1086.

With Shenzong's death in 1085, Wang's New Policies were rolled back. The emperor was succeeded by his ten-year-old son, Zhezong (r. 1086-1101), who, due to his young age, was dominated by his grandmother, the Empress Dowager Xuan Ren. As Regent, she was the de facto ruler of China until her death in 1093. She recalled to the capital Sima Guang, a famous statesman and historian who years earlier had left the capital in disgust over the New Policies.

Sima accepted the post of Grand Councilor, and, one-by-one, began to dismantle Wang Anshi's entire program, until not a single policy remained in place. This Anti-reform period was also characterized by the purging of the few remaining supporters of Wang Anshi still in service at the time.

Subsequent years of continued intense factional politics saw a weakened revival of Wang's reforms between 1093 and 1125. When Zhezong's grandmother died in 1093, he began a new period by returning many of the Wang-era reformers to power and reinstating some of Wang Anshi's New Policies. Zhezong was then followed on the throne by his younger brother Huizong (r. 1101-1126), who generally followed the same policy. The official Song Annals record that the reforms failed yet again, and even led to the fall of the Northern Song Dynasty to the invading Jin army in 1127 (*Jin* is a term for the Manchu, a non-Han Chinese group in northeast China). Fortunately for the memory of Wang Anshi, several other extant sources attribute the failure of the post-reform period to Huizong's weakness for luxuries, and corruption among palace eunuchs and officials who purported to be followers of Wang Anshi.

Excerpts from
Ten Thousand Word Memorial,
By Wang An-Shih

One cannot ignore the fact that the internal state of the country calls for most anxious thought, and that the pressure of hostile forces on the borders is a constant menace to our peace. The resources of the Empire are rapidly approaching exhaustion, and the public life is getting more and more decadent. Loyal and courageous hearts are becoming increasingly apprehensive as to the outcome of this unsatisfactory state of affairs.

My observation leads me to suggest that there never has been such a scarcity of capable men as exists today in the service of the State. Should it be urged that these men do exist, but that they are hidden away in the country districts, I would say that although I have prosecuted my search with diligence, I have found very few indeed....The result is that no matter how fine and complete the regulations and orders of the Court might be, the possible benefit of these is never realized by the people because of the incapacity of the local officials. Not only is that true, but the subordinates in the districts are able to take advantage of these orders to carry on corrupt practices and induce disturbances....

Advantages of probationary periods for officials, good pay, and cutting red-tape

After a prolonged period of probation in any one appointment, one's incapacity or unworthiness to occupy it, would certainly be manifest. This we have seen would deter unworthy or incapable men from embarking upon an official career. Still less would fawning and flattering folk find any inducement to compete for official position with this system functioning....

The rate of salaries paid nowadays to officials is too low. With the exception of the very highly placed officials in the Court circle, all [officials] who have large families to support, engage either in agriculture or trade to get by.... When the time during which they have to wait for appointments and the intervals between appointments are taken into account, say over a period of six or seven years, we find that they only receive the equivalent of three years' compensation....

A multitude of trifling prohibitions hedge them about, and, these are constantly being altered. They are so numerous and so detailed that the officials cannot even keep a record of them. So one need not point out that it is practically impossible not to violate a regulation in some cases. This is one of the great reasons why the laws and regulations of the Government are trifled with, and fail to be effective. For as things stand, it is quite possible that a veritable scoundrel

might have the good luck to avoid incurring penalties while the really loyal and good official might have the misfortune to get himself caught. This is what is involved in our inability to control the officials by the laws and is one of the results of our failure to secure the right method of maintaining them....

Education and training of government officials

In the main the training they receive consists of explanations of the texts of the Classics, analyzed into sections and sentences.... More recently a new method of instructing students to prepare for the official tests by writing essays has come into existence. This method, however, calls for the recitation and memorizing of an enormous amount of literature, and the candidate must devote himself strenuously to this task the whole day long if he is to achieve success. But even if success in this matter is gained, it does not qualify the best student for a position of power, or the less successful for the other public services. So that even if they should go on learning in these schools until their hair turned grey, and give themselves the whole day long to the attempt to conform to the requirements of their superiors, they would have only the vaguest notion of what to do when they were appointed to actual office.

The students of the present day ought to study methods of practical administration. But either no instruction at all is given, or they have to exhaust themselves in strenuous cultivation of the art of essay writing. The ancients gave their time and energy specifically to the study of practical administration, and yet not all developed equal ability for the same. But nowadays the time and energy of students is diverted into quite other channels, and they give themselves to useless studies. It is not to be wondered at that when such men are given government appointment very few find themselves capable of discharging their duties....

The present method of selecting officials is as follows: if a man has a colossal memory, can repeat extensive portions of the classics, and has some skill at composition, he is termed specially brilliant or worthy, and chosen for the highest grades of state ministers. Those who are not possessed of such strong memories, or of such speaking abilities, and yet have some skill in composition showing their gifts of poetry and rhyming are granted the *jinshi* degree, the highest of which are also eligible to be appointed to the high positions. It should need no discussion to show that the knowledge and skill which these men display, in no way on its own merits, makes them fit for such places of authority and distinction. However, it is the prevailing opinion, that this method which has been used so long has been proved capable of producing men suitable for these posts. It is then urged that it is quite unnecessary to alter the regulations,... That, I contend, is faulty reasoning.

It is of course reasonable to assume that some men of literary ability should prove themselves equal to carrying the responsibilities of high office, but mere literary skill should not be the only factor to be taken into account, for on that score unworthy men might also be elected to these responsible positions. As a matter of fact nine out of every ten who are capable of administering the duties of these high positions have spent their lives in subordinate posts in

the provinces just because they did not possess the necessary literary ability, which as I have said, is of itself no real help to a man occupying an administrative position....

Neglect of military commands and the immense expense of the military budget

Nowadays great emphasis is laid upon the distinction between civil and military matters by the students. The rule is that they confess to knowing nothing about military matters, being solely concerned with the civil services. So it comes about that important military positions are left to those who are termed "military men." These are often promoted from the hired levies, who in the main are the good-for-nothings of the countryside. For any who have the ability to maintain themselves alive in their own village are unwilling to offer themselves to the army. But these garrison posts and other military commands are of the most vital importance to the country, and the selection of the right men for these positions ought to have the serious attention of the ruler...

At the present time we have no preparations for war on our hands; the people are peacefully pursuing their various avocations and are doing their utmost to produce wealth for the State. Yet we are constantly distressed by the prevailing financial austerity both in regard to the national treasury and the people generally. The reason must lie in the fact that we have not secured the right method of administering the state finances, and that the authorities are unable to devise appropriate measures to meet the situation. Once the proper method is secured, and the necessary reforms made, I am sure, even though I may be considered stupid, that official salaries may be raised without causing the financial condition of the country to be adversely affected....

These matters I regard as of first importance to your own enlightenment. If I were to hold my tongue on such things, and just present for your consideration one or two matters of trifling importance asking you to estimate their relative benefit or injury, it would merely muddle your mind and be of no practical help to the government of the country. To act in that way would be foreign to my ideas of loyalty, so I trust Your Majesty will give my proposals your careful attention, adopting such as you may think beneficial and appropriate. That, I am convinced, will make for the increasing well-being of your people.

Policies

Wang's reforms can be grouped into financial, military, and educational reforms.

1. Financial

Eliminating monopolies Wang eliminated the government monopolies on tea, salt, and iron and copper production. Money was still brought in to the treasury through taxes on tea, and the government purchased copper in the open market for imperial mints to make coins. Despite relaxing restrictions on mining copper, he also increased the amount of copper coins in circulation, to meet the demands of expanded state financing. Additionally, the ban on exporting copper was also eliminated.

Tribute Transport and Distribution System The traditional Chinese practice was to collect taxes from throughout the empire "in kind," that is, in the form of products such as rice or silk. Then, these would be transported a great distance to the capital, and sold if not needed. Wang established the practice of selling these goods near their collection point, and then transferring the cash (a much less bulky item) to the capital. Additionally, he strove to collect taxes in money wherever possible, and then ship the money to the capital.

On the basis of the imperial budget, the treasury officials were to collect only as many materials as were needed, and only in the places that produced the goods, and as close to the capital as possible. If needed, substitutions could be made with goods that were abundant in a given region, and if these were not required at the capital, the tax collectors could transport them to places that needed them and sell them for profit. When this plan was put into effect, those who suffered most were the merchant cartels that had been profiting from their connections with government up to that time, by buying supplies cheap from the government, or selling expensive supplies to the government.

Hiring Service System Additional bureaucratic reforms included hiring central government clerks on a salary basis in place of the existing system of conscription (i.e., forcing local aristocrats to take on the work), and a system of strict supervision with incentive measures to reward quality work. These new clerks were often paid on commission out of the money they collected, and they clearly constituted a corps of specialists who knew how to collect taxes, serve as law clerks, run hydraulic enterprises, supervise road building—all the things local governments had to do in early industrial China. They were placed under the control of the regular officials.

Low-interest loans to farmers Using government granary reserves as capital, the government extended loans to farmers during planting, to be repaid at the rate of 2 percent a month; it was expected that payment would be made after the next harvest. Until this time farmers had borrowed from wealthy land owners who generally charged a higher rate—up to 100% per year.

State Trade System The imperial government financed a partnership with smaller, individual merchants who were not part of the merchant guilds. These small traders could pool their

purchases with the government stores, or would get loans from the government (at 20% annual interest) to run their stores, and the government would purchase their inventory if they decided to liquidate it. Traders could sell their inventories to the government at a price determined by the government. Additionally, all imperial purchases would be made through this bureau. This allowed small merchants, as well as the imperial government, to avoid dealing with the wealthy merchant guild wholesalers, as well as reduce expenses for the government. Within a few years, private trade had ground to a standstill, and government revenues from this were threatened (since less trade meant lower tax revenues coming in to the treasury). The emperor had to put a stop to most of these activities.

Land Survey and Equitable Tax Policies: Wang wanted to hold an extensive survey of the in order to create a more equitable tax system, as much land was not taxed at all. The new system would divide the country into plots some 3.2 square kilometers in size. Each plot would be assigned to one of five tiers, based on fertility, and then each year, all plots in the same tier would be levied the same tax. Unfortunately, the survey was never completed and this system wasn't implemented.

2. Military

Militia Prior to the reign of Wang Anshi's emperor, Shenzong, the standing army numbered 1,162,000 full-time soldiers. The cost of supporting this army was a crushing burden on dynastic finances, and the Song began to experience large budget deficits. During Wang's time, the standing army was reduced to 568,688 men. However, the standing army was supplemented by a trained militia that grew to 7,182,028 under Wang's policies. Even one of Wang's opponents, Zhang Chun, a subsequent Grand Councilor, readily admitted that the militia "after training were superior to the regulars."

The militia reform would organize all families into groups of 10, 50, and 500 families. Each group would monitor the activities of the smaller units. The 50-family groups would also have to provide 5 men for a night watch patrol. A family with two able-bodied males would provide one militiaman; families with four would provide two, etc. They were to leave their farms and drill every fifth day (the traditional Chinese week being five days, with the month of six weeks).

Funding for the militia would come from a few spheres. Older units and veterans of the standing army that were retired, would not be replaced. The money that would otherwise have gone to those units, instead, was to be spent on the militia. Also, a draft-exemption tax was now levied on everyone, even those traditionally exempt from the draft (such as priestly and official's families).

Horse-breeding System Wang Anshi encouraged keeping horses in the militiamen's lands, in the regions along the northwest borders, as well as with any who made a request for a horse. In peacetime the horse could be used by the household, but not overworked. For that reason, there was supposed to be an annual inspection. If a horse had died and the household was rich, a fine of the full price of a horse was imposed; the fine would be half-price if the household was poor. Households that kept the animals were exempted from certain kinds of taxes. During

times of war, the horses would be provided to the cavalry. The horse-breeding program failed, as the government never had any control over who had what horses, and they were either killed for food, or ran away. Another problem with this program was that, in effect, it imposed an “unfunded mandate”—the people had to undertake an expense without any compensation.

3. Education

Wang Anshi’s educational reforms were designed to produce bureaucrats who had the skills to manage various areas within the government. He restructured the examinations (that students would have to pass, to become bureaucrats in the imperial government) around policy discussions and interpretation of the Five Classics, doing away with poetry composition, and reciting the classics from memory. Candidates were required to write one essay and three policy proposals (i.e., policies to be implemented by the current government), and to discuss the meaning of items from the Classics. Wang also introduced specialized degrees in fields such as law, science, math, and medicine. Wang limited the sphere of study each year to one classic, making sure that knowledge was deeper (as opposed to being more broad but more shallow).

Wanting to emphasize the practical application of the Confucian classics, Wang wrote original interpretations of several ancient works and instituted these as standard texts for the state examinations. Wang’s views of Confucius and all other historical figures had to be studied by all students hoping to pass the exams. No copies of these commentaries have been found, as they were not well received by the other scholars.

Contemporary Criticisms

More than one official recorded that they regretted having opposed Wang's policies so strongly. One writer and official, Su Shi, for example, who was banished twice from the capital for his strenuous opposition to the reforms, wrote to a friend:

I should like to take the opportunity to talk over with you the way in which we showed our prejudices when the reform measures were under discussion, and how we were led to take up an opposing attitude....I have now come to see that we were wrong and in the main unreasonable.

Of course, with the revival of the pro-reform faction in the imperial household from 1093 onward, one wonders how much of that statement was a merely convenient support for Wang's policies when reform was now the prevailing mood, and how much of it was sincere.

Loans to Farmers

In 1076, an imperial edict stopped the loans, stating that many had been thrown in jail and were flogged for failure to repay them.

Su Shi's criticisms of the farmer loan program are as follows:

There has long been a prohibition against the practice of crop loans. Now Your Majesty has inaugurated the system and made it a regular practice year after year. Although it is declared that there shall be no compulsion to make people take the loans, nevertheless after several generations, if there should be oppressive rulers and corrupt officials, can Your Majesty guarantee that there will be no compulsion?... Besides, when silk was bought in the Southeast, payment was originally supposed to be in cash, while in obtaining horse fodder from Shenshi, cash was not allowed in exchange. Edicts were issued by the court and the officials usually enforced them. Nevertheless, salt is always accepted now in payment for silk and cash is allowed in exchange for fodder. From this we can see that the declaration against the use of compulsion in the taking of crop loans is also an empty formality....

Zhu Xi, a scholar and military prefect of the city of Nankang, in his work *Jin Hua She Zang Ji*, wrote about this program:

After an investigation into the opinions of former dignitaries, and looking at the matter from the standpoint of a modern critic, who has experimented with it, I am bound to admit that the idea of the agricultural loans measure cannot be termed "bad." It was, however, fault in that money was distributed instead of

grain; that the distribution centers were confined to the larger districts, and not set up in the villages; that it was administered by the government officials solely, and not in co-operation with the local residents; and that the aim before the promoters was to accumulate profits as quickly as possible, instead of being chiefly concerned with the welfare of the people.

This accounts for the fact that Wang Anshi could administer it successfully in one district and yet failed to administer it successfully throughout the empire. The fact that the measure had good possibilities accounts for the further fact that my master, Zheng Zi, who at first severely criticized it, was later on compelled to change his mind, and came to regret his extreme utterances on the subject.

Having said that, Zhu didn't think that the idea itself was bad at all. In fact, Zhu himself tried this, in modified form—loaning out grain, instead of money. And so in 1168, he organized a Loan Granary, with an endowment from the government of 36 tonnes of grain. He distributed the grain as a loan, to be returned with 2% interest per month. During a shortage, the rate would be cut in half; in absolute crisis, it would be distributed freely. Zhu placed the storage units not just in the cities and metropolitan areas, but in the rural countryside, where more of the struggling farmers would be located. After 14 years of operation, the 36 tonnes of grain had multiplied by a factor of five, to 186 tonnes. So this does support one of Zhu's comments—that Wang's ideas were good, however bad the implementation of them was.

As to why or how the loans became forced, some contemporary writers stated that this came about from Wang's desire to show the emperor that his loan program was working. Wang insisted that his provincial officials make as many loans as possible, and so the provincial officials in turn pressured the farmers they were in contact with (to take the loans). Therefore many farmers were pressured into making these ostensibly voluntary loans, which they really didn't want.

State Trade System

In 1074 an imperial edict said that businesses were at a standstill, and that people were unemployed (as a result of the State Trade System).

Zhu said that the laws connected with the measure were so strict that the local officials were unwilling to go to the trouble of opening the granaries even in famine times. The result was that the grain gradually deteriorated, so that when the officials were compelled through force of circumstances to break the seals, they found the grain unsuitable for human consumption.

In his Petition to Do Away with the Most Harmful of the New Laws, Sima Guang wrote:

Worthy men seek for an explanation [of the new policies], and failing to get any, cannot relieve their anxiety; small men simply conjecture as to what is going on at court and give voice to slander, saying that Your Majesty, as the master of a hundred thousand chariots, is interested in personal profit and the official in charge of the government administration, as the chancellor of the Son of

Heaven, is concerned with controlling wealth. Business is at a standstill and the prices of goods have been rising....

Su Shi wrote:

During the time of Emperor Wu of Han (r. 141-87 BC) the financial resources of the nation were exhausted, and the proposal.. to buy commodities when prices were cheap and sell them when prices were dear was adopted. This was called Equal Distribution. Thereupon business came to a standstill and banditry became widespread. This almost lead to revolution. When Emperor Zhao (Wu's son) ascended the throne (in 87 BC), scholars all rose up in opposition to the idea. Ho Kuang heeded the desires of the people and granted their request that the system be abandoned.... It is surprising to hear this kind of proposal raised again. When this law was first introduced, it sounded as if very little was involved. They said merely that goods brought cheaply here should be transferred elsewhere when prices were high, using supplies near at hand to ease scarcity afar. But offices and staffs have been set up all over, and a large amount of cash has been appropriated. The big and wealthy merchants have all become suspicious and dare not move. They believe that... the government will engage in buying and selling.... It has never been heard that the government engages in the exchange of goods without competing with the merchants for profit.... When they buy, they give money in advance; when they sell, they collect the money afterward. Now for the government to buy such and such a commodity, it must first set up offices and staffs, so that the expense of clerical and fiscal services is considerable at the outset. If not of good quality, an item will not be bought; if not paid for in cash, an item cannot be purchased. Therefore the price paid by the government must be higher than that paid by the people. And when the government sells goods, it will still suffer the disadvantages mentioned before...Once the money is disbursed, I fear it cannot be collected again. Even should there be some slight gain from it, the loss in revenue from taxes on merchants will certainly be greater....

Military Reforms

Many contemporary writers thought that the traditional Chinese standing army was in dire need of change. Ou Yang Xiu said that the stand army was "a mere pretence of an army" and described them as arrogant, indolent, and ineffective. Fan Zhen said that the regulars were useless as a fighting force, and said that the huge number of soldiers in the army, hurt agriculture, by taking men from the fields. He thought some setup of people's levies and a soldier-farmer policy was essential. Su Shi said that 50 percent of the regular forces might be disbanded without doing the state any harm, as this many soldiers were useless, due to age or physical disability. The reduction from 1,162,000 to 568,688, was about the 50 percent reduction that Su Shih had advocated. Zhang Chun said that in 1095, after the Militia Act's abrogation, that the militia was superior to the regular army. For these reasons, Wang's military reforms should be seen as very necessary.