

Currency. -1- P'an'gye surok, chōnje hurok, kosōl, ha

(Note: (P'an'gye): In the Hung-fan section of the Shu-ching

(Kim: The Hung-fan was the what Kija told to King Wu of the Chou), there are 8 essentials of government (pa cheng 八政). The first is food, the 2nd is goods (hua 貨). Shih means the grain that is produced from agricultural land and are things that are eaten. Hua means things like gold, knives, cash, and cowry shells, that are use to distribute profit (pu-li 布利) and circulate goods. Both are the basis for providing livelihood to the people (sheng-min). At present I am studying the opinions on currency through the ages and am appending it to the Later section on the land system.) (END NOTE)

food + money

食

八政

貨

布利

... In the Chou-li, the Wai-fu (外府) (Note: Cheng Hsüan (鄭玄) says that the Wai-fu was in charge of of ch'üan (泉 :money) in treasuries and was located in outer regions.) (END NOTE) was in charge of the income and outgo (payments) of goods (pu 布) in the country in order to provide for all kinds of goods, and it provided for the expenses of the state and those of the officials (yu-fa-che 有法者).

待給

money

布

有法者

(Note: Pu (布) means ch'üan (泉 :money). When (money) is stored

in a treasury, it is called ch'üan, and when it circulates, it is called pu (布). It takes its name from the waters of a stream, meaning that when it flows, there is no place where it does not go. To enter in (income) and go out (be paid out) means to receive and then to pay out again. "To provide for all kinds of goods" means either that the goods are made, or that they are bought. "To wait" (待) means "to give, provide for" (chi 給). The term, yu-fa-che means the expenses of officials. When money was first used, in general there was only one kind.

line 100.
22
220 line 184
MING econ.
all.

When King Ching (景王) of the Chou minted the ta-ch'üan (large cash 大泉), then they had two kinds (of money)

When there was some rites to be performed, or guests (arriving from foreign states), or a funeral to be held, or a meeting (of the feudal lords), or the army to be sent out to the field, (the Wai-fu) provided the money for these expenses, and also provided for the expenses of royal progresses (商). (Note. (商) means the expenses for the (king's)

商

商

大泉

147, 8:1a

Travelling along the roads. The king summoned Yu (Kim, Wang Chao-yu? 王昭禹) said: the ancients used cowry shells for exchanging goods. When T'ai-kung (太公) (Duke of Chou? in the Chou period) first established the 9 fu (九府) huan-fa (圉法: currency system), this was the first time that they used cash (ch'ien) in place of cowry shells. Sometimes (the cash) was called ch'üan (泉), or it was called pu (布). Pu comes from the term to disseminate and promulgate (spread around) (hsüan-pu 宣布). Ch'üan comes from the idea of circulating. In fact they are one and the same. In later ages, the people used the term, ch'ien (cash), instead. (END NOTE)

九府圖說 currency system

合

The Ch'üan-fu (泉府) (fu in charge of ch'üan-hua currency) is in charge of the money (pu 布) received from taxes on the marketplace (cheng-pu 征布), and collects goods that the people need which have not been sold and are just stagnating in the market.

Chiu Chiu of Ming

Ch'iu Chiu (丘濟) says: In the Chou li there was not just one job (office) that was in charge of goods. But there were two offices that were in exclusive charge of currency (ch'ien-pu), the Wai-fu and the Ch'üan-fu. The Wai-fu was in charge of receipts and disbursements pertaining to (royal) trips (齎載), and the Ch'üan-fu was in charge of income and outgo from purchases and sale (of items).

Advantages of money

In general all the commodities of the empire provided (constituted) materiel (tzu 資) for currency that circulated. Heavy items could not be picked up (and carried about), and if it was not/cash, it could not be transported to remote distances. Goods that stayed in one place could not be circulated, and without (if it were not) money it could not be circulated (blended and made uniform-- 兼濟). Large items could not be subdivided, and if it were not for money, they could not be used in small amounts. Thus commodities were heavy while cash was light; goods stay in one place while cash can always circulate, and that is the reason (why cash was used in place of goods for money).

147, 8:1b

*Chon-li?
Govt control
of shops +
markets*

--. The ssu-shih(司市) (Market official) divided up the land (sites for shops) (of the market place) in accordance with the order of precedence (of the merchants) and delineated the boundary of the market. He lined up the shops and distinguished (divided them up) their goods and (prices) ensured that things were ~~suakx(suakablx)~~ fair (equitable), and with laws and orders he prohibited luxury items and made (the goods) of the market equal (equitable). (Note: the term (物靡) means something that is easy to sell but is of no use. If you prohibit it, then the market will be equal. Cheng

鄭司農

Ssxixi Ssu-neng says that (靡) means luxury items (侈靡).)(END NOTE)

He ~~makxmxmxmx~~ causes the merchants to flourish ~~xx~~ (be wealthy) in goods (merchandise) and ensures that money circulates (hsing pu 行布). (Note: (shang 商)

8:2a

The merchants is the one who circulates goods (by carrying them around).

The ku(賈) is the one who sits in his shop and sells merchandise.

(阜) is like (盛). Pu(布) means currency (ch'üan 泉).)(END NOTE)

When there is a famine, epidemic, or funeral, then no taxes are levied in the market, and money is made (and circulated) (tso-pu 作布). (Note: *cash is coined*)

When there is a disaster the price of goods rises and no taxes are levied on the market place (as a means of helping the people out of their difficulty).

Gold and copper (metals) are not effected by natural diaasters (and can be produced),(so when the price of goods goes up) the govt mints cash in order to alleviate the plight of the people (Kim, 602, to enable them to buy goods).(END NOTE)

*to cheap money
policy in time
of famine*

P'an'gye:

I note that the sages of the past made the well-fields (system) in the farm land of the empire in order to benefit the people's livelihoods. In the cities and marketplaces where the shops were they divided up the land and fixed a system (for shops), which was also a detailed (system). With (institutions arranged) like this, the people of the four quarters each obtained his place (what he needed to make a living), and the accomplishments of the empire increased by the day and did not die out.

*Govt regul'n
of the market*

I also note that pu(布) is the same as ch'üan(泉), and ch'üan is the same as ch'ien(錢). Ch'ien (money) is what is used to

147, 8:2b

The pu-ch'üan (布泉) :bolt of cloth used for money?) was 2 feet 2 inches wide and 4 chang (丈) long; this made 1 p'i (匹) :bolt). Therefore, with regard to money, gold was precious metal, knife (money) was profitable, ch'üan (泉) was good for circulation, pu (布) was good for wide distribution, and pai (帛) :silk) was easy to collect.

--The Kuan-tzu (管子) says: In the 7th year of (Emperor) T'ang (湯) (of the Yin dynasty) there was a drought. In the 5th year of (Emp) Yu (禹) (of the Hsia) there was a flood. The people had no food and were selling their sons. T'ang took the gold (metal) from Chuang-shan (莊山) and minted currency, and Yu took the gold (metal) from Li-shan (歷山) and minted currency, in order to save the people from difficulty.

148, 8:3a

With ~~th~~ regard to the three types of currency (precious stones, and pearls, gold, knife money), when you ^{get} have them (pick them up), it is not that they assist you in being well clothed and fed; and when you ^{pay them out} put them down (don't have them), it is not that it causes one to starve and go cold. (by using money for)

Former kings pacified the empire by means of protecting goods and property regulating and controlling the affairs of men. That is why they called (money) heng (衡). Heng (a scale) causes things to go up and down, so that you cannot have fixed ~~prices~~ (prices) (t'iao 調).

money to control prices - access to foods

--.In the Ch'in dynasty they used cash of 1/2 liang denomination. (Note: it was inscribed "half liang", and the weight was as written.) (END note) (too heavy)

When the Han dynasty arose, they did not like this weight and found it difficult to use, so they carried out another minting of the chieh-ch'ien (荚錢) (Note: It was said to be as light as the outer skin of an elm tree nut. It weighed 1.5 shu and 1/2, was 5 fen in diameter, and was inscribed Han-hsing (漢興).) (END NOTE)

cash too heavy in Han

too light inflation

Accordingly, the price of goods shot way up, and 1 picul (shih) of rice cost 10,000 cash.

In the 5th year of Wen-ti's reign (BC 175), they again minted the 4-shu cash (四銖錢). (Note: The inscription read 1/2 liang, but in fact

Chia I

Currency -6- P'an'gye surok, chönje hurok, kosöl, ha

148, 28:3a

it weighed 4 shu. 24 shu made 1 liang.)(END NOTE)

Excluding counterfeiters who minted cash, the people were permitted to mint their own cash.

Chia I (賈誼)

(At the time), I (賈誼) remonstrated, saying: The law allows (people) throughout the empire to openly (publicly) mint copper and tin to make cash. As for those people who dare mix in lead and iron

and are skillful at it, they are branded on the face for this crime. (罪黥)

Nevertheless, the situation with minting cash is such that unless they do mix in (inferior metals) in a skillful way, they cannot obtain a surplus ying

(profit). * When they mix in (inferior metals) it reduces (their cost) and increases their profit. (Note: When counterfeiters mix in lead and iron

their costs are cut way down, but their profits are very large. Some others interpret this phrase as meaning that they are very skillful in mixing in inferior metals, and their skill is so refined that without knowing it they realize great profits. Therefore the people rashly violate the law and the

counterfeiters cannot be stopped.) (END NOTE)

Thus the situation is such that it brings on catastrophe and the law is such that it give rises to corruption (counterfeiting). At the present time the small people have the power to ~~mix~~ make currency, and each hides * and makes cash. Accordingly if you want to prohibit these great

(illicit) profits and counterfeiting, you would not be able to stop the situation even if you punished them with branding every day.

What could be worse than setting up laws in order to entrap people and cause them to fall into a pit (disaster)?

Furthermore, the use of cash by the people in the commanderies and districts is not the same. In some areas they might use light cash where (to buy something) they might have to lay out 100 cash or an additional few (pieces). (Note: At the time, the weight of a cash was 4 shu. According

to the law 100 pieces of cash was equivalent in weight to 1 chin (斤) or 16 shu. In an area where light cash was used they would have to add on several pieces of cash to make up a full (cash equivalent). (END NOTE)

private minting

CHIA I

debasement

8:3b

danger of counterfeiting

Lack of uniformity

Qua 2

148, 8:3b

Or in some places they might use heavy cash which people would refuse to receive on the grounds (it was heavier) than normal. (Note: If you use heavy cash, then because (in making payment) you would be paying more than was due, they wouldn't be able to receive it.)

(At a time like this) when no laws for cash have been established, if the officials are urgently to unify (regulations), then it would be too much trouble for ~~them~~ (the people) and they would not have the ability to do it

(Kim, 606: there would be too much crime revealed and too many people to punish) But if on the contrary no inquiry is made into criminal action and things are left as they are (nobody is held to account, scolded), then, different kinds of cash will be used in the shops of the market, and the cash will be in great confusion. If a correct method is not used, then what can be done to help the situation?

At the present ~~at~~ time agriculture is in bad shape (abandoned and suffering loss), but copper miners ~~xxx~~ (and minters of cash) are increasing in numbers by the day. They abandon their hoes and smelt metal and mint cash more every day. The five grains are not harvested in large amounts. (Note: This means that because people are mining copper and minting cash they have abandoned agriculture and not much of the 5 grains are being produced).

Good people are being enticed into evil and perversity, and honest people are being entrapped and led into punishment and execution. (Note: (林) means to induce (誘), and this phrase says that good people are enticed by profit and become corrupt (姦邪).) (END NOTE).

When the state realizes that this is harmful, the officials will definitely decide to prohibit it. If they prohibit it (minting of cash by private persons), the cash will definitely become heavy (valuable) and the profits will be profound so that counterfeiters will arise like clouds. Even though people are hung in the market place (棄市之罪), it will not be sufficient to prohibit them. Thus the numbers of the corrupt (counterfeiters) will increase beyond count and the ~~laws and prohibitions overflow in profusion~~ (with no effect) is all because (minting)

people have agriculture to mint cash, which is more profitable

good people are lured into evil

8:4a

shortage of cash will increase value of remaining minting - too much less

148, 8:4a

of copper makes it that way. Therefore, if copper is spread throughout the empire, then it leads to disaster. The best thing to do is to collect it. If the government collects copper and prohibits its being spread

around, then the people will not mint cash, and there will be no increase in the number of people branded for criminal activity. There will be no counterfeiting and the people will not be suspicious of one another.

And those people who are currently mining for copper and minting cash will return to the cultivation of the fields. In the end all the copper will end up in the hands of the ruler (shang--government), and the government price of

will accumulate copper in order to control the lightness or heaviness (weight of copper? copper cash?). When cash is light (cheap in value) (because it is in overabundant supply), the government will buy it up, and when it is dear in value, then the government will sell off its holdings.

Thus the price of commodities will attain an equilibrium (pi p'ing 必平).

By controlling (the supply of) all commodities, by regulating abundance and shortage, and by collecting (buying) up surpluses, the official treasuries will become rich while those people engaged in minor occupations (merchants) will be in difficulty. (Note: mo-min 末民 means those whose occupations are artisans or merchants.) (END NOTE) If we thus

exert control over those goods that should be abandoned and give them to the Hsiung-nu (barbarians), then the Hsiung-nu people will fight among themselves (for the goods), and our enemies will be destroyed. (Note: If minor occupations

(artisanry, commerce) are in difficulty, the farmers will respect the root (agriculture) and the granaries will be full, and there will be more cloth and silk than enough currency (money), then you summon the barbarians, many of whom will come, and you hand down and give (it to them),

and thus it is said, "to control over abandoned goods. Abandoned goods means that they will subsequently compete for the goods that we abandon (to them).

(END NOTE).

Shan (賈山) also said: Money is not something that can be used,

錢者無用器也

call in all copper cash
return people to farming

ever-normal market
help price to stabilize

8:4b

anti-cash bias

but with it you can change into (become) wealthy and noble (可以易富貴).

Wealth and nobility are the means by which the ruler of men holds power

(富貴者人主之操柄). If you allow the rich people, together

with the ruler, to richly hold power, it can't last long. The emperor

(Kim, 608. Wen-ti) did not listen to (what Kux Shan had to say?)

At the time, Wu Wang-pi (吳王濞) minted cash

at (鄆山) until his wealth was equal to that of the Son of Heaven

and later on he rose up in rebellion. Teng T'ung (鄧通) was also

an individual whose wealth surpassed that of the king from minting cash.

From that time until the time of Wu-ti, for a period of over 40 years, whenever

the hsien magistrates needed a small amount for expenses, they would

from time to time go to the copper mountain (mine) and mint cash. Among

the people there was also counterfeiting of cash in such great amounts

that one cannot describe it. The cash increased in volume but got lighter (debased?).

(Note: When the volume of minted cash is great, then x (the value)

of cash lightens. To lighten, means to debase (貶賤).

(END NOTE) While the goods got fewer and got heavier (more expensive).

(Note: The amount of goods decreased because the people only devoted themselves to minting cash and not to making more goods.) (END NOTE)

During the reign of Wu-ti in the Yüan-shou reign period, 5th year

(BC 118) an official (yu-ssu) said that light (cheap) cash was easy

to have illicit (minting of cash--counterfeiting). So he then

requested minting of the 5-shu. The outer rim was round, and its material

did not allow for polishing the cash or taking mould (smelting it?) (取鑄).

(Note: They rounded the rim, and it also had designs on it). At the time

the officials punished the people for counterfeit minting of money,

and as many as 20-30,000 people died (were executed). So many people killed

one another (in pursuit of profit) without realizing it, that you cannot

(speak of it, count the numbers). Over a million people voluntarily came

forward (to confess) in order to obtain pardon. There were so many violators

of the law that the officials could not punish them all. As a result,

minting of cash was prohibited throughout the whole country and

ruler has to control wealth not individual

fluctuation in value of cash debasement + inflation

prohibition of minting

149, 8:5a

there was no minting of cash. It was ordered that the ~~Shang-lin~~ three offices of the Shang-lin (shang-lin san-kuan 上林三官) be exclusively in charge of minting. (Note: The Shui-heng tu-wei (水衡都尉) was in charge of the Shang-lin-yüan (上林苑). The three officials attached to that office were the chün-yü-ling (均輸令), chung-kwan-ling (鍾官令), and the pan-t'ung-ling (辨銅令)). (END NOTE)

When the volume of cash (in circulation) became large, it was ordered throughout the empire that no cash could circulate unless it was (minted by) these three officials (offices). ~~xxxx~~ The cash in the country that had been minted before was all abolished. The melted it down (銷之) and transported the copper (to the three offices), and the amount of cash minted by the people became smaller. When they calculated the cost (of minting) they found they could not meet (the costs). (Note: This means that there was no profit in it for them). (END NOTE) The only counterfeiters remaining were the truly skilled craftsmen who counterfeited cash in large amounts.

--. In the time of Yüan-ti (BC 48-32), Kung Yu (貢禹) said that many people had been punished for counterfeiting cash. The rich people stored up cash in their treasuries so that their rooms were filled, like there was no satisfying their needs. They abandoned their basic occupations and pursued the minor occupations (artisanry, commerce), and it was not possible to prohibit the illicit and perverse (activities, counterfeiting).

One ought to cut out the origin (of the problem) and abolish the offices (officials) in charge of minting cash, and not allow them again to make currency, and with regard to taxes, salaries, and imperial grants, everything could be done with cloth (布帛) and grain; and make the common people devote all their thoughts to agriculture.

Those who disputed this felt that trade depended on cash; that cotton or silk cloth could not be subdivided into feet or inches. (As a result) Kung Yu's opinion was also laid to rest (neglected).

From the 5th year of yüan-shou in the reign of Wu-ti (BC 118), the three offices (san-kuan) first minted the 5-shu cash. And by the time of

*exists
as
cash*

*counts opinion
in favor
of cash*

149, 8:5b

P'ing-ti, in the middle of the yüan-shih period (1-6 AD), it is said that there was more than 28 million (cash in circulation).

Ch'in Chün

--. Ch'iu Chün (丘濬) (Ming Dynasty) said: Cotton and silk cloth (pu-pai 布帛) is regarded as clothing, and rice and grain is regarded as food. They are both things that people have to have to live; they cannot be without them for a day. It seems to me that if you want to use them in place of cash, then in the case of cloth, you cannot avoid dividing them into inches, and in the case of rice, you cannot avoid calculating them in terms of grains. Women weavers have to use up a lot of threads to make a chang (丈疋: yard's worth of cloth), and farmers have to pile up a lot of individual grains in order to fill up a sheng or t'ou (cup). How would it be easy to do this? How much more so given the fact that cloth is something that has use and cash is something that has no use.

K'ung Lin (孔琳) of the state of Chin (晉) said that the sage kings regulated goods of no use in order to circulate goods that were of use. There were no wasted expenses (in transporting goods around from one place to another, Kim 611), and they also cut down on the burdens of transportation. If you look at it from this standpoint, then this policy of Kung Yu's definitely could not be adopted. Even if throughout all the lower towns everywhere they had tried to use cloth and grain in place of money, the officials (magistrates) still ought to have prohibited it. How could this be a method that could be put into practice?

you have to have cash

8:6a

--. Kung-sun Shu (公孫述) of the state of Shu (蜀) abolished copper cash and minted iron cash, but cash did not circulate among the people. (Note: In the Han-shu Hsi-i-chuan (漢書西域傳), it states that in the state of (罽賓國) they used silver for cash; it was in the form of ~~and~~ *the obverse side* of a man on horseback with the picture of a man's face on it. The money of the state of (烏戈山燕國) was like the money of the other country () in that it was in the shape of a man's head with the picture of a mounted horse, and it was adorned with gold and silver all around it. The state of An-shi (安世) also used silver for currency, with the design of the king's face, ~~and on the reverse side~~ *also adorned with his wife's face*

漢書西域傳

罽賓國

烏戈山燕國

on the obverse side

安世

149, 8:6a

When the king died then they changed the minting. (minted new cash). In the state of ~~Exp~~ Ta-yüeh-shih-kuo (大月氏國) it was also the same as this. In the Nan-pei-shih (History of the Southern and Northern Dynasties) it says that in the Later Chou in the various commanderies in Ho-hsi (West of the Yellow river?), they used the gold and silver currency of the Western Regions (Hsi-i).)(END NOTE)

P'an'gye:

iron cash no good.

I note that because iron cash was heavy, it was difficult to use. It was not only that currency (iron cash?) did not circulate at that time; it was also that it ~~opened up~~ ^{began} (啓) : ~~led to?~~ the evil of chiao-tzu (交子) : Kim, 612 says that in the Sungdynasty in the ching-li year period, 1041-1049, because the people of the Shu region found iron cash too heavy, they began to make private ^{es} certifications called chiao-tzu, which were in fact, paper money.) in later generations. In general, there is nothing better than copper and tin for minting cash. Also, it has been a long time since cash has been in use (flourished). It is not only in China (Chung-kuo) that it has been used, but also in places like the various countries of the Western Region (Hsi-i), there is no place where it ~~is~~ is not in use. In recent times, the Khitan rose up in the northeast, and they also began to regulate the circulation of cash and by that means enriched their country and benefited their people. Is it true? (信乎) Throughout the world, there is no country that may not use cash.

*cash in use everywhere
Khitan used cash to enrich the country*

*Hamel?
1653-68*

(Note: Previsouly I personally met some Westerners who had been shipwrecked ~~in~~ in Korea (HAMEL??), and I asked them if their country still used silver cash (currency). They said that the countries of the Western Ocean were in generally to the south of the countries of the ancient Western Region (Hsi-i 西域). At present our contrary is mixed up (with them, confusedly) referred to as the Southern Barbarians (namman 南蠻).)(END NOTE)

149, § 8:6b

large cash

5000 cash

too large a denomination

--. Sun Ch'üan (孫權) of Wu (吳) was the first one to mint a single coin equivalent to 500 cash. (始鑄一當五百錢), (Note: The inscription on the coin read, Ta-ch'üan wu-pai (大泉五百), 3 fen it was one inch/in diameter, it weighed 12 shu. Officials transported cooper illegal to be minted, and there were laws against counterfeit minting.)(END NOTE) and a coin equivalent to 1,000 cash (tang ch'ien-ch'ieng 當千錢). (Note: It was 1 inch 4 fen in diameter, and weighted 16-shu)(END NOTE) After these coins were issued they became too valuable (expensive), (and they did not circulate); they only retained an empty reputation, and they were abhorred by the people. (Note: Later on Sun Ch'üan issued an order saying: In the past we minted a large ~~xxxx~~ denomination coins; we permitted it to be done for the purpose of spreading the circulation of money. At the present time the people feel that it is inconvenient, so we have abolished it and melted the metal down into utensils. The officials shall not again issue (such cash). Private families that have (such cash) will all send it to the treasury. When the value of the cash drops to a very low (point), there will be no mistakes (errors) made. ?)(END NOTE)

P'an'gye:

I note that this was a method that Sun Ch'üan used to deceive (people). The minting of large cash (ta-ch'ien) in later generations began with this. In general, heaven above (shang-t'ien 上天) establishes rulers (chün) ^{be the} ruler of the living people. In general it is with him (the ruler) that the profits of the empire are controlled (掌); it is not that he monopolizes (chüan 專) the profits of the empire. In the daily markets the people are allowed to exchange goods in order to enable the circulation of goods from those who have them to those who do not have them. If goods themselves were exchanged for goods, not everybody would have (the right) goods to exchange, so for that reason currency was made. It is necessary that goods and cash be exchanged for one another in equivalent (amounts), and there should be no imbalance in terms of (a price) that is too dear or too cheap or (for that matter) completely removed from reality (懸絕)

a ruler regulates, not monopolizes profits money to enable circulation of goods

絕無輕重之偏

no major discrepancy between the price of commodities and their true value

149, 8:6b

Only after (the above is done) is it possible for cash to circulate for a long time, without any evils.

because

But/rulers and ministers in each age are only concerned about shortages of finances, they establish (concoct) plans for netting (reaping) profits

150, 8:7a

and use them to deceive the people in order to collect (reap in) the wealth

~~govern~~ of the empire and monopolize the profits for themselves. How could

this have been Heaven's intention in establishing rulers (chün) (to rule

over the people)? The (rulers) who do this are only aware of the fact

that they gain profit by deceiving the people; they are not aware of the

fact that what they get (by this means) is extremely small, while ~~the~~ what they lose

~~is~~ ~~that~~ ~~they~~ ~~lose~~ is great. Both in ancient and recent times, the proof of this can be seen in all cases (everywhere).

--! In the time of Ts'ao P'i (曹丕) of the Wei dynasty (魏)

(Kim, 614, emperor Wen-ti, 220-227 AD), they abolished the 5-shu cash and made the people use grain and silk cloth to buy things in the marketplace.

By the time of Ming-ti (明帝) (227-240 AD), cash had not been in use for generations

while grain had been used (as a medium of exchange) for a long time.

The/~~number~~ had developed skill in cheating (others with the use of grain) increased in

gradually ~~and~~ ~~the~~ ~~numbers~~ numbers. They competed with one another to

wet down the grain (increase its weight) in order to obtain profits, and

they made light silk to use as currency. Even though in some places

severe punishments were meted out to these people, they still could not

prohibit (the practices). ~~the~~ Ssu-ma Chih (司馬芝) and others

raised a great debate at ~~the~~ court in which they said that using cash

would not only enrich the country, but it would also help reduce punishments

and that at the present time they ought to remint the 5-shu because it

would be advantageous. The emperor then reminted the 5-shu cash, and it

was in use up to the Chin dynasty without any changes (in minting of new cash).

AN ARGUMENT AGAINST LARGE CASH.

criticizes Govt's use of cash to make profits for itself

use of grain as money is no benefit

cheating

advantages of metallic currency

150, 8:7b

--. In the reign of An-ti (安帝) of the Chin dynasty (E. Chin,

397-419 AD), Hsüan Hsüan (桓玄) proposed ~~that~~ to abolish cash and use grain and silk as media of exchange. K'ung Lin (孔琳) ^{refuted this} proposed saying:

In the 8 essentials of government of the Hung-fan, currency (huo 貨) is second to food. ~~Why should we not regard something which acts as a medium of exchange~~

Why should we not regard something which acts as a medium of exchange

(chiao i chih suo chih 以交易之所資) as a very important thing to be

used (for that purpose--as a medium of exchange?). If the common people

used all their labor in making cash, then it would be all right to prohibit

it on the grounds that it interfered with the occupation (of agriculture)

necessary to sustain life. (But) at the present time the farmers are

naturally devoting their efforts to raising crops, the artisans are naturally

devoting their efforts to making utensils--each of them is devoted to his

own occupation. How have they ever been devoting their concerns to cash?

Therefore the sage emperors controlled currency (huo 貨) which was of

no use in order to enable people to exchange it for goods that were of

use. (By using currency) there were no wasted expenditures and also they cut

down on the difficulties of transporting (goods). This is why cash

is something that carries on the tradition established by the use of

tortoise shells and cowry shells and has not been abolished throughout

successive ages. Grain and silk cloth are basically to meet the needs of

clothing and food. It at the present time we divide them up in order to

make currency, then it will cause tremendous losses (harm). Moreover,

labor will be destroyed (wasted) in the hands of the merchants, and grain

will be lost when it is divided up. (Kim: 616: Grain will be decreased

as it is measured in the hands of the merchants, and cloth will shrink as it is

cut and torn. 又为毀於商販之手耗棄於割截之用). The

evils caused by this should be clear to the eye.

Thus, Chung Yu (鍾繇) said: People skillful at deception compete

with one another to wet down the rice in order to make profits, and they

Advantages of money

money (cash) better than grain + cloth as medium of exchange

以交易之所資

貨

(cloth)

cut up

又为毀於商販之手耗棄於割截之用

150, 8:7b

lighten the silk (cloth) in order to pay off their debts. In the Wei dynasty they tried to control this with severe punishments, but they could not prohibit (these practices). This was why Ssu-ma Chih said that not only

8:8a

would the use of cash enrich the country, but also it would lead to ~~the~~ a reduction in the use of punishments. Moreover, at the present time, those places where cash is used do not suffer from poverty, while those places where grain is used (as a medium of exchange) have not become wealthy. It ~~was for~~ that ~~that~~ ~~that~~ 40 years ~~that~~ cash was abolished and grain adopted as a medium of exchange in the reign of Ming-ti of the Wei dynasty. Because this has been inconvenient for the people, ~~that~~ a great debate over it was raised at court, and there were none who did not think it suitable to restore the use of cash. And among the people (below) there were none with any different opinion, and at court there is no different (contrary) opinion. ~~that~~ The fact that they abandoned the use of grain as currency and adopted cash (again), is sufficient to show that they understood the evils in using grain and cloth as media of exchange from their previous experience.

In my humble opinion, the way to rectify ~~the~~ problems (evils) is by not adopting the policy to abolish the use of currency (cash).

--- In the Former Liang (前凉), (Kim, 617, the Hsi-p'ing-kung 西平公), Chang Kuei (張軌) had beneath him a chief of staff (參軍), named So Fu (索輔) who said to Chang Kuei: In ancient times they used gold, ~~x~~ cowry shells and skins (~~leather~~) as money, and this eliminated the wastage involved when grain and cloth was weighed and measured. ~~The~~ In the Han dynasty they minted the 5-shu cash, and there was no stagnation in the circulation (of money and goods). In the Chin dynasty, during the T'ai-shih period (none in the dictionary), because of the destruction west of the Yellow river, they subsequently did not use cash. They cut up cloth/^{bolts} to make tan (段) (fragments?) (which they used as money). But when the silk cloth was cut up, it could ~~not~~ no longer (as clothing material) be exchanged ~~x~~ (nobody would buy it). And women weavers could not make clothes out of it. This was the worst of evils.

confusion

150, 8:8a

At the present time even though there is rebellion in the central plains area, this (other) area is completely pacified, and we ought to restore the 5-shu cash and use the opportunity for making a change.

8:8b

Chang Kuei approved this and set up a system whereby cash was used for currency. Subsequently it circulated greatly and the people profited from it.

--. In the Liu-Sung dynasty (劉宋), in the reign of Wen-ti, during the yüan-chia year period (424-454), they minted the 4-shu cash. (Note: The inscription read, 4-shu, and the weight was 4 shu) (END NOTE)

After this/many people said that because of the reduction in the volume of cash, the state did not have enough for its expenses. They wanted to prohibit the private (minging? of) copper in order to provide the official mints with enough (copper) to mint the 5-shu.

-Fan T'ai (范泰) disputed this, saying: For currency to maintain (存) trade, it does not depend on how much currency there is (the volume of

currency in circulation?) (夫貨存貿易不在多少).

In former days its value was dear, and at present it's value is cheap (prices were high, now they are low), but at both times, if you calculate (the volume of cash in circulation), you find it to be one and the same.

If you only order the officials and the people to maintain an equilibrium in the circulation of cash (chün-t'ung 均通), there will be no fear of that there won't be enough cash. If you find you must take essential materials (pi-tzu 必資) and use them in large quantities in order to pay provide for state finances, then (one should consider that) such materials as tortoise shell and cowries have been circulated (for that purpose?) ever since ancient times. (seems to be suggesting that you don't have to use necessary metals like copper; you can use shells) Copper (on the other hand?) is used in making utensils, and its uses are very wide (great). The chimes from bells can be heard far off, and the calculations made from balances and measures are great (copper used for these instruments?).

arguing against using precious metals for cash

BAD ECONOMICS

! ->

150, 8:8b

These instruments have their essential (necessary) uses, so that whether valuable or cheap, the same material (copper, is being used for them). Things have their appropriate (uses), and whether the ~~xxx~~ family or the state, both have urgent (need for them). If at the present time we were to take utensils made of essential materials (pi-tzu chih chi *必貴之器*) to make cash that does not circulate, then it would be of no benefit to the currency problem, and with regard to the problem of use (~~using~~ *using* ~~the~~ the demand or need for materials for making things of use), both the ruler and the people would be in difficulty. (suggesting that if you used copper for cash, the people wouldn't have enough left over to make utensils). If you consider ~~(the real benefits)~~, then in fact the harm would be great and the benefits small (from melting down utensils to make cash).

151, 8:9a

✓
and in

Prior to this, in the yüan-chia year period (I find Hsüan-ti of the Later Han, 151-153 AD), the 4-shu cash ~~xxxxxxxxxxxx~~ *had an earlier form* cash was ~~on sjæ and~~ in form the same as the 5-shu of ancient times. Because there was no profit in using it to pay expenses (must mean that the cost was equal to the value), therefore the people did not bother to counterfeit the coin. Later in the first (early) years of the reign of Hsiao-wu-ti in the Hsiao-chien year period (Liu-Sung dynasty, 454-457⁶, hence 454?), they reminted a 4-shu coin. (Note: It was inscribed Hsiao-chien 4-shu). In form and shape it was light and small, and its outline (rim) was not well made. As a result counterfeiters arose among the people like clouds. They mixed lead and tin (into the alloy) so that the metal (coin) was not firm and hard. Even though heavy controls and strict punishments were used and ~~the xxxxxxxx~~ *even officials were given the death penalty* ~~the xxxxxxxx~~ *(官長坐死)* penalty to violators, there was a continuous stream of people who gained exemption (from punishment), and ~~the xxxxxxxx~~ the counterfeiting got even worse (more prevalent). The prices of commodities shot way up, and the ~~the xxxxxxxx~~ *the* people suffered hardship. Then they established (strict) standards of quality, and it was prohibited for coins which were either too thin or whose rims were too small to be used (in circulation).

even officials were implicated & suffered the death penalty

151, 8:9a

(Note: After this, copper turned? (轉[?]:Kim, 619, flowed off into other areas) and became difficult to obtain. They wanted to mint the 2-shu cash but Yen Chün(顏峻) opposed it and it was not allowed. Later they did mint the 2-shu but the shape was small. The people tried to counterfeit it, but they made their coins either too large or too small, too fat or too thin, and then couldn't match the coin. The lightest and thinnest (of these counterfeit) coins were called the hsing-yeh(苜葉), which circulated in the marketplace. (After Hsiao-wu-ti died) and his son, Tzu-yeh(子業,) came to the throne (465?), Ch'en Ching-chih(沈慶之) also memorialized that private minting should be allowed. As a result the currency became confused and destroyed. Even though a thousand cash were lined up on a string, the length didn't exceed 3 inches. This (kind of) cash was called the ngo-yen-ch'ien(我鵝眼錢 :goose-eye cash). Cash that was even inferior to this was called (紅環環錢). (It was so light) that if you ~~put~~ put it in water, it wouldn't sink, and if you grabbed (touched) it with your hand you would crush it. There was much of it (it couldn't be cut off) in the marketplace, and a string of a 100,000 cash wasn't bigger than a handful. The price of one mal (t'ou, tu) of rice rose to 10,000 cash and prices go to high that the goods of the merchants didn't circulate (couldn't be sold).)(END NOTE)

(Southern Ch'i
 --. In the state of Ch'i(齊), in the time of Kao-ti (479-483 AD), a request was made at court by K'ung I(孔穎) who memorialized:
 The problem with minting cash is to be found in the frequent changes of weights. The problem with making cash heavier is that it becomes hard to use; and if it is hard to use, it cannot be accumulated (累). The problem with making cash lighter is that people can then counterfeit it, and counterfeiting is a really serious problem (祖深). The reason why counterfeiting among the people cannot be stopped by strict laws is because the government in minting cash is too sparing of copper and too stingy in its methods of manufacture. The reason why the authorities are sparing of copper and stinting

8:9b

K'ung I

151, 8:9b

in method of manufacture is because (people) say that cash is something (it is only used for trade purposes) that has no utility (use), and that in ~~xxxx~~ circulating it for the purposes of trade, you should ~~gx~~ try and desire (seek) to make it light and large in number (get a lot of coins per unit of metal), economize on the technology of manufacture and make it as easily as possible; but they do not give a thought to the ~~xxxxx~~ problems (that arise from this).

From the minting of the 5-shu in the Han dynasty until the reign of Wen-ti in the Sung dynasty (Liu-sung, 424-454), a period of over 400 years, even though the system had its ups and downs (was abolished and reinstated), yet the reason why no changes were made in the 5-shu coin was because its weight standard could be used as a model (fa), and it was the most appropriate currency (possible). In my opinion if we began ~~xx~~ by establishing a Currency Office (Ch'ien-fu 錢府) and carried out a great smelting and minting of cash weighing 5 shu, all in accordance with the Han dynasty method, then our treasuries would be filled and state finances would have a surplus.

--- Ch'iu Chün (丘濬) said: Since ancient times many people have commented on the methods of (minting) cash. But it was only the ~~xxxx~~ a govt two dicta of K'ung I of the Southern Ch'i--that one should not be sparing in the use of copper nor stinting in the technology (techn. inputs into the minting of cash)--that ~~constant a good and not to be changed.~~ *these two phrases constituted not change and will* method for minting cash that will last for ten thousand generations.

If cash is minted this way, then ~~xxxxxx~~ the body and quality (of the cash) will be thick and good and evenly distributed. If the method of manufacture is controlled, then the outer rim will be round and xxxx correct. It will cost 1 ch'ien in order to make xxxxxxxxxxxx 1 ch'ien. If the raw material used is a lot, and the technique of manufacture is expensive, then if even y if you urged people to xxxxxx coin it (on their own, privately, xxxxxxxxxxxx), they still wouldn't do it. How much more would this be true in the case of those who risk prohibitions and violate the law to counterfeit coins?

However, since the time of the T'ai-fu huan-fa (太府圓法 :Chou?),

太府圓法

Ch'iu Chün

8:10a

151, 8:10a

~~xxxxxxxxxxxx~~ copper has been considered (the material for) currency
 (ch'üan ^泉), and ~~xxxxxxxx~~ they have minted the half-liang (^{半兩}),
 or the willow cash (^{榆莢}), or the 8-shu, or the 4-shu--I don't know
 how many changes there have been. But it was only the 5-shu coin of the
 Han dynasty that hit the mark (for perfection). After the 5-shu was minted,
 we had either the tang-ch'ien (^{當千}), or the hsing?-yeh (^{苻葉}),
 or the ngo-yen (^{鵝眼}), or the (^{絳環})--again I don't know how many
 changes there were. But it was only ~~the~~ ~~the~~ the T'ang dynasty's k'ai-yüan
 #713-742. Hsüan-tsung (開元 :coin?) that hit the mark (again). Outside of these
 two (coins), there was also the 3-cash (i tang san ^{一當三}) or the
 ten-cash (i tang shih ^{一當十}), but nont of them circulated for long
 before they were suddenly changed (withdrawn from circulation and replaced
 those whose
 by another coin). It was only ~~xxxxxxxx~~ quality and method (system)
~~xxxxxxxx~~ were the same as the k'ai-yüan (t'ung-pao) continued to circulate
 until the present time.

k'ai-yüan
t'ung-pao

→

大和

--/ From the beginning of the Later Wei dynasty until the T'ai-hua
 Northern 424 477-500
 period (~~xxxxxx~~ Wei starts in 220, T'ai-hua period is ~~227-232~~ AD) ⁴²⁴⁻⁷⁷
 471-500
cash currency was not used. Hsiao Wen-ti (220-227 AD) was the first

489

to order the use of cash throughout the ~~xxxxxx~~ empire. ~~xxxxxx~~
 in his 19th year (489 AD)
 And ~~xxxxxxxxxxxx~~ the system of official minting of cash was roughly
 put in order & (prepared). The coin was inscribed with the motto, t'ai-hua 5-shu
 and it was ordered that it circulate in both the capital and the chou and chin
 (prefectures and district commanderis). In capital and provinces the salaries
 of all officials were commuted from silk (which they used to be paid in)
 to cash at the rate of 200 cash per p'i (^疋:roll of cloth). During
 the reign of Hsüan-wu-ti (500-516), they also minted the 5-shu, and any cash
 that was not in accordance with regulations was prohibited. In the districts
 and provinces, either cash was not used, or only old cash was used, and this
 caused the commodities of the merchants to stop circulating (brought a stop
 to commercial transactions). In the reign of Hsiao-ming-ti (516-528), the
 ch'eng
 Jen-~~xxxx~~ (^{任城}), Wang Ch'eng (^{王澄}) submitted a memorial (which said):

8:10b

WANG CH'ENG

151, 8:10b

According to the government system of the Hsia and Yin dynasties, the 9 chou paid tribute taxes in gold, and they established 5 categories of quality (wu-p'in 五品). The Chou dynasty then continued the old system. The Grand Duke (T'ai-kung--Duke of Chou) established the chiu-fu (九府) system, according to which the huan currency (圜貨) first was put into circulation. (He) establish the shu (銖) and liang (兩) system (of units of account) of (楷), and Duke Hsüan of Ch'i (齊宣公) continued to use (those currencies, that system), and by that means he became hegemon (pa) over the feudal lords. Coming down to the Ch'in dynasty under Shih-huang and the Han dynasty in the reign of Hsiao Wen-ti (179-156), the weight of the coin was varied from lighter to heavier. By the reign of Hsiao Wu-ti (140-86 BC), they then minted the 5-shu. But some of these (in the midst of this) they destroyed the mints, and made changes (in the coins) in accordance with the changing times (circumstances), which had the result of producing coins of differing variety, some large and some small. Then with regard to the cash of the t'ai-hua period (of the Northern Wei (477-500), Hsiao-wen-ti gave thought to the problem and created a (new) system of coinage, and after this (the older cash) circulated along with the 5-shu cash. These were unalterable regulations (不刊之式). At the present time the laws state clearly what cash cannot circulate, and this refers to the goose-eye cash (鵝眼) and the (鑿) cash. Outside of these, there are no other (kinds of cash) that are prohibited. In the area north of the Yellow River there have been no new mintings, and ~~the old cash has also been prohibited from use.~~ They (used) exclusively a chien (縑; double threaded silk cloth, waterproof) with a single thread, and (cotton?) cloth (pu 布) of ~~separated threads~~ threads (of thin weave) and of narrow width which did not meet standard lengths (measurements). They ripped the rolls (p'i 疋) to make a foot length in order to settle trade transactions ~~accounts~~ [make up for fractional remainders] (以濟有無). But all this did was to create work (for the women) on their ~~shuttles and looms~~ (杼柚).

152, 8:11a

Kim. 623

152, 8:11a

; it did not enable the people to avoid the suffering from starvation and cold. As a consequence, dividing and tearing up cloth (pu+ch'üan **分截**), and block the use of (metallic) currency, was truly not what was intended to ~~in~~ provide relief and pity to the cold and hungry (**救恤凍餓**), and take of raise the common people as if they were one's children (**子育黎元**).

-(Wang Ch'eng) also said: According to the Chou-li, the office of Wai-fu (**外府**) was in charge of disbursements and receipts of currency (pu **布**). And the term pu (**布**) was like ch'üan (**泉**; currency). (Money) that was concealed and put away (**藏**) was called ch'üan; while (money) that circulated was called pu. But this was ~~kk~~ the pinnacle (of success) in the use of cash, for when they first began using cash, there was only one variety, and they wanted to have the artisans of the world make it uniform and the same, ~~xxxxxxx~~ without there being any extreme differences **2** (from place to place?) in its circulation. ~~By~~ by the time of the fall of the Ch'in dynasty there were frequent changes in mintings of cash so that there were a hundred varieties of cash mixed together even (**易鑄相尋參差百品**). Subsequently they ordered (districts) with adjacent boundaries to ~~xxxxxxx~~ stop trading (? **令接境停買**) because of the differences ~~of~~ the currencies in use in each area? (subsequently this led to violations in trading laws between adjacent areas).

If you look carefully into the varieties of currency, ~~you~~ you find that the 5-shu coin of the T'ai-hua period did not have the ~~xxxxx~~ kind of long-term (regular) regulations pertaining to it that would have enabled it to last forever. (Because of the small amount of it~~x~~ in circulation, says Kim, 624), it circulated completely throughout the capital, but did not circulate throughout the empire.

With regard to cloth ~~xxxxxxx~~ (**布帛**), it could ~~be~~ not be torn into feet and inches. With regard to the 5 grains (as used for currency), (because of the weight) it is difficult to carry around. But if you use metallic cash for currency, ~~than~~ you can string it together; things like grain measures are not needed, and there is no need to measure it with

152, 8:11a

a weighing machine ~~x~~ (scale). It has long been the most suitable thing (an order) for regulating (trade) in the world. I request that ~~xxxxx~~ be sent down ~~xxx~~ to the local districts that all good cash, new and old, in the capital and outside, altogether be allowed to circulate. As for other kinds of cash like the goose-eye cash (鵝眼), and the (鑿花錢), and cash not made according to law, let it be prohibited in accordance with the laws. If there are any counterfeiters, they will be punished severely for breaking (the price of, Kim 924) the law (crime). If it is desired to make (the distribution) of goods (throughout the empire) equal, and regulate in an orderly fashion the shops and markets, then without strict laws, there is no way to stop chicanery (奸). ---The emperor approved this.

8:11b

---. In the reign of Emperor Kao-tsu of the T'ang dynasty, in the wu-te

year period, 4th year (621 AD), they abolished the 5-shu and minted the k'ai-yüan t'ung-pao (開元通寶) cash. Every ~~xxxxxxx~~ 10 cash was worth 1 liang, and 1,000 weighed 6 chin (斤) and ~~xxxxxxx~~ 4 liang.

In terms of weight and size, it was the most suitable coin (of all minted in the past) and it was convenient for those both near and far

(Note: With regard to this cash, Ou-yang Hsün (歐陽詢) wrote the calligraphy in a combined p'a-fen (八分) and li-t'ai (隸體) style. Tu Yu (杜佑) said (about this cash) that every liang was 24 shu, so that 1 ch'ien (cash) weighed slightly less than 2 1/2 shu. ~~xxxxx~~ The old scales compared to the present scales were 1/3, so that the present day cash is 7-shu of the old cash. If you take the above and compare it with the old 5-shu, then it weighs 2-shu ~~xxxxxxx~~ or so more (than the old 5-shu). (END NOTE)

---. During the reign of Kao-tsung, in the 1st year of the ying-hsun year period (682 AD), an edict was issued that all private minters (counterfeiters) of cash, whether the men who first thought of it, or those who later joined with them, that all would be strangled to death, but first they would be given 100 strokes. Those who went along with it (followers) and the landlord of the premises (居停主人) would

↓

621

✓

682

152, 8:11b

have additional labor service added on and each would get 60 strokes.

(lin-pao 隣保)

The neighbors and ~~pao~~ pao mutual responsibility unit would be transported for 1 year; the li-cheng, ts'ung-cheng, and pang-cheng (village, town, and

8:12a

ward) chiefs would each get 60 strokes. Anybody who reported the crime to the authorities (~~kkkikk~~ chiu-kun che 糾苦者) would get the household property of the criminal as reward. Those involved in the crime who confessed of their own accord would be absolved of guilt (punishment), and would be rewarded in accordance with the law.

--. In the reign of Hsüan-tsung (玄宗), in the 22nd year of the k'ai-yüan period (734 AD), they wanted to copy (the method used) in the reign of Wen-ti of the Han dynasty and not ~~absolutely~~ prohibit the private minting of cash. An edict was issued for the official to discuss the

merits of the proposition, and the Lu-shih ts'an-chün (錄事參軍),

Liu Chih (劉洙) opposed it (議) saying: The ancients considered

jewels and precious stones to be superior money, yellow gold to be middle rank money, and knives and cloth to be inferior money. The metallic

cash in use today is in fact the inferior money of ancient times. If

we now abandon it (take our hands off it) and let the people mint it themselves,

then those above (the government) will have no control over (the people) below,

and the people below will not be able to serve those above them. This is

the first reason why it cannot be done.

(the price of agr. products)

When goods (things) are base (cheap? inferior?) (賤), then it hurts (the profits from?) agriculture; when cash is light, then it hurts

the shopkeepers (profits). Therefore those who are good at governing a

state keep a close watch on whether goods are valuable or cheap and whether

cash is light or heavy (high or low in value). If goods are heavy

(if the price of goods is high), then cash is light (cheap). If cash

is light (cheap), it is because there is too much of it (in circulation).

And if there is too much of it, then you should make laws to collect it

(bring some of it in) and reduce its quantity. If there is too little of

it, then it becomes heavy (valuable), and if it is too valuable, then you make

152, 8:12a

laws calling for the distribution (of more cash) to make cash lighter (chepper in value). Thus ~~xxsgn~~ the basic way in which to regulate the cheapness or dearness of cash must depend on this (method). How ~~xxxx~~ could you leave ~~x~~ it to the people (to handle by the private minting of cash)? This is the second reason why it can not be done.

8:(26) vs. debasement

If when cash is minted, lead and iron are not mixed into the alloy, then there is no profit to be made, but if you do mix lead and iron into the cash, the cash is bad. Without applying severe prohibitions, it is not possible to stop this. Even at the present time when the route to private minting is stopped up (prohibited), people still risk death in order to violate the law, so how much worse would it be if you opened up the source (for profits) and wanted the people to follow the law (~~mint~~ allow them to mint cash)? This would be like setting a trap for the people and leading them into it. This is the third reason why it cannot be done.

Keep profit out of minting

Even if you allow people to mint cash, if there is no profit in it, they will not mint cash. If there is profit in it, then many people will leave the southern farmlands (to mint cash, instead of tilling the fields). And if large numbers of people leave the fields, then the crops will not be cultivated; If the crops are not cultivated, then the people will be close to cold and starvation. This is the fourth reason why it cannot be done.

rewards + punishment

Generally speaking, if the ~~xxxxxx~~ wealth of the people increases, then (the government) cannot encourage them (to be diligent?) by the use of rewards. If they are poor and starving, then (the government) cannot enforce prohibitions by the use of authority (force). Therefore, the reason why both laws cannot be carried out and the people cannot ~~be controlled~~ be government stems from the failure to regulate wealth and poverty.

?

If you allow the people to mint cash, then the poor people ~~will~~ definitely cannot ~~xxxxxx~~ do it (don't have the ability or resources to mint cash), so I fear that the poor will get poorer and be forced to work for the rich households, and the rich will take advantage of this to increase their arbitrary (actions).

152, 8:12b

*Wu Pi
+ Teng Tung*

In the ~~xxxx~~ past during the time of Wen-ti of the Han dynasty, but
Wu Pi (吳濞) was a feudal lord (chu-hou), ~~and~~ his wealth was
equal to that of the Son of Heaven. Teng T'ung (鄧通) was a ta-fu
but
~~and~~ his property surpassed that of the king. Both of these cases were caused

153, 8:13a

by the minting of cash. If you want to allow the private minting of cash,
it gives profit and power to the people, and this is the fifth reason
why it cannot be done.

~~xxxxxxxxxxxxxxxxxxxx~~ I would like to talk about the mistake (that
would be made if private minting of cash were allowed) at the present
time when ~~xxxx~~ cash being dear (expensive), it does damage to the root
(harms agriculture, causes prices of basic goods to rise?), and because
of the expenses involved in (minting?) currency (because of the waste of
goods), ~~xxxx~~ profits are small. In general, if cash is expensive (valuable),
it is because the number of (private?) mints is increasing by the day more
than before, while the (number of) (public, official?) hearths has not increased
beyond what it was in the past. Also because official cash is more valuable
than the price of the copper (of which it ~~xxx~~ is made), the counterfeiters
therefore break up the heavy cash in order to make lighter cash (coins).
If prohibitions (laws) are lenient, then (these practices) will go on; if
they are severe, then they will stop. If it stops, then they? will abandon *棄?*
it (cash?)(private minting?). This is the reason why the quantity of cash
is small. In general the reason why there is not enough cash for use (to use)
is because the cost of copper is too high. ~~xx~~ The price of copper is too
high because there are many people (mining and) using it. Generally speaking,
copper is not as good as iron for making weapons, and for making utensils, * ~~xxxi~~
there is nothing as good as lacquer. Thus if (copper) were prohibited
(from being used for these purposes), there would be no harm in it. So
why should the emperor not prohibit its use among the people. If he did
so, then there would be no uses for copper, and if there were no uses for
copper, it would decline in price (it would get cheaper), and if it were
~~xx~~ cheaper, then it could be used (for minting) cash. In general, if

*不足
insufficient*

153, 8:13a

cooper were not distributed among the people, then counterfeiters would not be able to mint (cash). And if there were no way for them to mint cash, then official cash would not be broken up (by counterfeiters to make lighter coins), and ~~h~~ the people would not violate the law and suffer the death penalty. The amount of cash (in circulation) would also increase by the day, and there were be no more profits (for counterfeiters in making cash privately). (By adopting this ~~policy~~) one policy, we could achieve 4 good results at the same time. (Looks like end of quote)

8:13b

At the time the high officials all regarded this as no good, and the only thing that was done was to issue subsequently ~~only~~ an edict ~~was issued~~ to the dommanderies and districts strictly forbidding (the use of) bad cash.

--. In the Essay on Currency (錢幣論) by Tu Yu (杜佑: T'ung Tien),

Tu Yu

he states: the intent behing the establishment of cash was truly profound products and far-reaching. Of all the things (on the earth), all of them must have quantity their number (all ~~must~~ of them should exist in a proper amount). One

復設一物而主之

that number (quantity) is attained, then it is necessary to establish (as a medium of exchange) ~~a single item (as a standard?) and govern it (to control the exchange of all other goods?)~~ *to control the exchange*

to govern it (to control the exchange of all other goods?). Gold and silver are tied up in their use as implements or ornaments. Grain and cloth are also too difficult (heavy) to carry around or to cut up (into small pieces). It is only cash that can be exchanged (for other goods). It circulates and flows and does not reside (stop in one place, stagnate) just like a stream (flow of water). As for things like grain and cloth when used in the marketplace, not only are there problems in picking it up and taking it about or in cutting it into smaller pieces, but also it is difficult to use them for subdivisions of weight like shu and liang, or subdivisions of length like fen and ts'un (分, 寸)

Among the various types of cash throughout the ages, the best was the 5-shu. If only one variety ~~ix~~ circulates, then truly it meets the demand (need). Even though the present cash is slightly heavier than the 5-shu of olden times, the size and weight is convenient for the times.

153, 8:14a

buys up (goods from the marketplace), then the (price) becomes dear
 (衆 :garble for 重 ?). If a ruler is aware of ~~this~~ the fact that
 things are like this, then he watches to see if there is surplus or
 insufficiency in the country and regulates (the supply) of goods. If
 grain is ~~cheap~~ light (low in price) or cheap, then he buys up food
 with cash; if cloth or silk is cheap, then he buys clothing with cash.
 He sees whether goods are light or heavy (in price) and regulates them
 by means of a standard. This is what is called "being thoroughly aware
 of the way to control high or low prices of goods" (

(END NOTE)

- . Of those people who in later times discussed affairs, some said
 that (in minting cash) one should economize on the use of copper and
 cut down (on the costs) of manufacture (惜銅愛工, 改作小錢) and change
 (current large cash) into small cash. And some said that one ought to
 inflate the value (of the cash in order to obtain surplus profits.

(重鑄其價以救贏利). Both of these positions were
 lacking in understanding of long-range methods of ~~managing~~
 managing (經 :heaven and earth, Kim 631) and penetrating thoroughly (通)
 (knowing thoroughly--both through ancient and modern times).

~~It is~~ illegal (counterfeit) minting ~~is~~ increased
 tremendously, and people abandoned their southern ? fields (to mint cash)
 more and more by the day. Despite prohibitions and death penalties,
 more crimes were reported by the day, and they could not ~~put~~ put a stop
 to it. In the past a sage once said: "If ~~cash~~ is not distributed to the
 people, then authority will revert to the top (ruler)." This is a truly a
 wise statement. This is an urgent task for the state and the best policy
 for seeking a solution to the evils (of cash).

--. In the reign of Hsien-tsung (憲宗), 12th year of the yüan-hua
 year period (817 AD), an edict was issued to all people from the civil and
 military officials down to the scholars and common people, merchants,
 innkeepers, temples, wards and markets, prohibiting anyone from possessing

8:14b

153, 8:14b

more than 5,000 strings of ~~XXXXXXXX~~ cash. If anybody possessed more than this limit, they would be allowed to purchase other goods (with their surplus cash). With regard to those who have violated the law when the deadline comes due, if they are people of low status (p'ai-hsin-jen **白身**) they will suffer the death penalty. If they are officials, upon memorial to the throne, they will be reduced in rank, and ~~XXXXXXXXXXXXXXXX~~ will be paid to the magistrate; One fifth will be paid (to the informant) as a reward.

At the time the amounts of cash accumulated by merchant shops in the shops of the capital was extremely large, ~~XXXXXXXXXXXX~~ regional commanders (fang-chen **方鎮** :Kim 632, same as a Chieh-tu-shih), like Wang ? (**王鎬**), Han Kung (**韓弘**) and Li Wei? (**李惟**), at the least was no less than 500,000 strings. Therefore, they fought with one another

to buy up land and houses in order to change their cash (into real property). People of great wealth and great merchants relied on their power (to control or manipulate things), and they said that their money was actually official civil or military officials' money, and the ~~px~~ fu and hsien (districts) were not able to investigate and control the situation, so in the end (the order)(prohibiting possession of excess wealth) could not be carried out.

--. Ma Tuan-lin (**馬端臨**) said: Those who ruled states in later times were not able to control the production of the people and by (doing so) to equalize poverty and wealth. All they wanted to do was to establish laws in order to limit the great and wealthy families from accumulating excess land (**以限豪強兼并之法**). Limiting people in the amount of land they could own (hsien-min ming-t'ien **限民名田**) seems to be (regarded as) all right, but to limit people in the amount of ^{Cash} money they could possess (**限民蓄錢**) is indeed perverse (contrary) (**非**). Since people who buy land want to swallow up and accumulate ^{govt} (landed property), therefore the ruler must establish laws to limit the amount of landed are they can own. But those who accumulate cash are interested in the circulation (liu-t'ung **流通** :liquidity, fluidity) of that cash. **of cash + goods**

Ma Tuan-lin

153, ~~8:14b~~ 8:14b-
154, 8:15a

So from the beginning, there is no need to bother the ruler (government) with establishing laws to instruct the people in the trade and movement (of goods and currency). At the present time, because cash is dear and goods are light (cheap), we (might) establish limits on the amount of cash that (any individual) can possess. ^(in order to put more cash back in the market) But, for cash to be dear and goods cheap is what those people who chase after profits like to hear. There is no need to establish laws in order to urge them on. (Kim:633. Translates this as --no need to est. laws in order to urge the elimination of this??) Only by opening the ~~gate~~ gate to reporting and ~~is~~ (exposing? what?), will ~~you~~ you increase the bother and difficulty, and that is all. (Meaning of this unclear, Kim's translation no help).

Ma oppones laws or limiting amount of cash. Reserve
12 12 11 37-81
or urge on.
2 - appeal drive away

In the shao-hsing reign period of this dynasty (Kao-tsung of the Southern Sung, 1131-1163), there was also once an order limiting (the amount) of cash. But ~~it~~ it was a bad policy that could not be carried out at all.

--. Lü Tung-lai (呂氏東萊) said: The reason why currency was established was to promote the circulation of goods (commodities). It did not form the basis of the wealth of former kings. The ancients in speaking of state finances (said) that for every three years worth of cultivation, there should be one year's worth of food (in reserve), and for 30 years (worth of cultivation), there should be 9 years reserve. Never did anybody say that what should be held in reserve was 20 or 30,000 strings of cash. If you ask why that was so, it is because agriculture and sericulture, food and clothing, were the basis of wealth, and cash and currency was only material that circulated in accordance with the circumstances, and that's all.

At first they had grain and cloth functioned as money. If they had not had this basic ~~xx~~ (substance), then even if they had had lots of (cash) saved up (accumulated), of what use would it have been in making up for shortages (in food?). That is why ~~in~~ in the period prior to the three dynasties of ~~antiquity~~ antiquity, anybody who talked about wealth and taxes

all regarded grain as the basis, and currency (ch'üan-pu 泉布) as nothing

Ma oppones laws or limiting amount of cash. Reserve
12 12 11 37-81
Ji Tsu ch'ien

154, 8:15b

more than something used ~~xx~~ for ^{balancing} ~~estimating~~ (權輕重) the price of commodities. With regard to the 9 tributes (chiu-kung 九貢) and 9 taxes (chiu-fu 九賦) which were collected from the people (according to the Chou-kuan, or Chou-li, Kim, 634), the cash that was collected as taxes from the people was very small. And what was called salaries (of officials) (as paid in cash) was also given in land. In controlling (giving) salaries, the chūn (君), ministers (ching 卿) and high officials (ta-fu) got no more than a ts'ai-ti (采地 : prebend) of a certain amount (the amount of the prebendial grant determined their salary); they never received currency as a salary. (Note: In recent times both land taxes and salaries have been purely in cash.)(END NOTE) Thus the reason why in the three dynasties of antiquity many of the people were settled down on the land and did not engage in peripheral occupations (such as commerce), was in general related to the fact that only a small amount of cash was used.

采地

At the beginning of the Han dynasty, they ~~xxx~~ still retained the ancient ~~int~~ intentions. From the princes (wang) and dukes (kung) down to the chwa-li (佐吏) and other minor officials, all of their salaries were given in grain--either 10,000 piculs (shih), or a thousands, or a hundred. (The only cash payments made) were no more than the k'ou-suan-ch'ien (口算錢: capitation ~~tax~~ cash tax) which every person paid (Note: one man paid 120 ch'ien or 1 suan 算)(END NOTE).

By the time of Wu-ti's reign, ~~thxxx~~ state finances were not sufficient and they established the k'ao-min-fa (告緡之法: law of reporting the amount of cash held) (which, according to Kim, 635, required that people report ~~the~~ cash that was concealed or hidden), and by this means they were able to hold the whole empire to account. From this time on, the ancient intentions (behind the use and control of cash) was gradually lost, and currency became important (valuable) (for financial ~~ps~~ or economic policy, says Kim, 635)

8:16a

Generally speaking, prior to the three dynasties of antiquity, only grain was regarded as the basic (substance), and currency (ch'üan-pu) was

泉布

154, 8:16a

used for estimating standard (values) (*adjusting prices of goods* ch'üan-ch'ang *權常*) (in order to promote the circulation of grain). They did not allow the medium (*means of adjustment* (ch'üan *權*) to exceed the basic substance (pen *本*) (in importance, value). But in later periods, even the households of small people (*匹夫之家*) accumulated thousands or ten thousands in strings of cash, and they competed with the ~~public~~ high officials or their superiors to obtain equilibrium (*衡*; equal status and position). Indeed this meant that the ancient intention (behind the use of cash) was submerged and lost. Therefore, Kung Yu (*貢禹*) (of the Han dynasty) only wanted to abolish the use of cash completely and use only grain and cloth, but this proposals was a case of going too far in an attempt to correct an error. Generally speaking in the affairs of the world, there must always be ~~mutual~~ mutual use (harmonious interaction) ~~between~~ of both fixed standards (ching *經*) and temporary adjustments (ch'üan *權*), basic things (pen *本*) and peripheral things (mo *末*). Temporary adjustment (ch'üan) cannot not exceed ~~standards~~ fixed standards (ching), and what is peripheral can not exceed what is basic. If you only see the evils of one time (period) and want to completely abolish it, then this is tantamount to only knowing one thing (about the problem) and not realizing that there are two (sides to the questions). As in the reign of Wen-ti of the Wei (*魏*) when throughout the empire there was absolutely no use of cash, which subsequently gave rise to the evils of people wetting down grain (to make it heavier and worth more) and lightening silk cloth (to increase profits in transactions involving cloth as a medium of exchange). On the contrary, those goods which were used in the empire were made into useless things (things which were of no use). (by watering down grain and reducing the density of the weave of cloth?). The purpose behind this measure was to put emphasis on grain and cloth, but on the contrary, what it did was to lighten & (reduce) the value of grain and cloth. In this case, we can ~~also~~ indeed see the mistake that was made.

transcription

154, 8:16a

8:16b

From the Han dynasty to the Sui dynasty, only the 5-shu cash was the best and most suitable coin. From the T'ang dynasty to the Five Dynasties, it was only the k'ai-yüan cash that was the most equitable coin. In cases (where the coins) WERE TOO heavy, you had the so-called 100-cash or 1,000-cash. Or in cases where the coin was too light, you had the (榆莢) or the 3-shu cash. None of them hit the mark (in terms of being an appropriate measure of value, medium of exchange). It was only in the case of the 5-shu and the k'ai-yüan (t'ung-pao) where the weight of the coin and the skill in the minting process in the two coins was about the same and could (should) not be changed. At the beginning of this dynasty, the k'ai-yüan coin was adopted by law, and the coin could have been circulated for a long time. But from the reign of T'ai-tsung (976-998?) when Chang Ch'i-hsien (張齊賢) changed the system of minting cash (did the situation arise that) even though there was a lot of cash around, it was too light and bad in quality and could not be used (for circulation, money). At the time they were only concerned about obtaining a lot of cash, they did not give a thought to the great principles (ta-~~cht~~'i

:of ~~fin~~ economic policy, Kim 637). For the reason why a state keep in balance establish cash (in the first place) is to regulate ~~xxx~~ the prices of keep in balance commodities (ch'üan ching-chung 權輕重) and ~~the~~ regulate (ch'üan) occupations (the exchange of) basic substances (agriculture, food) and peripheral things (commerce etc.). It was never for the purpose of taking profits and accumulating wealth (property). Those people who are not astute in making plans only consider that if in minting cash, if a lot (of profit, cash) is taken in, xxxprofit then they are making a profit. They did not consider that even if a lot of cash is minted, the profit may still be small; or that if the authorities can maintain a balance (regulate currency correctly so that they do not mint too much cash), the profits will be great.

K'ung I (孔巔) of the Southern Ch'i wrote (said) that in minting cash one should not economize on the copper used in the coin ~~or~~ the expenses involved in manufacture. If one did not economize on the copper (conten

has to be talking about relationship between intrinsic and face value

155, 8:17a

4 billion?
2.5 million
1.8 billion

it states: in the Han-shu, in the biography of Wang-chia (chüan **王嘉傳**) during the reign of Yüan-ti (BC 48-32) in the capital there was 400,000 times 10,000 cash (4,000 million or 4 billion?) (Kim has 4 million). As for the cash under the control of the Shui-heng (tu-wei **水衡都尉**) Kim, 638 official in charge of the emperor's private treasury) was 25 ten thousand ten thousands (2.5 million says Kim. should be 2.5 billion?). The cash of the Hsiao-fu (**小府**) was 18 10 times 10 thousands (1.8 million) (Kim, Hsiao-fu also in charge of emperor's treasury). This was indeed a large amount of cash. If you calculate (its value) in present terms, then scarcely it is ~~xxxx~~ 8,300,000 strings (kuan), an amount which was insufficient to ~~xxxx~~ match the state's yearly income at its height. Generally speaking, in the Han dynasty, cash ~~xx~~ was very valuable and the price of grain was very cheap. At times, a bag of rice cost no more than 20-30 cash. Therefore Wang Chia (**王嘉**) said that at that time the emperor's female relations (~~xxxx~~ **外戚**) were ~~xxx~~ so wealthy that it was rare that any of them had as little as 10 million cash in property, but even this amount was also (no more than) 10,000 strings (in present terms). At the present time even middle and lower (middle-class and lower class) households have this much. In recent times people who are concerned about the state's lack of finances all feel that it is because there is too little cash. That is why in minting cash, a little tin is mixed into the coin to make coins with a face value of 10 cash, or the ~~xxxxxx~~ (copper?) is mixed with other materials, but this has not provided much of a help. Generally speaking, the amount of cash (in circulation) is related to the lightness or heaviness (value) of commodities; it does not depend on how much cash has been minted.

this appears to be bad economics

8:17b

Also, like Li K'uei (**李悝**) said, one man controls 100 mou of land and the harvest from 100 mou is 1 ~~shih~~ 1/2 piculs (shih) of grain per mou or a total of 150 shih. One fu (**夫** :family, male household) consists of 5 persons, (each of whom) eats 1 1/2 ~~shih~~ **石** piculs). The tax on the income from 100 mou is 15 shih, and (the ~~xx~~ 5 people) eat 90 shih (a year). This leaves a remainder of 45 shih. (If 1 shih) is worth 30 cash, then this

155, 8:17b

amounts to 1,350 cash (that is, the surplus of 45 shih). As for the expenses for local shrines and the hsin and ch'un-ch'iu rites (社壇嘗 新春秋之禘), this only costs 200 cash, and the leftover cash is used to buy clothes for the 5 people of the household, so that there is no problem because of the insufficiency of ~~xxx~~ cash. (END NOTE)

--. In the Five Dynasties, in the state of Chou, in the reign of Shih-tsung (944-960), they went for a long time without minting cash, and many people melted down cash to make utensils and bowls and Buddhist statues. Then they established the 'Supervisor of Minting Cash (Chien-chu-ch'ien 監鑄錢) and all the copper utensils and Buddhist statues among the people were destroyed to mint cash.

--. Sau-ma Kung (司馬公) said: (emperors) like Shih-tsung of the Chou can be called intelligent. He did not abolish the making of what was of benefit (cash) in order (to make) what was of no benefit (utensils).

--. At the beginning of the Sung dynasty, the inscription on the cash read Sung-y'uan t'ung-pao (宋元通寶). After peace was established and the country was prospering, they also minted the t'ai-p'ing t'ung-pao. After this, whenever there was a change in year period, they always minted new cash with the name of the year period on the coin.

--. Ch'iu Chiin said: The practice of minting coins with the year period inscribed on them began in the reign of Hsiao-wu-ti of the Liu-Sung dynasty during the hsiao-chien year period (454-457 AD). In the Sung dynasty, beginning with the k'ai-pao year period of T'ai-tsu (968-976)

every time there was change in the title (of the year period) they minted new cash. Therefore every emperor had several varieties of cash (circulating during his reign). The emperor with the most cash (in circulation, the most varieties of cash) was Jen-tsung (1023-1064). He was on the throne for 42 years and changed the year period title 9 times and he minted 10 different types of cash. ~~xxx~~ Cockscrow! When you smelt copper to make cash (you need mines to mine the copper), but where are all the mines going to come from?

8:18a

155, 8:08a

(and you need people to make the cash), but where are all the people to make the cash going to come from? (The government) won't be able to avoid taking (these things, copper and talented men) from the people, so how would the people be able to avoid being harmed by this? How much worse would it be (耗) when you have to provide for (the expenses) of the officials, supervisors, artisans and workmen, Moreover with regard to wastage and damage in melting and liquifying the metal, violations of regulations in making the cash, and transporting it to distant places (these things will cause trouble), and furthermore both officials and people will get involved in violations of law and be punished for it. How would it be that there would be no households that were bankrupted (destroyed) because of this? This is the reason why among the ancient people (cash) which was supposed to profit (benefit) the people (actually) caused them harm.

(--. In the Sung dynasty from the administration of Wang An-shih on, prohibitions against the possession of they first abolished (the use of) copper and prevented deceitful (corrupt) people from melting cash down to make utensils.)

--ixxi In the Sung dynasty, in the administration of Wang An-shih, they first abolished (the old) prohibitions against the possession of copper (by the people), and every day corrupt (deceitful) people would melt copper down to make utensils. (Must indicate the cash was undervalued), They also neglected to keep a close watch over the export of copper from the country at the seaport customs stations and at the passes along the frontier, and as a result state finances (cash available to the state) was depleted by the day.

--. Mr. Hu (胡氏) said: When you melt cash down to make utensils you increase your profits by 10 times. But because cash is something that is used to regulate (ch'üan 權) (the prices of) all kinds of commodities and to make equal (p'ing 平) (stabilize) decreasing and increasing (prices), when you mint it you do not calculate the expenses involved and you do not plan to make a profit from it. Can we not at the present time prohibit cash from being melted down? (to make utensils)

155, 8:18b

Nevertheless, eventhough cash may be melted down to make implements, (other things)
 even though the cash has been destroyed, we still have the implements. (other things)

But if they are scattered to the four directions and are transported by ship and cart (out of the country) to other countries, then (the copper) will end up in the hands of the barbarians. If the customs gates are not strictly closed (against the export of copper or copper utensils), then legally made cash will be destroyed (and melted down), and true (good) cash will decrease in quantity by the day while counterfeit cash will increase in amount by the day. If because of its incalculable (limitless) price (value), you use up (waste) what is limited in quantity, then even if everything in the world were made of copper and the ~~sun and moon~~ were (the fires) of charcoal, ~~going many many many~~ you still would not be able to supply (the demand).

子貴之價
) ~~xxxxxx~~
 incalculable
 x's cash price

--. Supplement on paper money (附楮幣).

--. In the Sung dynasty they had chiao-tzu (交子) and hui-tzu (會子). From the Chin and Yuan dynasties and after, they had the chiao-ch'ao (交鈔) and the pao-ch'ao (寶鈔).

(Note: In the Sung dynasty, in the reign of Chen-tsung (真宗 :998?-1023), Chang Yung (張詠) was the Chen(-wu-shih 鎮撫使) of Shu (蜀) because of the fact that in Shu they used iron cash which was too heavy and therefore inconvenient for trade, he established the chih-chi-fa (質劑法) (Kim, 643. Chih-chi were paper scrip used in trade; chih were large and chi were small (in denomination?)). 1 Chiao (交) was equivalent to 1 string (緡), and every three years (the paper money) was changed. (The money) was called chiao-tzu (交子). Later on there was an increase in the number of lawsuits and many evils (associated with paper money). When K'ou (寇瑊) became the Shou (守) of Shu he asked that the chiao-tzu paper money be abolished. The Chuan-yin-shih (轉運使), Hsieh T'ien (薛田) and others said that if the chiao-tzu were abolished, it would be inconvenient for trade, and they requested that the authorities take charge and prohibit the people

質劑
 paper scrip

155, 8:18b

Southern Sung.

from the private making (of paper money) (Kim, 643, interprets this as meaning that the authorities would collect all privately made chiao-tzu and burn it up). The emperor (Jen-tsung, 1023-1064) issued an edict following this recommendation. And they established in I-chou (益州) an agency to handle the chiao-tzu paper money. In the reign of Kao-tsung the dynasty moved south and they changed the name (of the paper money) to hui-tzu (會子) and they ordered the Board of Taxation (Hu-pu 戶部) to make hui-tzu which was put into circulation throughout the country in both the capital and provinces. Even though the system provided for the making of currency with paper, at the beginning, in every case they establish metallic cash as the base (must mean they made the paper money fully and readily convertible to metallic cash); they could not circulate just "empty" paper. After this, they subsequently used hui-tzu in place of metallic cash and did not again regard cash as the base (did not restore the system of readily convertible paper money).

In the Chin (金) dynasty they followed this law and made chiao-ch'ao (交鈔) (paper money). The Yüan dynasty followed (the Chin system). After this they also made (printed) the Chung-t'ung yüan-pao-ch'ao (中統元寶鈔) (chung-t'ung 1260-1264, during reign of Shih-tsung) ex

156, 8:19a

~~KubixaxxKixax~~ In general, during the Sung dynasty they made it out of the stamped with a seal paper and they had ~~xxxxxxxx~~ inscription/on the money. As for the ch'ao of the Chin and Yüan dynasties they used mulberry bark and stamped the inscription with a seal on it. The pao-ch'ao (寶鈔) was equivalent to 5 (cash?. ex 一當五). In name it was interchangeable with metallic cash in mutual balance as mother to son, but in fact metallic currency was not used, therefore by the end of the dynasty, the ch'ao system became worthless in value and prices of goods skyrocketed, and the finances of the people were impoverished. (END NOTE)

--. Ch'iu Chün (丘濬) said: Since ancient times they always used gold or copper to make currency. The use of paper (楮) for currency

156, 8:19a

began in the Sung dynasty. Prior to that in the T'ang dynasty, Wang Yü? (王與) used paper to make substitute cash (假錢) which they burned in order to sacrifice to the spirits. Alas! Who would have known that (this practice) would have led to the use of real paper money to substitute for copper cash, which would circulate and be used for currency? The "man who first made paper images" (to be used to bury with the dead in place of real human sacrifice--from the Analects?)(hence, just as bad as human sacrifice) was Chang Yung (張詠). And the man who completed the job was Hsüeh T'ien (薛田).

Ch'iu Chün
vs.
Paper money

He also said: Heaven produced the things (of the earth) in order to nurture humanity (people). (Heaven) conferred profit and balances (li ch'üan 利權) on the ruler so that he could provide a balance (equilibrium) between things too light and things too heavy (ch'üan ching-chun 權輕重) for the purpose of making things convenient for and profiting the people of the world. ~~They~~ They were not to be used for the private income of one man. If a ruler cannot maintain a balance between the light and heavy (prices of goods, values) (ch'üan ch'i ching-chung 權其輕重) (by the use of currency?) in order to regulate the supply (overabundance? or lack of) of goods, then he has lost (transgressed against) the intention of Heaven above in the burden it has conferred on him. How much worse (is his transgression) if he establishes stratagems (tricks) for secretly plotting to expropriate (property and wealth) and he takes worthless objects (like paper) so that property ~~is~~ that has use (food, clothing, wealth) can be turned to private profit? This is an even worse violation of Heaven's intention.

God's will
on ~~paper~~
currency

8:19b

From the Sung dynasty on, the Sung people made chiao-tzu and hui-tzu paper money, and the Chin and Yuan dynasties carried on this system, making paper money called ch'ao (鈔). The cost of making this so-called ch'ao was no more than 3 to 5 cash, but with it one could buy a thousand cash's worth of goods from people. Cockscrow! (Alas!)

156, 8:19b

Even though the things (products) of the world are born (given
 Heaven and Earth's creative power
 life) by Heaven, in all cases they must be assisted by the effort of
 value
 man before they can accomplish (achieve) their use. (proper use).

Among these things (products), in form some are large and some are small,
 some are refined and some are rough. And with regard to the labor expended by
 man on them, sometimes it is shallow and sometimes deep. Their value
 (prices) may be great or small. But for something to cost 1,000 cash,
~~xxxxxxxxxxxx~~ if it is not something large in form, then in refinement
 (produced by man's labor upon it) it definitely cannot be (the result of)
 only a day's worth of labor (on the product) to make it. Thus, should
 it be proper that people can buy items worth 3-5 cash in value with
 a piece of paper that is only a foot square? If the common people below
 make plans to use (money) in order to get things from others in this
 fashion, then those above (the rulers) will not be able to stop them
 (from doing so, and they will have lost the proper function of a ruler.
 How much worse is it when the rulers themselves engage in it (this deception,
~~xxxxxx~~ the use of paper money).

. Addendum: Essay on Currency in Korea. (本國錢貨說附)

.. In the 15th year of Sŏngjong of Koryŏ (996) (the king) first ordered
 the use of iron cash. In the 5th year of Mukchong (1002), the Sijung (侍中)
 Han Ūn-gong (韓彦恭) recommended that they use cash and ~~abolish~~ prohibit
 use of coarse cloth (鹿布), but because this was ~~xxxxxxxx~~ startling
 (contrary to) local custom and gave rise to resentment, this was abolished.

In the 7th year of Sukchong's reign ~~xxxxxxx~~ (1102) they first
 ordered the circulation of cash. The king once said that in this country
 from the past on, our customs have been simple, but I want to
 promote the profit of the people. He established an official agency
 to manage the minting of cash. Thus at this time, the minting of cash
 was first taken care of. (Note: the inscription on the cash was Haedong t'ongbŏ)
 And he issued an edict which said: In enriching the people and profiting the

996

1002

8:20a

chip's

1102

156,8:20a

nothing is more important than currency. (Currency) has long been circulating in the two ~~dynasties~~ ^{dynasties} of the northwest (Kim, 646: Liao and Sung). It is only in our eastern land where cash has not circulated. Now, we for the first time are establishing a law for the minting of cash. The 15,000 strings that will be minted will ~~be~~ be distributed to the high ministers (宰相), the civil and military yangban officials, and the soldiers (kun'in), in order to make a beginning of things (以為權輿) : in order to get the circulation of cash started, underway). The Office of the Mint (Chuch'on-dogam) submitted a memorial (奏) stating that the people of the country regarded the use of cash as good (convenient), and that they begged that (the initiation of the use of currency) be reported to the ancestral shrine of the royal house (chongmyo). Subsequently they used cash for the first time and reported it to the Grand Shrine (T'aemyo). Offices (chumu 西路) And they then established Left and Right Wine ~~shops~~ in the capital city (kyöngsöng). And they set up shops on both sides of the (city) streets, regardless of whether (the area?) was respected or held in low esteem in order to promote the utility of using cash. In the 9th year (1104) the king ordered the chu and hyön (pref. and districts) to issue rice and grain and open wine shops and allow the people to buy (wine, grain) (with cash) in order that they would know the advantages of the use of cash. At that time currency had already been in circulation for three years, but this order was issued because the people were not able to (were not) using cash in a large way (the circulation of cash was not being practiced on a large scale). In the 10th year (1105) the king died and Yejong (睿宗) came to the throne. Many of the officials said that the use of cash in the previous reign was not good (convenient). The king said: the method of (using) cash was practiced in ^{by order of authority} ~~older~~ times and it was the means by which the old emperors and kings enriched the country and made things convenient for the people. ^{benefited} They did not do it because they wanted to make a profit from cash. (非先考貨息為之也)

宰樞
以為權輿
奏
鑄錢都監

Kaesöng

1104

8:20b

1105

Yejong

Moral purpose of cash!!!

156: 8:20b

How much more (better, is the idea of using cash) when you (consider that) I hear that the Great Liao dynasty in recent years ~~is~~ has also initiated the use of cash? (Here in our country) after a law is established crowds of people arise to criticize it, and unexpectedly various officials use the ~~argument~~ ~~argument~~ that T'aejo's testamentary injunctions (yuhun **遺訓**) prohibited the adoption of T'ang and Khitan (things) in order to criticize the use of cash. But what T'aejo prohibited was the customs and the ~~luxurious~~ ^{+ wasteful} extravagant habits of those people, and that was all. If you are talking about culture (munul) and laws (pŏpto), then if we abandon Chinese ~~ways~~ (ways, institutions), then what have you got? Nevertheless, in the end, they abolished it (the use of cash).

Handwritten Chinese characters: 非 非 非

Handwritten exclamation marks: !!

Pan'gye:

--/ I note that in this country since ancient times our practices have been crude and simple. For that reason we considered the promotion of currency and the prohibition of ~~coarse~~ coarse cloth (as a medium of exchange) as something startling to customs and productive of resentment; ~~which was extremely~~ ^{low, rude} which was extremely ~~low, rude~~ (**其陋甚**). (Kim, 648: the opinions of the officials at the time were extremely low--stupid). Sukchong, with very acute intentions, promoted the use of cash, but before long he passed away, and the court officials then requested that cash be abolished. It was not only this one case (where this happened). At that time the chief minister (chaesang) (**宰相**), So T'ae'p'o (**邵台輔**) and others submitted a memorial which said that the rice expenses for supporting the scholars at the National Academy (Kukhak) were not inconsiderable and in fact were harming the people (constituted an excessive levy on the people; and that it was difficult to apply the laws of China to our country. ~~He~~ He requested that it be abolished (the national academy?), so one can see ~~from this~~ (from this)

So T'ae'p'o

Handwritten Chinese characters: 子 此 not inconsiderable

157, 8:21a

that those people in authority at that time were lacking in understanding (of what was right). Even though Yejong voiced (the above) opinion (supporting the use of currency), he could not help but be restrained by mass opinion (**而不能不帝於衆聽**). In general, even though Yejong was ^{the reason why (he was so restrained) was that}

Handwritten notes: Most have opposed founding a National Academy!!

Handwritten note: the reason why (he was so restrained) was that

157, 8:21a

praised as being cultured and refined, still he associated daily with superficial and luxury-loving people (日興浮華之輩) and spent his time mumbling poetry and verse, and was completely lacking in far-reaching knowledge (understanding) of how to govern the country. Generally speaking it is the general feeling of common people (ordinary people) that ~~xxxxxxxxxxxxxxxxxxxx~~ when people are happy they follow along ~~the~~ in the old ways, but when they dislike something (憚) they take action to change it. (樂因循而憚改作, 常人之情), and (the people) in our country are even more so (act even more in this way-- are even more conservative). In addition (also) with regard to most matters (some matters), we are not able to keep to them for any length of time, hence the popular saying*: In public affairs in Koryŏ, if it lasts for three days, why can't you trust in it? (Things don't last for 3 days in Koryŏ; policy decisions don't last for three days in Koryŏ)

let's off mumbing

Korean habit of conservatism

we can't adopt a reform and hold on to it!

Chosŏn 1392

--In the 3rd year of Kongyang wang (1391), the Chungjŏlchang (中郎將), Pang Sa-ryang (房士良) submitted a memorial which said: Throughout the world even though there are distinctive (separate) regions and different customs (from place to place), with regard to scholars, farmers, artisans, and merchants (sa, nong, kong, sang), each has their own occupation which they use to sustain their livelihoods. ~~xxxxxx~~ In exchanging what one has for what one has not, the thing that facilitates the exchange of goods (p'i-ch'a t'ongyongja 彼此通用者) is money. ~~xxxxxx~~ (cash: ch'ŏn). Ever since the chiu-fu (9 fu 九府) were established in the Chou dynasty, up to the present time, there has been nothing else which has circulated (as a medium of exchange). As a material it is hard and firm; it is light and convenient to use, it does not burn, is not soaked by water, and is even more brilliant (useful) in carrying from place to place; there is no problem involved in transporting it to distant places. Rats cannot nibble away at it (as they do stored grain), knives can not injure it (as they could cut cloth); once it is minted, it lasts for 10,000 generations; thus for that reason the world treasures it.

money

8:21b

157, 8:21b

In this dynasty the law for the use of coarse cloth (as a medium of exchange) came out of the Eastern Capital (Tonggyŏng--Kyŏngju) and other places and (was used) in several chu and kun (pref. and districts). The problems with the use of cloth was that before 10 years of use went by, it would either get burned or ~~gukukuk~~ rot from dampness. And even if it were stored in warehouses, there was no avoiding loss from rats eating it or rotting from (rain)water. I would like to establish an agency for minting cash to make the currency uniform, and to prohibit the circulation of coarse cloth.

(Note: At the time the Top'yŏng'uisasa (都評議使司) memorialized (kye): 禹 Sage Emperors Yu and T'ang (禹湯) when there was a flood or drought would use gold to mint currency in order to provide relief to people in difficulty. In the Chou dynasty by the time of the Great Duke (T'ai-kung), they also established the chiu-fu (9 fu) huan-fa (圜法) : currency law). This was the beginning of cash currency. From the Han dynasty to the present generation each (generation) has had its own cash, and in all cases it has been for the purpose of preparing against ~~the~~ natural diaster finances and for making convenient the use (expenditures) of the people. As for the cash (used) in our Eastern land, we have had the Samhan chungbo (三韓重寶), the Tongguk t'ongbo (東國通寶), the Tongguk chungbo (東國重寶), and the Haedong t'ongbo (海東通寶) and the Haedong chungbo (海東重寶); according to the accounts in the Chinese records (histories), and generally these can be seen (by anyone who wants to investigate it). Both in recent and ancient times there has also been ünbyŏng (銀瓶) silver jar ~~which~~ (ingots) which were used as currency, and all of these circulated as son-and-mother in terms of mutuality ~~with~~ (mutual equilibrium) with cloth. Later on because of evils in the law, both copper cash and silver jar (money) were both ~~abolished~~ and did not circulate. Subsequently the 5-chong p'o (五絙布) : cloth was adopted for use everywhere as currency, but in recent ~~times~~ years the threads of the cloth have been rough and coarse, and it has got to the point where (it weighs?)

Handwritten notes:
Pangye
RNGYE

Handwritten notes:
silver jar (ingots) + cloth
5-chong

Handwritten notes:
we used 5-thread weave?
for all transactions

157, 8:22a

of land fertility ~~or~~ ^{suspected} or personal wealth. I once ~~thought~~ that the world has been in existence for a long time and all the countries in it have metallic cash except for our Eastern land alone which still does not circulate it, -- ^{that} There must be a reason for ~~it~~ it. But as for why it was difficult to force (cash into circulation), I again thought about it and decided it was not so (that the reason ~~we~~ don't have cash is for an special reason?). The fertility of the land in our country is no different from that of other countries. The character of our people in terms of their ^{notes} desires (shih-hao ^{嗜好}) is no different from that of people in other countries. Each of the four (categories, classes) of people each earns a living (in accordance with) ^{養生} their occupation, and they trade what they have for what they don't have--in these respects, they are also no different from ~~it~~ (other countries). In these several aspects there is no difference in any of them (between Korea and other countries)

So then why is that we cannot circulate metallic cash? It is only because the authorities (those above, sang chi in, shang chih jen) are not able to put cash into circulation. The fact that Sukchong of the Koryö dynasty was not able to put cash into circulation was also because of this reason.

Currency (ch'önhwa ^{錢貨}) is basically (a medium of exchange) which enables people to exchange what they have for what they do not have.

What the authorities (those above) are supposed to do is to provide guidance for putting (a medium of exchange) into circulation. If they do not provide guidance for the circulation (of a medium of exchange), then how can that medium circulate by itself?

What do I mean by providing guidance for (putting currency) into circulation? What I mean is that (the authorities) should take what they receive (as revenue) and reissue it (disburse it again into the market to pay for things). (^{既入之復出之}). Sukchong gave no consideration to this at all. All he did was to give cash (on a one-time basis?) to the high officials and soldiers and set up

上二人

8:22b

the role of the ruler or state in providing guidance for achieving objectives of cash for the circulation of cash or national forces...
 economic
 circulation
 national forces

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wine shops in the left and right ~~xxxx~~ wards of the capital city (to promote the use of currency). If you rely on this only in order to put cash into circulation, then I don't know how it could be done.

* If (the government) could collect half its taxes in cash and pay out half its saslaries and grants in cash, then one would not have to wait for much to be said before (it would become obvious that) cash was circulating ~~is~~ of its own accord. (naturally, by itself).

Generally speaking, water is a substance in the world which flows easily. But if you ~~don't know how to open the dikes~~ want to irrigate the fields without opening the dikes, in the end you won't be able to do it. But if in one day you open the dikes and guide the water (into the fields), then it will ~~flow~~ cascade (flood) (into the fields). How is the circulation of cash currency (chŏnhwa) any different from this? If these things are not done, then even ~~in~~ in China they definitely would not be able to ensure the circulation of cash. And if these things were done, there is no country in the world that would not be able to put cash into circulation.

158. ~~8:23a~~ 8:23a

(Note: In recent times there have also been several attempts to put cash into circulation, but before long (the cash) was abolished. It was not only because there was much clamor against ~~opposition~~ the idea that led to cash sometimes being minted and sometimes stopped (discontinued).

It was because in collecting the land tax, they did not collect any portion or ~~any~~ fraction of it in currency (以子為參收於田賦故也).

Moreover, if you look at the problem from the standpoint of the use of coarse cloth as a medium of exchange, then you do not have to wait for anyone else to argue the point before knowing that cash, without doubt, must be put into circulation. At the present time our coarse cloth is scarcely 1 or 2 ^{threads} sŭng (in weight, per piece?); basically there is not enough there to make up (a piece of) cloth, and it is of no use ~~as a~~ medium of exchange, but it (continues) to be used as a medium of exchange

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書
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158, 8:23a

and for that reason even though prohibitions may be issued against its use, you cannot stop it (from being circulated.) In the case of cash, once it would be put into circulation, even if you would want to prohibit it and stop it from circulating, ~~you~~ indeed, you would not be able to do it. But the only thing I am afraid of is that the ~~p~~ authorities (people above) will not be able to understand truly that (cash) can be put into circulation; that they have no constant (convictions) in their minds (in their virtues? **執德不恒**), and that they will issue ~~an~~ order in the morning only to change again by dusk. (Using) coarse cloth (as a medium of exchange) is a case where something that has utility is made into something that has ~~not~~ utility, whereas using copper cash (as a medium of exchange) ~~is~~ is a case of taking something that has no utility and converting ~~in~~ it into something that does have utility (use). The use of coarse cloth is something that requires great expense in human effort, ~~and~~ yet before long (the rats) eat it up and it is destroyed. Copper cash once made, can be handed down through 10,000 generations. Where is the harm in it?

Some might say that copper and tin are not produced ~~in this~~ in this country so that it would be difficult (for us to mint cash). But this is even more not so (even less the case). Even though copper and tin are not produced in our country, we can trade for (buy) them, and their price is not very high. Thus, the people who live in ~~x~~ remote valleys and villages in thatched grass-roofed huts all use copper ~~xxxxxxx~~ ~~xxxxxxxxxxxx~~ for their drinking and food implements and other things like bowls and basins. Also there are large and small temples and monasteries, sometimes numbering several dozen in one hyŏn (hsien), and I don't know how many bells (and **磬**) there are in a single temple. How could we still be ~~at~~ ^{bc}acking in cash currency if we traded (for copper and tin) with the strength of the whole country? Because the country has no copper mines, there will be few people (private citizens) who would mint cash illegally.

人功

skill + ^

容易

8:23b

Currency -61- Pangye surok, chŏnje hurok, kosŏl, ha

158, 8:23b

This would be a benefit for the circulation of (copper) cash. It would not be an inconvenience.