

### 3.2 Money's Purchasing Power

#### 1. The Value of Jin Money

During the several centuries from Wei and Jin through the Northern and Southern Dynasties, changes in Chinese money's purchasing power were rather large, but most of these changes were localized rather than nationwide. From a pan-national perspective, the situation was extraordinarily chaotic.

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Jin witnessed a period of relative decay in the monetary economy. This is discernible from several sides. First, we can see it from the quantity of bronze coins included in gifts. There were no banks in antiquity. Money was put into circulation mainly via official salaries and by such government expenditures as gifts. Jin salaries, however, were paid entirely in goods, including both food and textiles.

Gifts were also mainly in commodities. Western Han gifts were generally in gold and bronze cash. Eastern Han mainly employed coins, with gold and textiles coming next. During Jin, however, gifts were made primarily in grain and silk, and secondarily in coins. Gold was not used at all. Though Western Han mainly employed gold for gifts, the quantity of coins it used for this purpose was greater than the figure for Eastern Han, and far more than Jin was able to use.

HAN-JIN GIFTS OF COINS (unit: wen)<sup>1</sup>

Dynasty	Total Amt.	Avg Amt per Ruler	Annual Avg
W. Han	1,550,800,000	119,292,461	7,246,728
	(100.00)	(100.00)	(100.00)
E. Han	531,200,000	44,266,666	2,724,102
	(34.25)	(37.17)	(37.59)
Jin	136,400,000	9,093,333	880,000
	(8.79)	(7.62)	(12.14)

Of the total for Jin, 102 million, 75 percent of the total, were given by Emperor Jianwen to Huan

<sup>1</sup>Included in this table are only those gifts from the *Former Han History*, *Latter Han History* and *Jin History* for which specific amounts are given. Gifts to relieve distress

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are not included because amounts are not specified. Western Han gifts of gold were sometimes actually paid in coins, and so the figures for Western Han are lower than the actual amounts. Nor is Wang Mang data included within Western Han.

Wen. The total of gifts by all other rulers was extremely small.<sup>2</sup>

Second, we can discover a similar tendency in the contents of relief measures. During Western Han, relief was granted in coins, and in rather large quantities. For example, Emperor Jin gave 200,000 cash to the people who moved to Yangling tomb city.<sup>3</sup> Emperor Wu gave 200,000 cash to every family moving to Maoling tomb city.<sup>4</sup> In addition, during one imperial tour the families in the places through which the Emperor passed were each given 5,000 cash.<sup>5</sup> Emperors Ai<sup>6</sup> and Ping<sup>7</sup> made gifts of from 2,000 to 5,000 cash for every person who died in a natural disaster.

Such arrangements continued during Eastern Han, particularly during the reigns of Emperors An<sup>8</sup>

<sup>2</sup>The figures for each Jin emperor are as follows:

Emperor	Amount (in wen)	Number of Gifts
Wu	23,400,000	8
Hui	600,000	3
Xiaohuai	0	0
Xiaoyuan	1,000,000	1
Yuan	1,200,000	2
Ming	0	0
Cheng	100,000	1
Kang	200,000	1
Mu	1,000,000	1
Ai	0	0
Duke Haixi	0	0
Jianwen	102,000,000	3
Xiaowu	5,000,000	8
An	1,900,000	4
TOTAL	136,400,000	62

<sup>3</sup>*Han History*, 5, "Annals of Emperor Jing": "Year 5, Spring, 1st month. The Yangling tomb city was built. In the Summer people were recruited to move to Yangling with gifts of 200,000 cash."

<sup>4</sup>*Han History*, 6, "Annals of Emperor Wu": "Jianyuan 3, Spring. The river flooded Pingyuan. There was a great famine and cannibalism. Households which moved to Maoling were each granted 200,000 cash and 2 *qing* of fields."

<sup>5</sup>*Ibid.*: "Taishi 3 . . . gave to the households passed in the tour, 5,000 cash."

<sup>6</sup>*Han History*, 11, "Annals of Emperor Ai": "Coffin cash to the amount of 3,000 was given for each person who died."

<sup>7</sup>*Han History*, 12, "Annals of Emperor Ping": "Yuanshi 2 . . . for the dead in each family involving six or more persons, burial money of 5,000 cash; for four persons or more, 3,000; for two or more 2,000."

<sup>8</sup>*Latter Han History*, 5, "Annals of Emperor An": "In chuyuan 2 . . . for especially poor families who are unable to pay for burials, gifts of 5,000 cash per individual were made."

and Shun.<sup>9</sup>

By Jin times, however, this was no longer the case. During Jin relief was given entirely in grain, in amounts as small as 2 *hu* and as large as 5 *hu*. On only two occasions during Emperor Hui's reign was plain cloth employed, with each person receiving 3 bolts. If converted to bronze cash, such quantities of rice and cloth would have amounted to no more than 1,000 cash.

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Third, we can tell from objects excavated from tombs that coins were not numerous during Jin. Practically all Han tombs excavated during modern times have contained coins, even tombs in the distant northeast and Mongolia. Eastern Han and Three Kingdoms tombs in particular have yielded coins in numbers ranging from several to several dozen, and even from several hundred to as many as several thousand. Han tombs without coins are the exceptions. The opposite is the case for Jin tombs. Burials not accompanied by coins are the majority. Even those with coins contain very few, each tomb containing only two or three coins.<sup>10</sup>

Also: "Jianguang 1 . . . [because of an earthquake] 2,000 cash per dead person was granted."

<sup>9</sup>*Latter Han History*, 6, "Annals of Emperors Shun, Zhong and Zhi": "Yangjia 1 . . . an edict conferred 3,000 cash for people killed by wolves."

<sup>10</sup>News accounts and summaries of the clearing of tombs in recent years (cf. *Cultural Relics Reference Materials*) have not given many details on coins. Not only are variant forms not distinguished, but at times even the numbers involved are not clearly stated. But even if we cite only accounts where numbers are specified, it is clear that coins are far more numerous in Han than in Jin tombs.

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TABLE OF COINS RECENTLY EXCAVATED FROM  
TOMBS IN VARIOUS PROVINCES

Dynasty	Location	No. of Coins	Source of Information
Han    (1961)	Shandong, Yucheng	22	Cultural Relics Reference Materials, 6 (1955)
	Canton, Shahe	500+	Cultural Relics, 2
	Jiangsu, Wuxi	208	CRRM, 1 (1955)
	Henan, Rongyang	700	CR, 5 (1960)
	Gansu, Jiuquan	176	CR, 2 (1960)

There is nothing better for reflecting the flexibility of an age's circulatory media than the circumstances under which coins are made. Both in numbers and varieties of coins Western Han was extremely prolific. Eastern Han also minted no small number of coins. There are, however, no records of Jin having minted coins. If coins were made, this was done privately among the populace.

For the most part old coins were employed. The Cao-Wei Five-grainer was used during Western Jin. After Emperor Yuan crossed the Yangtze, the coins in circulation there were the old coins of the Sun-Wu state.

Since there were no new coins, when people melted down old ones, this reduced the total number.<sup>11</sup> Moreover, as the Yi of Guangdong used bronze drums, but did not produce copper themselves, avaricious merchants and officials sold Chinese bronze coins to them, particularly surviving large Sun-Wu era coins, which were transported to Guangzhou, sold to the Yi and melted down to be

	Baotou, Zhaowan	193	CRRM, 10 (1955)
	Chongqing, north of river	177	CRRM, 3 (1955)
	Sian, northern suburbs	569	CR, 5 (1960)
	Changsha, Dongcundu	several hundred	CR, 5 (1960)
	Wuchang, Renjiawan	3,630	CRRM, 12 (1955)
Jin	Liaoyang, Sandaohao	3	CRRM, 11 (1955)
	" " " "	3	" " "
	" " " "	1	" " "

The quantities of coins in the table are enumerated tomb by tomb. If there are a number of tombs belonging to the same period, the one with the most coins is selected. Obviously, there are more Han than Jin tombs, many Jin tombs have no coins accompanying the burial, and many other Jin tombs have been given the general label "Six Dynasties tomb" by those who excavated them and so cannot be distinguished. The territorial range of the Jin tombs is not wide, which is regrettable. My sources have been drawn from *Cultural Relics Reference Materials* from the beginning of 1954 to February 1961, and *Cultural Relics* (from 1959 when this new title was adopted), but this list is not complete. There are many omissions from 1957 to 1959. This is not important. What I have here can serve as a representative sample which is sufficient to meet the question.

<sup>11</sup>*Jin History*, 26, "Treatise on Food and Money": "In taiyuan 3 of Emperor Xiaowu, an edict stated that 'coins, the state's valuable treasure, are constantly being melted down by profit-seeking mean fellows. The supervisory officials ought to give thought to this.'"



recast into drums.<sup>12</sup> In recent years 2,000 Large-spring coins have been unearthed in the far south. It is natural that all this would have constricted the supply of coins.

The constriction of the coinage is demonstrated by the Short-hundred technique. Ge Hong alludes to the phenomenon that "long cash is taken from the people, and Short-hundreds are returned to them."<sup>13</sup> The Short-hundred was also called Short-cash, and was the antonym of Long-cash, just as Short-hundred was the antonym of Sufficient-hundred. Short-hundred was the name applied to the practice of discounting 100 cash to some lesser amount at the time of actual payment. This was the equivalent of a fall in price, but one which was not visible on the surface.

We should not, however, exaggerate the role played then by the natural economy merely on the basis of data on official salaries and gifts. Some historians attempt to characterize China during this period as being in transition from the Slave Society to Feudal Society stage of development. This thesis cannot stand up.

At least in terms of the circulation of money, it finds no support. The fact that Huan Xuan advocated the abolition of coins in favor of grain and silk shows that a monetary economy was still present then, and that there had been no complete return to a barter economy. In fact, not only was money in circulation then, but quite a few people were seeking after money: He Ceng and his son, Shi Chong and Wang Rong are all prominent examples of this. The great official He Ceng required 10,000 cash per day for food. It is said he "never put down his chopsticks." His son used 20,000 cash per day.<sup>14</sup> This obliged them to strive for money. Shi Chong's wasteful life also depended on obtaining great quantities of cash. Wang

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Rong was even reluctant to spend money for his own use so as to seek out still more money.<sup>15</sup>

<sup>12</sup>*Jin History*, 26, "Treatise on Food and Money": "The Yi of Guangzhou value bronze drums, but copper has never been produced within their borders. Hearing this, avaricious officials and merchants took the *bilun* coins and sent them by ounces and catties to Guangzhou, where they were sold to the Yi to be cast into drums."

<sup>13</sup>*Bao Pu Zi*.

<sup>14</sup>*Jin History*, 33, "Biography of He Ceng."

<sup>15</sup>*Jin History*, 43, "Biography of Wang Rong": "With a nature which loved high profit, he received things from all points of the compass: His gardens, fields and water mills filled all under Heaven. He amassed cash in amounts too great to be known. Whenever he picked up his ivory calculating rods, he

When the Tile Coffin Temple was established during the xingning year period of Emperor Ai of Eastern Jin [363-366], each high official contributed 10,000 cash. For Gu Kaizhi's painting of the image of the Weimojie, observers contributed a million cash. All of these examples demonstrate the range of money's circulation then.

During the reign of Emperor Hui [290-307], Lu Bao wrote the "Paen to the God of Money." Such a work could only have been written during a time of rather profound money worship. A purely feudal society erected on the foundation of a natural economy could not have evoked a work like this.

Then why did the scope of money's use narrow during that time? This could only have been the consequence of government policies. No matter whether the policy was a positive one of promoting constriction or a negative one of not carrying out depreciation, the consequences would have been virtually the same.

The monetary chaos of late Han and Three Kingdoms times had caused some decay in the monetary economy of the north. Shu's and Wu's large scale monetary depreciations had evoked a pro-goods and anti-coins psychology among most people, and prices of goods rose.

Later, quite a few bronze cash, particularly the thick and heavy so-called *bilun* coins, flowed into the hands of the southern Yi. These were transported to Guangzhou and sold to the Yi, who recast them into bronze drums. This reduced the number of coins in north China.

But minting may not have been so necessary. Many payments could be made without use of coins. Commodities could be used instead. There is another aspect of this coin constriction to be considered. So long as coins were still being used at all, owing to the high degree of adaptability to different and unexpected circumstances inherent in coins, the psychological impulse to search for money was not lost among the upper classes.

could reckon on them from day to night, and he still would not get through it all. Moreover, he was stingy, and did not spend much on his own maintenance. People said he had the illness of a fat heart. When his daughter married Pei Wei, Rong lent him several tens of thousands of cash, which were not returned for a long time. When his daughter returned home on a visit, Rong showed his displeasure. The daughter returned to her own house in agitation, and remained fearful. Upon the announcement of his cousin's marriage, Rong sent him a single garment as a present. When the marriage was called off, he demanded its return. He frequently put money out at loan, and because he feared people would get the advantage of him, he constantly checked into things."



It is only by taking into account both the partial decay of the monetary economy and contemporary monetary policy that we can explain why during the chaotic age of Jin a large scale monetary depreciation did not occur.

The Sima clan had used conspiratorial methods to usurp power from the hands of the Caos. This had not caused large scale civil war, but after the Simas had established their power, there was uninterrupted warfare.

For example, the war against Wu of xianning 5 (279) mobilized an army of over 200,000 men. The Eight Princes' Rebellion occurred during the reign of Emperor Hui [290-307]. After Empress Hui's campaign north against Tangyin, there was only 3,000 cash in hand for the expenses of the trip back.<sup>16</sup> When Emperor Hui was carried off by the Prince of Chengdu, Ying, he could borrow only 3,000 cash from his courtiers to buy food.<sup>17</sup>

Even before the death of Emperor Hui the so-called Five Barbarian peoples of the north had begun their rise, and one after the other they assumed royal

titles. In yongxing 1 (304), Liu Yuan took on the title of Prince of Han in Shanxi. The same year Li Xiong called himself Prince of Chengdu in Sichuan. Later, Emperor Huai was captured (yongjia 3, 309), and Emperor Min surrendered (jianxing 4, 316).

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Unlike Emperor Wu of Western Han or Wang Mang, the Western Jin authorities never issued large denomination coins.

The Eastern Jin authorities who established themselves in Jiankang [modern Nanking] were still weaker. Over and above their many domestic difficulties, the foreign policy disasters they endured were endless. Early on there was Latter Zhao's Shi Le. Later there was Former Qin's Fu Jian.

The Eastern Jin authorities made several attempts to recover the Central Plain. In taiyuan 8 (383) there occurred the Battle of the Fei River. Fu Jian had sent out 520,000 cavalry and 600,000 guards stretching over a length of a thousand *li*, and 10,000 *li* from east to west. Avoiding panic, Eastern Jin responded with a force of several tens of thousands, and won the victory. I have not heard that this was the occasion for the issue of any large denomination coins, which demonstrates the dominance of the natural economy then. This also shows that, like the Chibi Battle, the Battle of the Fei River was speedily decisive.

Though Eastern Jin did not mint large denomination coins, it could still have carried out a small-scale depreciation. Shen Lang's Five-grainer was a reduced weight issue. If the Female-cash, Immature-cash and Facing-*wen* coins were in fact minted by Eastern Jin, they too would have represented a weight reduction. These, however, were all privately minted coins, or were clipped by private parties, and cannot be ascribed to the government.

Of course Jin prices were not as low as those of the reigns of the Western Han Emperors Wen and Jing. In such troubled times as those of Jin, relatively high prices would have been hard to avoid, even in the north where the monetary economy had suffered the greatest deterioration.

Under Shi Le, prices were very high. For example, a bolt of middle grade heavy silk had an official price of 1,200, and a market price of 4,000, which was ten times the Eastern Han price. Under Sima rule, during times of famine or war, rice often sold for 10,000 cash per picul. In yuankang 1 (291) of Emperor Hui, a *hu* of rice sold for 10,000 cash in the near northwest.<sup>18</sup> The same was true in yuankang 7 (297).<sup>19</sup> In tai'an 2 (303) war caused diffi-

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<sup>16</sup>*Jin History*, "Treatise on Food and Money": "At the beginning of yongning, there was still 4 millions in brocade in Luo, and over 100 *hu* of pearls, gold and silver. Empress Hui attacked Tangying in the north. The imperial chariot returned to Hantao. There was one chicken in the chariot. There were two quilts containing 3,000 cash to pay for a cart. Emperor Huai was surrounded by Liu Cui, and the royal army was repeatedly defeated. Because supplies were exhausted, the officials were in great hunger. Smoke was not to be seen coming from the houses, and the starving people were practicing cannibalism. In Emperor Min's Western Residence the starving were very numerous. A *dou* of rice fetched 2 *jin*, and more than half the people died. Liu Cui deployed his soldiers, and those within were cut off from those outside. Some humble food was given to the Emperor. The high officials exchanged glances, and all were in tears."

<sup>17</sup>*Jin History*, 4, "Annals of Emperor Hui": "The Anbei General, Wang Jun, sent Wu Xun on a cavalry attack against the Prince of Chengdu, Ying, at Ye. The latter suffered a severe defeat. Ying and the Emperor escaped to Luoyang on a lone chariot. The courtiers were dispersed, and there was nothing for anyone to eat. Attendants of the Yellow Gate used 3,000 of their own cash to respond to an edict asking for a loan to buy food. The palace ladies ate at an inn alongside the road. One of the court ladies carried a pint of coarse rice and dry garlic with salt to the Emperor, who sucked it down. . . There was an old man who presented a steamed chicken, which the Emperor accepted. When they reached Wen, and were going to visit the imperial tombs, the Emperor put on mourning clothing, and received his followers' obeisance. They bowed down with tears flowing. On all sides they sobbed and sighed."

<sup>18</sup>*Liu-Song History*, "Treatise on the Five Agents."

<sup>19</sup>*Jin History*, 4, "Annals of Emperor Hui."



culties for both the treasury and private persons, and a picul of rice cost 10,000 cash.<sup>20</sup> There was mass famine in Emperor Huai's yongjia 5 (311), and a *hu* of rice was 10,000 cash.<sup>21</sup> In Emperor Min's jianxing 1 (313) there was a great famine in Xiang state; 2 pints of cereal was worth a catty of silver, and a catty of meat was worth an ounce of silver.<sup>22</sup>

In 316 there was a great famine in the capital, and rice went for 2 ounces of gold per *dou*.<sup>23</sup> Taicheng was besieged in xianhe 4 (329) of the Eastern Jin Emperor Cheng, and a *dou* of rice went for 10,000 cash.<sup>24</sup> In xiankang 1 (335) there was a great drought in Kuaiji and Yuyao, and a *dou* of rice was 500.<sup>25</sup> Of course these are all exceptional prices, and so cannot be relied on for information on ordinary times.

There is not much material on normal prices during Jin. At the beginning of Western Jin it was possible to commute rice into coin for paying the household tax. "The distant Yi barbarians who do not practice agriculture are to transport rice at the rate of 3 *hu* per household. The distant ones will pay 5 *dou*. Extremely distant ones will pay in coin, at a per capita rate of

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28 *wen*.<sup>26</sup> It would be very difficult to calculate the price of rice then from this data. If the obligations of the distant and extremely distant taxpayers were the same, and we assume five people per household, then the price of 5 *dou* of rice would have been 140 cash, and a picul would have gone for 280 cash. If, however, the household tax was discounted in proportion to distance, this calculation would be rendered unreliable.

The *Calculation Classic of Marquis Yang of Xia* mentions three rice prices, 120, 130 and 135 cash per *dou*. Since these are quite close, they must be normal prices. It is generally accepted that Marquis Yang of Xia lived during Jin times.<sup>27</sup> That would make the normal Jin rice price around 1,300 cash per picul. Assuming the Jin picul was 2.023 decaliters, then a hectoliter of rice corresponded to 6,426

cash, which was much higher than the normal Han price.

If, however, we take into account the weight of the coins, it may not have been ten times more expensive. This price may have been expressed in terms of the Lord Shen's cash or some equally light coin, or perhaps even in terms of some much depreciated large high denomination coin.

In yonghe 10 (354) of Eastern Jin, a picul of rice was worth a bolt of ordinary cloth.<sup>28</sup> We do not know how many cash per bolt ordinary cloth fetched then. If we assume that the prices in the *Calculation Classic of Marquis Yang of Xia* are Jin prices, then a bolt of plain cloth cost from 1,200 to 1,700 cash.<sup>29</sup> This corresponds exactly to the rice price given above.

There are several other prices for heavy silk, but they are far apart: The lowest is 1,100 cash per bolt. The next highest is 1,700 cash. Higher are prices of 3,500 and 3,870 cash. The highest is 4,360 cash. Differences in quality probably account for the discrepancies. Heavy silk was divided into upper, middling and lower grades under Shi Le's rule, and official prices differed from market prices by factors of two or three.

Because the bureaucracy did not put into effect monetary depreciation policies, and because the quantity of money was not very large, the above high prices were the results of shortages of the goods themselves. The purchasing power of even privately minted coins like the Lord Shen cash was rather high.<sup>30</sup>

The coinage was somewhat more stable in the northwest. For example, in the Hexi region, probably the most secure area in China then, the Han and Wei Five-grainers were still in use, and prices could not have been very high. In Sichuan the Hanxing coin was in use, and Shu-Han coins may also still have existed. The Hanxing coin was light and small, and so prices must have been higher than in Hexi.

<sup>28</sup>Jin Record. *Universal Investigations*, 99.

<sup>29</sup>The *Calculation Classic of Marquis Yang of Xia* contains two plain cloth prices, both expressed in terms of the *duan*. The prices are 1,800 and 2,600 cash per *duan*. To convert to bolts, I assume that 1 *duan* was 60 *chi* long, and one bolt was 40 *chi*.

<sup>30</sup>Jin History, "Treatise on Food and Money": "Under Jin, from the time of the loss of the Central Plain and Emperor Yuan's crossing of the Yangtze, the old coins of the Sun clan came into use. Light and heavy coins were circulated together. Large ones were called *bihun*. Middling ones were called *Four-wen*. Wu Xing and Shen Chong also minted small coins, which were called Lord Shen's cash. Since coins were not numerous, they were somewhat expensive."

<sup>20</sup>Jin History, 4, "Annals of Emperor Hui."

<sup>21</sup>Jin History, 5, "Annals of Emperor Xiaohuai."

<sup>22</sup>Taiping Yulan, 35, quoting Cui Hong, *Sixteen Kingdoms Annals*.

<sup>23</sup>Jin History, 5, "Annals of Emperor Xiaomin."

<sup>24</sup>Jin History, 7, "Annals of Emperor Cheng."

<sup>25</sup>Jin History, 7, "Annals of Emperor Cheng."

<sup>26</sup>Jin History, "Treatise on Food and Money."

<sup>27</sup>For the *Calculation Classic of Marquis Yang of Xia* cf. the *Sui History* "Treatise on Classical Books." In this work cloth is calculated by the *duan*, and coins by the string. It appears to have been written by a person who lived under Northern Wei.



## 2. Changes in the Value of Song and Qi Money

Although the Southern Dynasties did not last much longer than the Jin, they suffered many more and more violent changes in the value of their moneys. These reflected the political instability of the times.

Like Cao Bei and Sima Yan, Liu Yu had taken power through a peaceful coup rather than by way of bloody warfare requiring monetary depreciation. After his death, however, it was necessary to respond to Northern Wei aggression.

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In Emperor Wen's yuanjia 7 (430) a campaign against the north was launched. At first some lost territory was recovered, but then Northern Wei counterattacked, the Song armies lost their previous gains, and the treasury was emptied.

The Four-grainer coin was minted at this time. Nominally, at least, this coin represented the beginning of the lightening of the coinage, since the coins in circulation then were Five-grainers. The Sun-Wu Large-spring and Shu-Han Value-hundred Five-grainer and Taiping-hundred cash may also still have been in circulation.

In fact, however, we cannot say that lightening had as yet begun, since the Five-grainers in circulation then were mostly Eastern Jin Five-grainers, like Lord Shen's cash, Immature cash, Facing-wen and Female cash, whose weight was even less than 4 grains.

Liu-Song must have had two aims in minting the Four-grainer. One was to meet the state's deficit, and the other was to unify a hitherto chaotic coinage. The Four-grainers first minted were relatively thick and heavy. In both name and reality they weighed four grains. Hence history says "there was no profit in undermining their use, and so the masses did not illicitly coin them."<sup>1</sup>

This, however, only holds for the earliest period. Private coining reappeared later, because we know that the heaviest Four-grainers ran to 3.5 grams, and the lightest to less than 3 grams. In addition, old coins were clipped to obtain bronze.<sup>2</sup> There are Four-grainers with clipped edges which

weigh less than 1 gram. Therefore, in yuanjia 24 [447] it was proclaimed that the large versions should be used at a face value of two.<sup>3</sup>

This amounted to a monetary depreciation, or at least was a recognition that such a depreciation had already taken place. These large coins were old coins, such as the Han Five-grainer and the old Wu and Shu coins. In any event, they were not newly minted large coins. The histories all say that "regulations made large coins equal to two."

The word "regulations" [zhi] means to use law to regulate something. This was an idea first raised by nominalists. Shen Yanzhi, who approved of this arrangement, said "the state will disseminate a hard to decay treasure, and families will win a hundred percent profit." He also said "with the issue of a single order, beautiful things will come in bunches, without the expense of making anything."<sup>4</sup>

At this point He Shangzhi raised objections, saying "without troubling to take them in for reminting, the profit will automatically double."<sup>5</sup> The insistence by later numismatists that a Five-grainer weighing 8 grains, equal to two Four-grainers, was minted at that time is based on a forced reading of this text.<sup>6</sup>

The authorities said that this measure was to halt the clipping of heavy coins. Perhaps this was their intent, but the results were not good. Because there were many different kinds of coins, there was no clear line between large and small ones. Hence this measure was rescinded within a year. Because the supply of money was not very large then, prices were likely not much affected, but after the revocation of this measure, a number of large coins must have been melted down.

During the two or three decades before yuanjia 27 [450], the social order was relatively stable. The historians say that "the regional militia were at peace, and nothing occurred within the borders," that "the masses were all at rest," that "the labor service was limited to the annual tax," and "all

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townships with a hundred households and all towns with markets reverberated to the sounds of songs and dances, and everywhere there were crowds."<sup>7</sup>

This was the so-called "good government of the

<sup>1</sup>Liu-Song History, 75, "Biography of Yan Jun."

<sup>2</sup>Liu-Song History, 66, "Biography of He Shangzhi." There are obvious contradictions between the "Biography of He Shangzhi" and the "Biography of Yan Jun" on the situation subsequent to the issue of the Four-grainer. The latter states that "the masses did not illicitly coin them" whereas the biography of He says that "illicit coining occurred among the people." We can only judge in terms of the sequence of events and acknowledge both statements as correct for different times.

<sup>3</sup>Liu-Song History, 5, "Annals of Emperor Wen," yuanjia 24, 6th month. "Because the money was expensive, regulations fixed the large coins at a value of two."

<sup>4</sup>Liu-Song History, 66, "Biography of He Shangzhi."

<sup>5</sup>Liu-Song History, 66, "Biography of He Shangzhi."

<sup>6</sup>Record of Coins, quoting an old catalog. Later numismatists have accepted this statement.

<sup>7</sup>Liu-Song History, 92, "Biographies of Virtuous Officials."



yuanjia era." For 30 cash per day a family could eat meat.<sup>8</sup> In yuanjia 17 a bolt of plain cloth sold for only 600, which was much lower than the yongchu era price of 1,000 per bolt. When Wang Xuanmo called on people to pay 800, the historians say he thereby lost men's allegiances.<sup>9</sup>

Livestock prices were apparently not high either. The price of a horse in Sichuan was 20,000 Shu cash.<sup>10</sup> These Shu coins must have been either surviving Shu-Han coins or Hanxing coins. In general Shu coins were likely lighter than ordinary coins, so a price of 20,000 cash for a horse would have been considered high then. This was, however, lower than the Han price.

During Western Han cattle sold for 45,000 cash per head.<sup>11</sup> During yuanjia the price was 30,000 per head.<sup>12</sup> These two prices were, however, for different times and places. Sichuan was close to the western frontier, and so horse prices ought to have been relatively low. Elsewhere horses were generally more expensive than cattle. Because demand for horses was large during Western Han, horse prices probably were more than double cattle prices, perhaps 150,000 as compared with 45,000.

In yuanjia 27 [449], the Northern Wei Emperor Taiwu attacked the south with a force of several hundred thousand men, and the Song army was repeatedly defeated. The people of six prefectures were unable to cultivate their fields in peace, government expenditures greatly increased, official salaries had to be reduced,<sup>13</sup> and higher taxes taken.<sup>14</sup> However, "all the regions east of the

Yangtze amounted to no more than several thousand *li* with less than a million households. To raise an army there was to court disaster."<sup>15</sup> This region could not assume such a burden. As a consequence the coins must have been reduced in weight then.

The Xiaojian Four-grainer of xiaojian 1 [454] constituted a formal weight reduction. The heaviest of these coins weighs 2 grams, but these are rare. Most are very thin, weighing around 1 gram. Moreover, as soon as they were issued, the people began to privately coin them, and the private coins were, of course, even thinner and smaller than the official coins, some being as light as 0.6 grams. Prices must have gone up.

During damping 7 and 8 [457-8] there was a drought in the east, and a picul of rice ranged from 1,000 to several thousand cash.<sup>16</sup> We cannot tell how much of this increase can be ascribed to monetary causes, nor do we know whether the 2 grain Xiaojian coin was minted at this time. The best examples of these weigh only 1.24 grams. Illicit privately coined specimens turn up as light as 0.5 grams. In addition, clipping old coins and adding lead and tin to coin alloys both rendered old coins lighter and increased the supply of new coins, thereby driving prices up further.<sup>17</sup>

The Two-grainer and *Liang*-grainer coins issued during the yongguan and jinghe year periods were probably not as light and small as the private coins

<sup>8</sup>*Liu-Song History*, 61, "Biographies of Three Princes of Wu" records the story of Yiji, Prince Wen of Hengyang: "Prior to this Yi was placed in office, and sent to Ba and Shu because of disorder. There was a response to the army's expedition. The prefectural treasury was empty. Yiji carried out economizing measures, storing up wealth and reducing expenditures, and within a few years the treasury was again full. The officers enjoyed abundance, but widows and elderly poor were not provided for and did not eat meat. Yiji was saddened, and allotted 2 *hu* of white rice per month and 1,000 cash, and by rule established the eating of meat."

<sup>9</sup>*Liu-Song History*, 76, "Biography of Wang Xuanmo."

<sup>10</sup>*Liu-Song History*, 45, "Biography of Liu Cui."

<sup>11</sup>*Historical Records*, "Biographies of the Moneymakers."

<sup>12</sup>*Taiping Yulan*, 828, quoting the *Grove of Words*.

<sup>13</sup>*Liu-Song History*, 5, "Annals of Emperor Wen," yuanjia 27, 2nd month: "Because of having to raise an army, official salaries were reduced by one third. 3rd month, day yichou. The Grand Administrator of Huainan, Zhuge Danyong, reduced his salary in proportion to the reduction in the salaries of court officials. Thereupon prefectural, commandery and district heads all followed his lead."

<sup>14</sup>*Liu-Song History*, 95, "Biography of So Lu": "This year great military movements began. Princes, dukes, court ladies and courtiers and local military commanders all contributed gold, silk and other goods in aid of the state. Below, rich households and common people also contributed private wealth to the amount of several hundred thousand. . . Officials memorialized that military needs were not being met. Rich commoners with family fortunes of more than 50 million and monks and nuns with more than 20 million from Yangzhou, Xuzhou, Ruizhou and Jiangzhou, were to contribute one-fourth of their fortunes. If greater amounts than this were taken, they were to be returned after investigation."

<sup>15</sup>*Liu-Song History*, 92, "Biographies of Virtuous Officials."

<sup>16</sup>*Liu-Song History*, 84, "Biography of Kong Ji": "Taming 8 . . . at this time there was a great drought in the lands of the east, and in the towns a *dou* of rice approached 100 cash." *Ibid.*, 7, "Annals of Emperor Qianfei": "Last year and this year there was a great drought in the commanderies of the east, with a *sheng* of rice even rising to several hundred. It even rose to 100 in the capital." *Southern History*, "Basic Annals of Song: Emperor Qianfei": "Last year and this year there was a great drought in the eastern commanderies, with a *dou* of rice even rising to several hundred. It also rose to over 100 downstream from the capital. Sixteen or seventeen people starved to death."

<sup>17</sup>*Liu-Song History*, 75, "Biography of Yan Jun."



of that time, and so very few of them were made. The private coins must not have reached 2 grains, and lacked rims, and either were not polished or underwent clipping. They were popularly called "weeds." There were other, still lighter ones called *xingye* vegetables.

In yongguang 1 permission

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was granted for private minting among the people, which threw the coinage into greater disorder. A thousand of these coins made a stack less than 3 *cun* high. They were called Goose-eye cash, because, says Gu Xuan, they were no bigger than a goose's eye. There were others, still worse, which were called Brim-ring cash. They would not sink in water, and would break in one's hand. In the market, people would not bother counting them, but would pick them up by the handful. A hundred thousand of them would not fill two cupped hands. One *dou* of rice or a *chi* of silk sold for 10,000 of them. As a consequence they did not circulate commercially.<sup>18</sup>

This amounted to the extinguishing of the monetary system. The so-called Brim-ring coins must not be explained as having been made by cutting out rings from Han Five-grainers. Such coins would not only have been large, they would have been much heavier than Two-grainers. There are Six Dynasties coins which are extremely small, but have large holes, and so resemble small rings, and these are probably the Liu-Song period Brim-ring cash, which were later also called String-ring cash.

The cost of a *dou* of rice during Eastern Jin had reached 10,000 cash, but only when famine or war had caused a scarcity of goods, and not because of monetary depreciation. Rice also shot up during Liu-Song because of such natural disasters as the floods of yuanjia 12 [435], during which the cost of rice in Qiantang reached 300 cash per *sheng*.<sup>19</sup> I have previously mentioned the drought-induced jump in the cost of rice during daming 7 and 8, but

those rises were not as great as the one during the jinghe period.

There is no reliable material on normal prices for rice under Liu-Song. In taishi 2 (466), when Liu Xun was proclaimed Emperor in Xunyang, the officials levied cash and rice to meet state deficits. Based on the coin-rice commutation rate, a picul of rice was approximately equal to 280 cash.<sup>20</sup> If we take this as the normal Liu-Song rice price, then the jinghe price was three or four times the normal level. There was a folk saying current then in the Kuaiji Mountain region of Zhejiang which ran "hit the white, a *hu* of rice at a hundred height; hit the black, a *hu* of rice will the level thousand crack."<sup>21</sup> Evidently, the normal price of rice was around 500 cash per *hu*.

These wild price jumps probably did not continue for very long. After Emperor Ming assumed the throne (465), he began to set things in order: To begin with, he banned the Goose-eye and Brim-ring cash, and forbade private coining. He also closed the coin offices. In taishi 2 [466], he banned the circulation of any new coins. Only old coins were to be used. At the same time he permitted rich men to buy official positions with rice and cash, so as to bring in a certain quantity of the coins in circulation as the only way to raise money's purchasing power.

In Emperor Shun's shengming 2 (478), because the price of grain was too low, the authorities ordered the people to raise the commutation price of rice for cash, so that 1 *hu* of rice had a value of 100 cash.<sup>22</sup> Of course this is an exceptional price rather

<sup>18</sup>*Ibid.* Also, *op. cit.* 7, "Annals of Emperor Qianfei": "Last year and this there was a great drought in the commanderies of the east. A pint of rice went for as much as several hundred, and it was as much as 100 even in the capital city. Some sixteen or seventeen died of starvation. Since the xiaojian era, offices for minting coins have been set up, and for this reason the masses have engaged in illicit coining. The coins have become small and do not circulate in commerce." The *Record of Coins* quotes Gu Xuan as saying "a *chi* of silk, a *dou* of rice jumped to 10,000."

<sup>19</sup>*Liu-Song History*, 63, "Biography of Shen Yanzhi": "Yuanjia 12. There was a flood in the eastern commanderies. . . In the Wuyixing and Wujun districts of Qiantang, a *sheng* of rice was 300."

<sup>20</sup>*Liu-Song History*, 84, "Biography of Deng Yuan": "At that time [taishi 2, 466] great military movements had begun, and there was a deficit. People who contributed 200 *hu* of rice, 50,000 cash or 500 *hu* of mixed grains were rewarded with various local appointments. Those who gave 300 *hu* of rice, 80,000 cash, or 1,000 *hu* of mixed grains were granted the fifth rank as prefectural clerks as recompense. If they wanted provisional fourth rank for their families, this too would be done. Those who gave 400 *hu* of rice, 120,000 cash, or 1,300 *hu* of mixed grain were granted the fourth rank as prefectural clerks in recompense. If they wanted provisional third rank for their families, this too would be done. Those who gave 500 *hu*, 150,000 cash or 1,500 *hu* of mixed grain, would be granted third grade rank as prefectural clerks. Those who gave 700 *hu* of rice, 200,000 cash, or 2,000 *hu* of mixed grain, would be granted appointment in a remote commandery, and could have appointment to the various princely fiefs in their families."

<sup>21</sup>Li Daoyuan, *Notes on the Water Classic*, 40, "Rivers of Zhejiang." Li Daoyuan lived under Northern Wei in the taihe period [477-500]. This folk saying probably reflected circumstances under Eastern Jin as well as Song and Qi.

<sup>22</sup>*Southern History*, 42, "Biographies of the Sons of



than an ordinary one.

In fact, the reordering of the monetary system only prevented further price rises, and probably did not return prices

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to their previous levels. This is because during the taishi and taiyu eras which followed the reform, there was still military activity in the Huai and Si River regions to exhaust the treasury. When added to Emperor Ming's wasteful activities, the entire nation was kept in commotion.<sup>23</sup>

Hence in yuanhui 4 (476) of Emperor Houfei, Yu Wanzhi said that tax revenues were not as high as in former days, but that the state's needs were four times what they were during yuanjia times.<sup>24</sup> Before long, the Liu-Song government came unraveled.

After Xiao Daocheng usurped power, monetary constriction occurred, because after taishi 2 of Song no coins had been minted, and old coins had been melted down to make other things, causing the quantity of money to steadily decrease. Simultaneously, through taxation, the government was collecting the circulatory media into the treasury. That is why the quantity of money was inadequate to meet the demand.

In jianyuan 4 (482), Kong Ji called for renewed minting of coins. He viewed the failure of rice prices to rise in the aftermath of a flood as something abnormal. He believed that the monetary constriction had caused production to decrease, and that it was necessary to increase the quantity of money before production in general could also increase. Xiao Daocheng ordered prefectures and commanderies to make large purchases of copper in prepara-

tion for minting coins, but he died before this got under way.

In yongming 2 (484), Wang Jingze advocated the commutation of labor service into cash delivered to the treasury. Xiao Ziliang opposed this, and in doing so discussed the current situation.<sup>25</sup> He blamed the constriction of the money supply on the government's tax policy, saying that taxes were too heavy, and that a standard coin was used in collecting them. Coins in use among the people were, however, mostly clipped. Because very few coins were intact, when people paid taxes, they had to use two bad coins to buy one good one. In jianyuan 1, the capitation tax in the five commanderies of Zhedong was 1,000 cash per head. This reduced the supply of coins in the people's hands still further, and could not but reduce the prices of things offered for sale by taking in copper cash to pay taxes.

Naturally prices fell. For example, because the price of rice was too low in jianyuan 2 (480), the government permitted taxes to be paid in rice, with 1 *hu* commuting 100 cash, and even this price was considered high.<sup>26</sup>

As for the price of cloth, during the yongchu era (421) of Emperor Wu of Song, government plain cloth was valued at 1,000 cash per bolt, and when paid in by the people it was reckoned at 900. During yuanjia (424-454), the price of plain cloth began to fall. In the east a bolt was worth 600; and when received by the officials was 500. By 484 it was only worth 300, and when paid in to the government, it was only reckoned at something over 100 cash, which was much lower than at the beginning of Song. Hence even if the producing masses multiplied their efforts, they still would not obtain much.

In yongming 4 [486], Xiao Ziliang again spoke of the evils of coin clipping. Of the large coins of Jiangdong, he observed, fewer than one of every ten

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Emperor Gao of Qi," first part: "Shengming 2 . . . because grain was too cheap, in allowing the people to discount rice for coin, the level was raised to 100 per *hu*." This item is identical to the one in the *Southern Qi History*, 22, "Biography of the Prince of Yuzhang, Wenxian," jianyuan 2. This could have been an erroneous transposition by the *Southern History* of something from the history of Southern Qi to the Liu-Song section.

<sup>23</sup>*Liu-Song History*, 8, "Annals of Emperor Ming": "During taishi and taiyu, still more cruel deaths were endured, on all sides people were disobedient, and there were frequent beheadings. Along the Huai and Si, military activity was unceasing, and disorder long endured, so that the treasury was empty. Both at court and outside of court officials received their salaries by the day, and the Ruler's wastefulness was excessive. Tasks were done wastefully. For every man in charge there were thirty subordinates, and each of these had thirty subordinates in turn. Ninety coins were required for each thing done. The empire was in commotion, and the people did not respect the Mandate."

<sup>24</sup>*Liu-Song History*, 9, "Annals of Emperor Houfei."

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<sup>25</sup>*Southern Qi History*, 26, "Biography of Wang Jingze": "In the interior of the three parts of Wu, the state's excise tax stations take the full value of capital, and the common people every day fall into difficulties and die. Little is obtained from sericulture and agriculture. Starvation and cold are especially severe. The rich somewhat increase their largesse. The poor intensify their malpractices. . . . When coins are expensive and goods are cheap, covetousness increases several fold. This is always the case. Agriculture is full of toil. As for the price of a *hu*, it is worth several times what it fetches. Now the shuttles of the looms are enduring bitterness, with a bolt of cloth being only 300."

<sup>26</sup>*Southern Qi History*, 22, "Biography of Prince Yuzhang Wenxian": "Because grain had become too cheap, the people were allowed to use rice to substitute for cash at the high rate of 100 per *hu*."



had survived, but the officials would only accept those with intact rims. Of those current among the people, 1,700 would not be enough to buy 1,000 [259]

good coins. He proposed four policies: First, return to collecting the labor service tax in labor. Second, reduce the land tax. Third, in places where it was necessary to use coins, not distinguish between large and small coins, and accept all coins at par. Fourth, for all types of taxes, permit people to pay in local products which the government was able to use, rather than in coin.<sup>27</sup>

In yongming 5 (487), the household tax in Yangzhou and Southern Xuzhou was discounted if paid in cash, thereby reducing the price of plain cloth, which was calculated at 400 cash per bolt, and discounted by half.<sup>28</sup> Because grain and textile prices were low everywhere in the country, the following year a large amount of money was put out to buy these commodities. In total 100.6 million cash was expended in the capital and the various commandaries to buy rice, millet, beans, wheat, hemp, raw silk, cotton, fine silk cloth, heavy silk and plain cloth.<sup>29</sup>

These low prices were not, of course, because of increases in production, but rather because the quantity of money was small. Whether or not the officials actually bought low priced goods to keep them in reserve, so long as they put additional money into the market, the effect would have been the same.

However, this also used up the government's reserves of money. Hence in 490 people were sent to

Sichuan to mint coins, but because the cost of production was too high, production was halted after something over 10 million had been minted. Naturally, 10 million was not enough to make any difference. Hence during the several decades of the Xiao-Qi, there was no great prosperity. "Agriculture and sericulture did not flourish as in bygone days, and grain and cloth were lightly demanded and cheap in those years."

We must view the monetary constriction of Xiao-Qi as the result of the policies of those in power. It was not really because of the high cost of minting coins, because if they had really wanted to carry out a depreciation of the coinage, they could have minted large coins at any time.

When Xiao-Qi succeeded Liu-Song, it knew that monetary depreciation would evoke far more support for themselves than would monetary constriction. The latter is a blow to producers, but a blessing to consumers. The members of the official class were all consumers. Xiao Daocheng in particular had an unusual bias in favor of low prices. He often said: "If I could rule the Empire for a decade, I would reduce the price of gold to the same as dirt."<sup>30</sup> He only ruled for a little over three years, but his son, Xiao Ze, carried on his policies, and a large quantity of coins was amassed unused in the national treasury.

Therefore, though the Xiao-Qi constriction was the most severe in Chinese history, it did have some good points. During the yongming era [483-493], "for over a decade, the people were not alarmed by so much as the crowing of a rooster or the barking of a dog. There was abundance in the cities. Men and women were well off. Singing and dancing and beautifully adorned clothing were to be seen. Peach blossoms floated on the waters. Beneath the Autumn moon and in the Spring wind, they were present by the tens of thousands."<sup>31</sup>

After the death of Emperor Wu (483-493), Suo Lu raided the frontiers, labor service was extended for a year, and military expenditures harmed agriculture. To make matters worse, the imperial house was extremely wasteful, and the price of a rooster for cockfighting reached several thousand.<sup>32</sup> For one piece of amber, there was spent

<sup>27</sup>*Southern Qi History*, 40, "Biographies of the Seventeen Princes of Emperor Wu."

<sup>28</sup>*Southern Qi History*, 3, "Annals of Emperor Wu."

<sup>29</sup>*Southern Qi History*, 3, "Annals of Emperor Wu." An edict of yongming 5, 9th month states: "Formerly, in transportation of goods, records were altered, and other malpractices were even worse. Agriculture and sericulture did not flourish as in bygone days. Grain and cloth were lightly demanded and cheap in those years. Artisans and merchants rarely kept holdings of gold. Commoners often suffered from hunger and cold. Copper cash had long been abolished, and good money was scarce. People lost their property, and could this be without effect? All families which have fallen into poverty may make three tax payments in two years. In the capital district and in the four quarters surrounding it, a hundred million cash are to be disbursed to buy grain, raw silk and cloth. This will harmonize prices so as to aid the black-headed people. Distant countries market various goods which are not produced locally. All of this is to be halted." For the specific figures on the quantity of coins employed in each locality, cf. *Universal Statutes*, "Food and Money, 12" and *Book Hall of the Original Tortoise*.

<sup>30</sup>*Southern Qi History*, 2, "Emperor Gao," latter part.

<sup>31</sup>*Southern Qi History*, 53, "Virtuous Policies."

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<sup>32</sup>*Southern Qi History*, 4, "Annals of the Prince of Yulin": "When he took power, he had an exaggerated idea about conferring gifts, and used several hundred thousand for that purpose. Whenever he saw a coin he would abruptly say: 'I used to think of you, but didn't get a single coin. Now I've gotten to use you.'



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1.7 million.<sup>33</sup> The several hundred million cash accumulated by Emperor Wu was all gone within just a few years.<sup>34</sup> By the end of the dynasty, rice had shot up in price everywhere to several thousand cash per picul.<sup>35</sup>

### 3. Changes in the Value of Chen and Liang Money

The coinages of Liang and Chen were unstable.

Southern Qi's monetary constriction probably started to ease by the end of the dynasty because of the dispersal of the coins hoarded in the treasury.

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Within a year the several hundred million cash saved by his predecessor had all been exhausted. The clothing treasury was opened for the Empress and her attendants' observation. The eunuchs and young palace officials were allowed in, and each took what he pleased. They tore at each other to get hold of the precious objects. Breaking them was considered a joke. The place was stripped bare except for a pair of red crepe trousers and a multi-colored screen. A good fighting cock was secretly purchased for several thousand."

<sup>33</sup>*Southern Qi History*, 7, "Annals of the Marquis of Donghun": "Mr. Fan made obeisance, and selected a great number of precious jewels. The main clothing treasury's old goods could not be completely exhausted. On the luxury market there were precious objects of gold and silver, all at high prices, and an amber armband worth 1.7 million cash. The capital city wine tax was entirely discounted into gold to be used for gold plating, but even this was not enough. The purlin and beam and embankment repair labor service tax in Yangzhou and Southern Xuzhou was commuted to ready cash, and entirely devoted to the miscellaneous expenses of the clothing treasury."

<sup>34</sup>*Wei History*, 98, "Biographies of the Island Barbarian Xiao Daocheng and His Son Ze": "After the burial of Ze [Emperor Wu of Qi], Zhao Ye [the Prince of Yulin] went out in disguise to tour the market quarters. He also frequently went to his parents' land to carry out base arts with his inferiors. Wrestling and gambling, falconry and hunting with dogs, treacherously, day after day he would go out to do these things as a normal activity. Court business, whether great or small, was left to the Prefect of the Masters of Writing, Xiao Luan. Earlier, Xiao Ze had gathered some 500 million cash from the Upper Treasury. The Alms Treasury had yielded another 300 million and gold, silver, ordinary and silk cloth in amounts beyond counting. By the end of this year half had been used. All had been given to the servants and soldiers who followed him. By the time he was forced from office, the treasury was exhausted."

<sup>35</sup>*Liang History*, 53, "Biographies of Virtuous Officials": At the end of Qi "when all was exhausted, the masses engaged in evil acts, and grain was expensive everywhere, rice reaching several thousand, and most of the people were dispersed." Dur-

Because there was no warfare during the two decades of Southern Qi, there were no very large price disturbances, but during the five decades of Xiao-Liang warfare was constant. Invasions by Northern Wei began, and Hou Jing's rebellion occurred during its middle. As a consequence the value of money could not be maintained.

Soon after Xiao Yan (502-549) took power, Northern Wei launched a series of attacks, and the histories report that he destroyed bronze Buddhas to mint coins.<sup>1</sup> These were probably the Five-grainers with inner rims and the Public-female cash. The histories<sup>2</sup> say that both were in circulation at the same time, but the Public-female must have come a little later because in neither weight nor construction was it up to the level of the Five-grainer with inner rim.

Two coins should not be minted and put into circulation together unless they have different face values. The Public-style female-cash was probably minted in response

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to the Northern Wei invasion. It is said<sup>3</sup> that the

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ing Southern Qi, 1 picul equalled 0.2972 hectoliters.

<sup>1</sup>*Southern History*, 52, "Biography of the Prince of Nanping Yuanxiang, Wei": "At first, Emperor Wu's army went to the east, but funds were insufficient, and Wei took the bronze Buddha from the Xiangyang temple, and destroyed it to make coins."

<sup>2</sup>*Sui History*, 24, "Treatise on Food and Money": "At the beginning of Liang, only in the capital districts and the three Wu, and Jing, Ying, Jiang, Xiang and Liang prefectures used coins. The other prefectures and commanderies used various forms of grain and cloth for exchange. The Jiao and Guang frontier in the southeast used nothing but gold and silver for money. Emperor Wu minted a coin with rims around both the outer edge and the hole, the inscription on which read five grains, and whose weight corresponded to its inscription. Another coin was minted without an inner rim, and was called a Female-cash. (The *Book Hall of the Original Tortoise and Universal Statutes* make it Public-style female-cash.) The two items circulated together."

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The masses had privately used old coins for exchange, such as the Value-hundred Five-grainer, the Five-grainer Female-cash, the Taiping-hundred-cash, the Dingping-one-hundred, the Five-grain Immature-cash and the Five-grain Facing-wen. Their weights varied. The Son of Heaven repeatedly issued edicts and messages not to newly mint the two coins, and did not permit them to be used, but in the search for profit, they were turned to private use in great numbers. At the beginning of the putong era [520], there was advice that bronze cash be entirely banned, and that iron cash be minted instead." *Record of Coins*, quoting Gu Xuan, says that the Public-style female coin was not put into circulation.

<sup>3</sup>*Record of Coins*, quoting Gu Xuan.



people then were permitted to privately coin them, with 12,000 of them exchanging for 10,000 old coins from the treasury.

The monetary economy of early Liang was unevenly developed. Coins were used only in the capital districts, the three Wu prefectures, and in Jingzhou, Yingzhou, Jiangzhou, Xiangzhou, Liangzhou and Yizhou. Elsewhere various forms of grain and cloth were employed for exchange. The Jiao-Guang region of the far southeast used gold and silver. Prices probably also varied by locality. In tianjian 1 (502), 12th month, during a drought, a *dou* of rice was 5,000 cash.<sup>4</sup> Because of the effects of war, in Sichuan 3,000 cash was not enough to buy 1 *sheng* of rice.<sup>5</sup> When, however, in tianjian 4 there was a big harvest, 1 *hu* of rice only fetched 30 cash.<sup>6</sup>

In putong 2 (521), 6th month, the Inspector of Yizhou, Wen Sengming, rebelled and brought his prefecture over to Wei. An army was raised and invaded the north. At the end of putong 4, use of bronze cash was ended, and iron coins minted instead, thereby beginning a monetary depreciation. Before this, both large denomination and small coins had been used in China, but this was the first time large-scale use of iron coins had occurred.

Iron coins were used because the supply of copper had become insufficient, and because of the chaotic state of the bronze coinage at the beginning of Liang. In addition to the two kinds of Five-grainer minted by Emperor Wu, there were various sorts of old coins, like the Han Five-grainer,<sup>7</sup> the rimless Five-grainer (i.e. the Female-cash), the Taiping-hundred-cash, Dingping-one-hundred, Five-grainer (without the metal radical), Immature-cash, Facing-wen, Fenghuo, and Spade-spring. Of these, the Han Five-grainer was the heaviest. All the others were light and thin.

Probably by then only the small variety of the Taiping-hundred-cash remained in circulation. Some

of these coins were old coins which had been re-named after undergoing clipping. The more severely clipped, the lower their value. At the beginning of Southern Qi, one good coin was already worth two bad ones. The situation worsened over time. An intact or not severely clipped Five-grainer might be worth 100 bad coins. Therefore, they might as well have gone over to iron coins so as to at least have gained a measure of uniformity.

Though the bronze cash were nominally abolished, they retained an exchange price with iron coins. There is a line in one of Ren Fang's poems which goes "two iron cash worth one."<sup>8</sup> Evidently two iron cash were the equivalent of one bronze cash. Perhaps even though the government had banned bronze cash, the people continued to circulate them alongside iron coins.

Iron, however, is cheap, and private coining of it would yield a very large profit. For this reason illicit coiners must have been very numerous, and the government itself minted no small number of iron coins. Emperor Wu several times relinquished his freedom to the Tongtai Temple, and each time was ransomed by his officials for 100 million cash. Naturally this ransom cash was paid in iron coins.

During the datong year period the phenomenon of the Short-hundred appeared once more. This practice had been carried on under Jin and Song rule, but during Song the supply of coins had not been constricted, and the Short-hundred's use may have been limited to official

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extortion from the people, as for example by its use when purchasing goods from the people.<sup>9</sup> By the time of the Xiao-Liang dynasty it became still more common.

The amount of the Short-hundred discount varied by time and place. From the Poling east, 80 was taken as 100, and this was called Eastern-cash. Upstream from Jiangzhou and Yingzhou, 70 was taken as 100, and this was called Western-cash. In the capital, Jiankang, 90 was taken as 100, and this was called Long-cash.<sup>10</sup>

<sup>4</sup>Liang History, 2, "Annals of Emperor Wu," middle part: "Tianjian 1, 12th month. . . This year there was a drought. A *dou* of rice was 5,000." Southern History, "Basic Annals of Liang," contains the same information.

<sup>5</sup>Liang History, 20, "Biography of Liu Jilian": "Tianjian 1 . . . Because the rebellion in Shu had gone on for two years, all the food in the cities had been used up, and even with a *sheng* of rice at 3,000 no food was coming in. Deaths from starvation mounted."

<sup>6</sup>Southern History, "Basic Annals of Liang," 6: "Tianjian 4 . . . There was a large harvest this year. A *hu* of rice was 30." Sui History, "Treatise on Astronomy" has the same statement, but the Jiankang Veritable Record, 17, makes it "grain was 30 wen per *hu*."

<sup>7</sup>Universal Statutes makes it the Value-hundred Five-

grainer.

<sup>8</sup>Southern History, 25, "Biography of Wang Yi," quoting Ren Fang's "Ode to Wang Gai": "Two iron cash worth one, Name for fact's oft changed; When time for kindness reached, Wait not pure Autumn's light." Wang Gai died during the troubles of the taiping era.

<sup>9</sup>Liu-Song History, 72, "Biography of the Nine Princes of Wen: The Jin Pingze Prince, Xiuyou": "Jinghe 1 . . . the short cash one hundred was used to tax the people's fields. In registering [?] the tax rate and in seeking to purchase 1 *hu* of white rice or rice seed, such a discount was ordered."



If reckoning was done in Short-hundreds and prices remained unchanged, that would have amounted to a revaluation upward of the money, but actually as the hundred was reduced, prices rose, and when the hundred was complete, prices were low. In *zhongdatong* 1 (546), the authorities ordered use of the Sufficient-hundred, and banned the Short-hundred.<sup>11</sup> This edict had little effect, and the hundred became shorter and shorter.

Descriptions of the Xiao-Liang Short-hundred may be referring to the relationship between bronze and iron cash. We must also take account of whether prices were high or low independently of the discount. If 80 was taken for 100, but prices went up by 50 percent, then prices were going up independently of the discount.

Hou Jing's rebellion occurred during the last years of Emperor Wu. The capital, Jiankang, was besieged, and soon fell, Emperor Wu perishing of starvation. Loyalist local forces converged on the capital. At this point the quantity of iron coins must have continued to increase. The history says that "after datong, iron cash were everywhere heaped up like hills, and prices were exceedingly high. Those making exchanges used carts to carry coins, which were no longer counted individually, but only reckoned by the string."<sup>12</sup>

During Hou Jing's siege of the city, prices in Jiankang shot up wildly: One *dou* of rice was 800,000, one dog sold for 200,000.<sup>13</sup> Because there

was also a food shortage on Hou Jing's side, 1 *hu* of rice sold for several hundred thousand. Naturally, these prices were all expressed in terms of iron cash.

After the death of Hou Jing, Xiao Yi succeeded to the throne in Jiangling, and issued a 10-cash coin. This was probably a bronze coin which was equated with ten iron coins. If that was the case, then the authorities were conceding a monetary depreciation to one-fifth of the former level. Since this 10-cash coin could not have matched in size the Tianjian Five-grainer or Public-style Female-cash, the depreciation was even greater. In *chengsheng* 3 (554), Western Wei's army launched a large scale invasion of the south, and Xiao Yi was killed. Chen Baxian set Xiao Fangzhi on the throne in Jiankang as Emperor Jing.

In *taiping* 1 (556) Emperor Jing issued an order that old and new coins be used together, the term old and new coins probably referring to bronze and iron coins. Most of the bronze coins were likely Goose-eye cash, and these surely could not have circulated at par. The following year the Four-pillar coins were minted at a face value of 20, which probably referred to 20 Goose-eye cash, and represented a further depreciation. Even this nominal value was not easy to maintain, so that after thirty days their face value was changed to 10, and after another four days they were allowed to circulate at par with ordinary coins. A few months after that, the government fell.

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Though there are no price records for late Liang, in addition to the issue of large face value coins, the Short-hundred phenomenon became still more severe, until 35 cash were taken as 100.<sup>14</sup> This was probably because iron coins were not being used, and bronze cash were deficient. Nominal prices must have been very high, but prices calculated in actual coins may not have been.

In addition to the Four-pillar cash, coins circulated at the beginning of Chen included the Two-pillar and Goose-eye cash. These all circulated at the same value, even though their weights differed. The Two-pillar coin was heavier than the Goose-eye, and so private parties melted down the heavier coins and reminted them, adulterated with tin and iron. There were also instances of payments being made with

<sup>10</sup>*Sui History*, "Treatise on Food and Money": "Traveling merchants lustfully schemed after profits because of this. From the Poling east, 80 was taken as 100, and called Eastern-cash. Upstream from Jiangzhou and Yingzhou, 70 was taken as 100, and called Western-cash. In the capital districts, 90 was taken as 100, and called Long-cash."

<sup>11</sup>*Liang History*, 3, "Annals of Emperor Wu," latter part, *zhongdatong* 1: "7th month. An edict stated . . . 'Recently We have heard that outside much use has been made of 90 for 100 cash. When the hundred is reduced, prices render goods expensive. When the hundred is sufficient, then prices are cheap. It is not that the goods are expensive or cheap; it is that minds are unstable. As for distant places, great profit is made there too. . . Henceforth the Sufficient-hundred may be circulated. One hundred days after this order has been circulated any who violate it will, if males, be transported, and if female, be treated the same.'"

<sup>12</sup>*Sui History*, "Treatise on Food and Money."

<sup>13</sup>*Liang History*, 56, "Biography of Hou Jing": "Jing's provisions were nearly exhausted. By this point, a *hu* of rice was several hundred thousand, and there had been fifteen or sixteen cases of cannibalism." *Wei History*, 98, "Biography of Xiao Yan": "In Yan's city there was a great famine, with people eating each other. One *dou* of rice was 800,000. Human flesh was

everywhere being sold mixed in with cow and horse meat. The men of the army joined to set up a market in front of the Hall of Virtuous Yang. For butchering one cow, 3,000 bolts of heavy silk were obtained; for selling one dog, 200,000 cash were obtained."

<sup>14</sup>*Sui History*, "Treatise on Food and Money": "By the final years, 35 were taken as 100."



grain and textiles, which shows the chaotic state of money's circulation then.

Southern Chen wanted to stabilize the value of its coins. In tianjia 3 (562) it put out a Five-grainer with a face value of 10 old coins. This was the heaviest coin to have been issued for forty or fifty years. Certainly it was heavier than the Four-pillar Five-grainer and Two-pillar Five-grainer issued in the closing years of Liang. To have equated it with 10 Goose-eye cash can not be considered excessive. In taijian 11 (579) of Emperor Xuan the Taihuo Six-grainer was minted and circulated alongside the Five-grainer at a face value of 10 Five-grainers, but it was less than twice the weight of the Tianjia Five-grainer, and so represented a severe depreciation.

The people were very dissatisfied. Because they lacked the strength to oppose this, they could only curse and say that the Six-grainer would bring no profit to the Emperor. Because the sealscript character for six in the inscription of the Six-grainer resembled a man standing with arms akimbo, everyone said it symbolized the Son of Heaven standing in that fashion while crying. Before long, Emperor Xuan in fact died. At first it was intended to have these coins circulate at par with the Five-grainer. Later, the Six-grainer was abolished and only the Five-grainer was used.

Southern Chen's territory was much more constricted than its predecessors' because after Hou Jing's rebellion Yizhou and Jiangling had been occupied by Western Wei. None of the prefectures of the Lingnan in the south used coins. Some used gold and silver. Others used salt, rice and bolts of plain cloth. By the time of Emperor Houzhu, the monetary system had become useless, and when the Sui army attacked, no resistance was offered.

#### 4. Value of the Coins of the Northern Dynasties

As the Jin Dynasty fell into decay, there were already a number of nomadic tribes present in the north. Among

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the somewhat more advanced of these were the Xianbi. They steadily expanded their territory, and pillaged other tribes' livestock. This people had long since absorbed Chinese culture, and by the late fourth century had established a state, the Northern Wei.

At that time they did not yet even produce the textiles characteristic of an agricultural society, much less money, and depended on plundering the regions south of them to obtain such goods.

Hence when Xu Qian stole 2 bolts of heavy silk, Emperor Taizu dared not look him in the eye for fear he would commit suicide.<sup>1</sup>

Northern Wei's economy developed through three stages.

Before Eastern Jin's long'an 2 (398, tianxing 1 of Emperor Taizu of Latter Wei), they still led a purely nomadic life. They clashed with other tribes mainly to plunder slaves and livestock, and regularly engaged in the hunt.

Their place names then were all associated with wild or domesticated animals, as for example Yanggu (Sheepram), Chaishan (Jackal Mountain), Macheng (Horsetown), Qingniushan (Blue Ox Mountain), Hujuan (Tigerpen), Bailupo (White Deer Slope), Niuchuan (Ox River), Panyangshan (Coiled Ram Mountain), Duzhu (Calf Sandbar), Maomaling (Horsemane Ridge) and Du'ershan (Calf Mountain). There was a prince named Yang'er (Sheep), an Emperor's uncle named Hutou (Tigerhead) and a general named Pibao (Skinned Leopard).

Gifts to officials were made in cattle and sheep. They feared plagues rather than floods or droughts.<sup>2</sup> An agricultural society's people would have feared floods and droughts as threats to their livelihood instead. Right down to the time when Toba Hong (Emperor Gaozu) moved his residence to Luoyang, his subordinates from the old days remained unwilling to leave the broad plains of the north for an urban existence. Hence he decided to spend his winters in the south (i.e. in Luoyang), but to return to the northern plain for the summers.<sup>3</sup>

During the century between long'an 2 of Jin and taihe 19 (495, yanxing 2 of Southern Qi) of Northern Wei, they completed the task of unifying the north, their life became more sedentary, and they easily assimilated the relatively higher feudal culture of the Chinese, adopting an agricultural plantation life, and even scheming to acquire fields. Accompanying the development of agricultural production was the appearance of agricultural surpluses, which encouraged commerce and even the appearance of credit. The natural economy still occupied a dom-

<sup>1</sup> *Wei History*, 1, "Prefatory Annals": "When Taizu ascended the throne . . . there was a shortage of textiles for the state. A clansman named Xu Qian stole 2 bolts of heavy silk. When those guarding it were going to report the theft, the Emperor concealed the offense. He said to Yan Feng, 'I cannot bear to look upon Qian's face. Do not let word leak out or Qian might commit suicide out of shame. To shame a gentleman over a matter of wealth would be wrong.'"

<sup>2</sup> *Wei History*, 2, "Annals of Emperor Taizu."

<sup>3</sup> *Wei History*, 15, "Biographies of Zhao Cheng, His Son and Grandson."



inant position, and land taxes, savings, relief measures, salaries and prices were all reckoned in textiles. It was not until after taihe 19 that they entered the stage of a monetary economy.

Although it was only in taihe 19 [495] that Northern Wei began to formally mint coins, this is not to say that before then no use of coins was made. I do not wish to say that at least the ethnic Chinese of the Northern Dynasties lived under a monetary economy before this, but merely that their own merchants would have found it hard to avoid commercial intercourse with the people of the Southern Dynasties and the consequent bringing home with them of bronze cash.

Moreover, the Northern Dynasties had on several occasions invaded the cities of the Southern Dynasties, and captured southern soldiers, so there was no reason why they should not also have carried off their coins as well. When Murong Baiyao in huangxing

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3 (469) attacked Dongyang, he stole 150,000 copper cash.<sup>4</sup>

The northerners had, however, gone through a long period of warfare. Society and economy had received severe blows. The circulation of money had been impeded, and the natural economy had come to occupy a more important position.

The coin minted in taihe 19 was the Taihe Five-grainer. It was ordered circulated in all parts of the country. Thenceforth official salaries were to be paid in units of heavy silk discounted into copper cash at a rate of 200 cash per bolt. At the same time furnaces and coin workers were established in various places and permission granted for free coinage among the people so long as the purity of the bronze they used was maintained.<sup>5</sup>

In the Winter of yongping 3 (510) another Five-grainer was minted, but it did not circulate uni-

formly in all localities. In some places only old coins were used. In others even the old practice of "ripping apart of bolts of cloth by the foot to fill lacks with surpluses" was used.

There was probably still no problem involving instability in the value of money during the time of Emperor Xuanwu because the monetary economy was still not very well developed, but as it gradually advanced, and as war with the Southern Dynasties and despoliation of their peoples increased, private coining must have been stimulated.

Some Taihe Five-grainers are as light as 2 grams, and some of their inscriptions leave off the "mouth" element on the right side of *he*. By the end of the reign of Emperor Xiaoming at the latest, private coining had become rather serious. By then the price of copper had reached 80 *wen* per catty, and private coiners could cast 200 of their thin coins from a bit over 1 catty. The nominally 5 grain coin was actually less than 2 grains. One even encounters the epithets "wind-blown" [*fengpiao*] and "water-floating" [*shuifou*], applied to coins thinner than the old Pod-cash. If a string of these broke and they fell in the water, they might even float. A *dou* of rice cost almost 1,000 cash.<sup>6</sup>

At that point Gao Qianzhi advocated minting a Three-grainer. He reasoned that since warfare had not halted and the treasury was empty, minting small coins might fill up the treasury.<sup>7</sup> His brother, Gongzhi, called for minting large coins beginning with the new year period. A catty of copper could only be cast into 76 coins, and the price of copper was at least some 50 odd cash. If you added to this the cost of labor, tin and charcoal, then it would be unprofitable to scheme to coin them privately.<sup>8</sup> Yang Pei then advocated minting Five-grainers, and allowing both officials and private parties to produce them. Emperor Xiaozhuang took Yang Pei's advice and minted the Yong'an Five-grainer.

The aim in minting this coin was to raise the purchasing power of the money, and so not only were few of them minted, but heavy silk was also

<sup>4</sup>*Wei History*, 50, "Biography of Murong Baiyao": In Emperor Xianzu's huangxing 2 "Cui Daogu, the Inspector of Yanzhou, Liang Zou, and the general in charge of its defense, Liu Xiubao, appeared before him in bonds to surrender. Baiyao released and behaved ceremoniously to them all. He sent Daogu, Xiubao and their subordinates to the capital . . . and advanced against Dongyang. By Winter he had entered its western fortifications. In year 3, Spring, he took Dongyang, capturing Chen Wenxiu. In all he took over granaries holding 850,000 *hu* of grain, 3,000 *hu* of rice, 9,000 bows, 188,000 arrows, 22,400 swords, 3,300 helmets and a like number of sets of armor, 5,000 catties of copper and 150,000 coins. Within the city were 8,600 households and 41,000 individuals. There were over 300 Wu-Man barbarian households."

<sup>5</sup>*Wei History*, 110, "Treatise on Food and Money."

<sup>6</sup>*Wei History*, 58, "Biography of Yang Bo": "Of the coins then used, most were privately minted, and they were thin and small. If the wind blew them into the water, they would float. A *dou* of rice ranged up to 1,000."

<sup>7</sup>*Wei History*, 77, "Biography of Gao Chong": "Now the crowds of goblins do not rest, and there are ramparts in all four quarters. Taxes are vexatious. Daily expenses are 1,000 *jin*. Savings are being steadily eroded, and wealth is all but used up. . . If small coins are minted, wealth can be increased. . . I now advocate this minting to make up for the dearth of exchange. The Five-grainers can be kept in use as well."

<sup>8</sup>*Wei History*, 77, "Biography of Gao Gongzhi."



sold off to absorb money from circulation. But as each bolt sold for only 200 cash, and the market price was 300, this measure did not constrict the coinage, but rather stimulated private coining, which caused lack of uniformity in the weights of Yong'an Five-grainers, and increased the incoherence of the coinage.

Generally speaking, the purchasing power of Northern Wei's money was relatively stable. What oscillations occurred were small, transient movements. This was because Northern Wei did not mint either large denomination coins or especially light and small

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coins. In order to uphold the value of their coins and the sovereign power of the government, the authorities kept working on systems to halt private coining.

After Emperor Xiaowu had been driven out by Gao Huan, and had fled to Chang'an, Northern Wei split into Eastern Wei and Western Wei. The two states were constantly at war with each other, and this further encouraged private minting.

For example, though the Yong'an Five-grainer continued in use during Eastern Wei, there were many private coins with names like Yongzhou Green-red, Liangzhou Thick, Constrained-cash, Auspicious-cash, Heyang Rough, Heavenly Pillar and Red-halter, all of which were probably Yong'an Five-grainers, but which we now have no way to distinguish from each other.

From Jizhou north then, textiles rather than coins were used. Successive good harvests in the yuanxiang and xinghe year periods of Emperor Xiaojing pushed down the price of grain to 9 cash per *hu*.<sup>9</sup>

At the beginning of wuding (543), men were sent to the prefectures to collect copper and bad coins to be reminted into Yong'an Five-grainers, but before long private coining had again reduced weights. In wuding 6 (548) standard weights were set up at the gates of all prefectures, commercial towns, commanderies and districts. No coin was to be allowed to pass through unless it weighed 5 grains, or 100 coins weighed 1 catty 4 ounces and 12 grains, but "crowds of officials and advisers" pleaded for a delay in the promulgation of these standards because grain was expensive, and this delay was granted. Before long, Eastern Wei fell to Northern Qi.

Northern Qi minted the Changping Five-grainer in tianpao 4 (553). This coin was finely made, its size was up to the standard, and so its value was

relatively high, but because official gifts were not kept within limits, taxes must have had to be increased, and so the histories say that even before the Changping Five-grainer had been issued, private coining of it was flourishing, and within a year or two excesses were being committed.

Killings could not be halted. A rise in the price of copper caused private coiners to lose profit and reduce the numbers of their coins. During the ganming and huangjian year periods (560), however, private coining again became severe. Coins circulating in Ye (northern Henan) bore such names as Red-flesh (also called the Red-rim), Green-wrought, Fine-eyebrow and Red-raw. Thus, Henan contained variant coins which were light, thin, and adulterated with lead and tin. A number of different coins were in circulation in Qingzhou, Qizhou, Xuzhou, Yanzhou, Liangzhou, Jingzhou and Hezhou.

Emperor Wucheng was still more wasteful. Under Emperor Houzhu the situation became further aggravated. In the palace a skirt was valued at 10,000 in ingots, and a mirror was 1,000 *jin*. To burn a night's worth of oil at the Great Buddha of Jinyang's West Mountain required 10,000 basins. The labor for constructing Empress Mu's Great Precious Grove Temple cost 100 million.<sup>10</sup> These extravagant expenditures required merciless taxation.

<sup>10</sup>Northern Qi expenditures were very large. Upon his ascent of the throne, Emperor Wenxuan gave gifts to the Wei clan of some 10 million, something rarely encountered during the Northern and Southern Dynasties, and only seen among the Northern Dynasties. The imperial house's wastefulness was extreme, and naturally this made the people's burdens heavier. This could not help but give rise to private coining.

When Wenxuan assumed the throne he sent down an edict stating: "Recently, manners and morals have become lax. Loiterers daily become more numerous. The good and bad fortune of families is coming to depend on the search for the unusual. Expenses for weddings and funerals, carriages, clothing, luxurious food and drink are exhausting people's annual income to meet daily expenses. Moreover, even slaves and servants wear gold and jade. The clothing of serving girls and boys is resplendent so as to begin with a great display, and later to use those who go before one as models of beauty." (*Northern Qi History*, 4, "Annals of Emperor Wenxuan.")

As for waste in the palace, there were things rarely seen in the course of history: "Maid-servants kept in the palace were all enfeoffed as lords of commanderies. Over 500 palace ladies consumed precious clothing of jade. One skirt was worth 10,000 in ingots. A mirror was worth 1,000 *jin*. Competitions were cunning, and what was put on in the morning was spoiled by evening. Under Emperor Wucheng, waste by the princes was as great as waste by the Emperor. The size of the palaces and gardens was increased. The Stopping-military-cultivating-civil Terrace

<sup>9</sup>*Investigation of Literary Remains*, "Investigations of Field Taxes, 2."



In wuping 6 (575) taxes were levied at market entrances, on ships, carts, mountain and marsh products, salt, iron and inns.<sup>11</sup> As a consequence private coining became still wilder, using pig iron alloyed with just a little copper to mint coins.<sup>12</sup> In Xuzhou city, the Five Grade Temple had 100 bronze statues stolen.<sup>13</sup> This must have been connected with private coining.

Western Wei carried out recoinages on two occasions: The first was in datong 6 (540). The second was in datong 12. Although the histories do not clearly explain the nature of these two issues, they could not have been ordinary

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issues, which would have simply continued year by year.

These must have been recoinages involving some degree of monetary reform, and weight reduction must have been involved, at least on the second occasion. A monetary war with Eastern Wei could also have been involved. The relations between these two governments were very much like those between Three Kingdoms Wu and Shu-Han.

Western Wei had three emperors, and after twenty years had its power usurped by Yuwen Tai, who set up Northern Zhou [in 557]. Northern Zhou and Northern Qi were very nearly contemporaneous with each other and with the Southern Dynasties of Liang and Chen.

This was the time of greatest confusion for Chinese money. In the south were Chen's Five-grainer and Six-grainer; in the north was Qi's Changping Five-grainer.

Yuwen Tai established a prefectural militia system which allowed a large number of those who served as soldiers to engage in no productive activity except military training, and to pay no taxes. Emperor Wu, Yuwen Yong, placed still more emphasis on this institution, and this increased Northern Zhou's military strength, but also must have increased government expenditures. Therefore, imme-

diately upon taking the throne, Yuwen Yong minted large denomination coins which depreciated the currency. He first minted a Spade-spring with a face value of 5 Western Wei Five-grainers. This amounted to a weight reduction.

Within the boundaries of Liangzhou and Yizhou a variety of old coins were in circulation. In the commanderies of Hexi, gold and silver coins of the western frontier were officially used.

After thirteen years (in 574), a value-10 Five-agents Large-spade was minted which was almost the same weight as the Spade-spring. This amounted to a weight reduction to one-tenth the former value. The history says that it "brought in much of the profit of the merchants."<sup>14</sup> This was precisely the aim of the ruling class, but the next year illicit coining appeared along the frontiers, and the weights of coins were probably further reduced, since some surviving Five-agents Large-spades weigh as little as 2 grams. The authorities soon banned the Five-agents Large-spade, and would neither accept it nor pay it out at the excise tax stations. Only the Spade-spring was accepted at the tax offices, but it was not paid out again, and later was abolished.

In daxiang 1 [580] the Perpetual-circulation-myriad-states coin was minted. It weighed only 6 grams, but each was equated with 10 Five-agents Large-spades or 500 Five-grainers. If we assume a weight of 2 grams for the Five-grainer, this amounted to a weight reduction to 1/166th of the former level. Of course this evoked private coining, and the private coins were as light as 2 grams.

Hence, though the aesthetic quality of the three Northern Zhou coins is very high, contemporaries did not place any value on them for use. A number of places used textiles. Even gold, which had not been much used for a century, again became an instrument for making payments. In some places western gold and silver coins were used.

Yang Jian unified the the Northern and Southern Dynasties and put into effect a policy of monetary constriction. A relatively long period of sustained peace allowed domestic production to increase so that "granaries and treasuries were overflowing," and "textiles accumulated until they could have encircled the southern walls."<sup>15</sup> Probably for these reasons, the many years of oscillation in money's value

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finally ended.

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was built. For the ladies in waiting of the court there were built the Mirror Palace, Jewel Palace and Tortoiseshell Palace. They were colored and engraved in ways wondrous for those times. . . To burn oil for one night at the Great Buddha of Jinyang at West Mountain used 10,000 basins to illuminate the interior of the edifice. In addition, for . . . Empress Mu's Great Treasure Grove Temple . . . labor expenses were reckoned at 100 million." (*Northern Qi History*, 8, "Annals of Youzhu.")

<sup>11</sup>*Northern Qi History*, 8, "Houzhu."

<sup>12</sup>*Sui History*, 24, "Treatise on Food and Money." *Universal Statutes*, "Food and Money, 9."

<sup>13</sup>*Northern Qi History*, 46, "Upright and Benevolent Officials: Biography of Su Qiung."

<sup>14</sup>*Investigation of Literary Remains*.

<sup>15</sup>*Universal Statutes*.



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## 5. The Value of Sui Money

Sui's mandate lasted for thirty years after it unified China, a period divided equally between the reigns of Yang Jian and his son Yang Guang. These two periods of fifteen years represent distinct epochs in the history of the monetary economy.

Yang Jian opted for a policy of constriction. Hence he was able to stabilize the value of money, which had oscillated during the last years of the Northern and Southern Dynasties, and was able to establish a prosperous nation.<sup>1</sup> Yang Guang opted for an inflationary policy. In both military and economic terms, China under Emperor Yang was an expansionist country, even more so than under the First Emperor of Qin or Emperor Wu of Han.

Not everyone would agree that the policy of Yang Jian was constrictive. The fact of the matter is that prior to kaihuang 9 [589] the whole country was still at war, and imperial gifts were still very generous. It is said that at the time of the pacification of Chen Kaixuan, the rewards for merit "of piles of textiles extended to the southern wall. Over 3 million *duan* were expended for gifts."

On the other hand, the monopolies on wine and salt were abolished and the length of labor service was reduced. How can this be called a policy of constriction?

This thesis can only be justified by noting Yang Jian's reduction in personal and palace expenditures. The result of Han Emperor Wen's reduction of expenditures was that "the treasuries were full of goods and wealth." The consequence of Sui Emperor Wen's reduction of expenditures was that "the treasuries were all full." The historians even say that "among those who planned for the wealth of the state in ancient and modern times, none was like Sui."<sup>2</sup>

<sup>1</sup>*Tang History*, 48, "Treatise on Food and Money": "After Zhou had pacified Qi, the prefectural treasuries were full. Emperor Wen of Sui was frugal in all matters, and made no unnecessary expenditures. At the beginning of kaihuang, his advisers drew analogies to the hoards of grain and rotting strings of cash of the Han Dynasty's Emperors Wen and Jing."

Su Dongpo said: "Since the time of Han there had been none to compare with Sui in the increase of population and the abundance in the treasuries and granaries. Their taxation methods should be examined. And yet, scholars believe they did not follow the Way in obtaining the Empire, and lost all in the following generation because of unprecedented licentiousness." (*Investigation of Literary Remains*.)

<sup>2</sup>*Investigation of Literary Remains*, "Investigation of State

Naturally, even under Yang Jian's rule, the circulation of coins was not entirely stabilized. Though a Five-grainer which was up to the standard (1,000 coins weighing 4 catties 2 ounces) was adopted at the beginning of kaihuang, there were many different coins in circulation, and private coining was prevalent.

In kaihuang 3 [583], 4th month, the border excise stations were ordered to each keep a hundred coins as standards. Coins brought in from the outside would have to undergo inspection, and only those which were up to the standard would be allowed in. Those not up to the standard would not be taken in, and would have to be reminted.

Within two years, the earlier Changping Five-grainer, the Five-agents Large-spade and Perpetual-circulation-myriad-nations coins had all been taken out of circulation. From kaihuang 5 on, the Sui Five-grainer was probably the only remaining important coin, but coins minted then were often alloyed with pewter, which was an inducement to private coining.

The number of coins put out by the official mints also gradually increased. For example, in kaihuang 10, Yang Guang was permitted to establish five furnaces for casting coins in Yangzhou. In kaihuang 18, Yang Liang was granted permission to set up five furnaces in Bingzhou. On the pretext of a coin shortage in the south, Yang Guang asked to establish coin smelters at Ezhou's Baiding Mountain. Yang Xiu also set up five furnaces at Yizhou. The coins put out by these smelters were not necessarily up to the standard, which would have made private coining more intense, and further worsened the quality of coins.

Nevertheless,

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the fiscal policy of that period must still be considered to have been stabilizing. Ever-normal Granaries were in every locality, and these conserved provisions to meet demand. There were also frequent inspections in all localities of the ready cash at inns and markets. None but official coins would be accepted by the officials. As a consequence, during the reign of Yang Jian, the value of money was for the most part stable.

After Emperor Yang took the throne [in 605], expenditures greatly expanded. For example, to build the Eastern Capital required 2 million labor servicemen each month. Cutting the Grand Canal used 7 million men and women. During the Imperial Progress to Jiangdu, the vessels were lined up bow to stern for over 200 *li*. The repair of the Great Wall required raising another million men.



A number of these were constructive works of engineering. In particular, the digging of the Grand Canal solved the problem of how to transport food from south to north, and viewed over the long run provided benefits. But to engage in all these projects simultaneously was more than the nation's fiscal resources could bear.

Emperor Yang's extravagant ambition seems to have been to both establish a great empire and simultaneously give great encouragement to foreign trade. The adoption of this policy owed much to the advice of Pei Ju. Foreign wars used up much money, and measures used to attract barbarian merchants to China also required hundreds of millions for expenses in welcoming and seeing them off.<sup>3</sup> This encouraged depreciation of the currency.

The greater part of the fall in money's value was caused by private coining. To attempt to escape the burden of such large government expenditures<sup>4</sup> the people could only turn to casting coins, and bad coins at that.

At first 1,000 cash still weighed 2 catties, a reduction of 52 percent. Later, they came to weigh only 1 catty, a reduction of 76 percent. Finally, they resorted to use of clipped iron plates and slices of leather pasted over with paper.<sup>5</sup> When Li Yuan entered Chang'an, the people were using ring coins of which 80-90,000 would only fill half a *hu*.<sup>6</sup>

Naturally, prices shot up. In day 6 (610), the season for tilling and planting was missed, most fields were left to go wild, and there was a famine.

Grain became expensive, especially on the northeast frontier. By the end of day 7 [611] several hundred cash were required for 1 *dou* of rice.<sup>7</sup> By the end of Sui, at the time of Zhu Can's uprising in the Xiang-Deng region, one *hu* went for 10,000 cash.<sup>8</sup> In Luoyang at the end of Emperor Gong's yining 1 (618) it required 10,000 cash for 1 *hu*.<sup>9</sup>

The higher went prices, the heavier became the people's burden. Minting coins was already against the law, and there was nothing else for many people to do but go into the hills as "bandits." From day 6 [610], 1st month, several dozen "bandits" had been raising trouble at the Establish the State Gate of the capital, and their numbers increased thereafter year by year. At first, there were no more than several thousand such men, who could have been pacified at one blow. Later their number grew to several tens of thousands, and then to over 100,000. They even sacked commandery seats. They could no longer be defeated, and the dynasty subsequently fell.

During the several centuries from Wei and Jin to Sui, China was politically fragmented,

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and institutionally it was in as chaotic a state as was possible. There are very few records of prices, and most of those that do exist are exceptional prices. Coin weights varied by place and time. There were no fixed standard measures. Hence, even if we had data on normal prices, we could not compare them with prices of earlier or later periods.

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Requirements, 1."

<sup>3</sup>*Sui History*, 67, "Biography of Pei Ju": "In addition, because there were many precious goods at the western frontiers, Pei Ju was ordered to go to Zhang Ye and supervise the market where the merchants and barbarians made exchanges, to entice them with profit, and order them to court. Thenceforth, intercourse continued with the various parts of the western frontier. The prefectures and commanderies through which the foreign merchants passed were wearied by their welcoming and sending off, the expense for which ran into the hundreds of millions."

<sup>4</sup>*Northern History*, 12, "Basic Annals of Sui," latter part: "The government's punishments were loosened. Bribery was carried on in the open, and none dared say anything about it. It was even seen on the streets and roads. The Six Armies never rested. Labor service became vexatious. Those who went, did not return. Those who stayed, went bankrupt. Men starved and ate each other. Cities fell into ruins and emptied. The Ruler empathized with none of this. There were Imperial Progresses to the east and west, and there was no fixed imperial residence. All made contributions, but none received any recompense. Several years worth of land tax was illicitly collected."

<sup>5</sup>*Sui History*, 24, "Treatise on Food and Money."

<sup>6</sup>*Tang History*, 54, "Treatise on Food and Money."

<sup>7</sup>*Comprehensive Mirror For Illumination of the Prince*, 181.

Dong [Ji's] *Relief of the People Book* says it was in year 10, i.e. 614.

<sup>8</sup>*Taiping Broad Record*, 267, "Zhu Can."

<sup>9</sup>*Comprehensive Mirror For Illumination of the Prince*, 184, yining 1, 12th month, day yiwei: "In the eastern commanderies, a *dou* of rice was 1,000 cash."