V1 Chapter 6 Primary Source

Huan Kuan, *Discourses on Salt and Iron*

[Introduction] The *Discourses* is a remarkable historical document, set down sometime between 74 and 49 BCE by the Confucian scholar Huan Kuan. It is a somewhat formalized account of a debate between the neo-Legalist "Lord Grand Secretary" (who represented the pro-monopoly faction) and the Confucian "Literati" (who opposed the monopoly). The debate, which revolved around whether the demands of finance justified state control over the economy, was far-ranging. There are frequent references to ancient Chinese mythology, for example, and a recurring metaphor is of the economy as a human body and the government as a physician attending to its health—rather sophisticated stuff for the first century BCE.

The *Discourses* totals sixty chapters. For this you need only read "**Chapter XIV The Ratio of Production**"—but feel free to read more. **As you read, reflect on the following questions:** Why does the Lord Grand Secretary see the monopolies as beneficial? Why do the Literati see them as harmful? What do your answers suggest about these two schools of philosophy? Both the Literati and the Lord Grand Secretary compare the Chinese economy to a patient and the government to a physician. What does this metaphor say about ancient Chinese political and economic sophistication? Do you see anything familiar in the arguments presented? If so, what? What is unfamiliar? What conclusions follow from these last two answers**? [End introduction]**

Find the complete *Discourses on Salt and Iron* here:

https://xtf.lib.virginia.edu/xtf/view?docId=2003_Q4/uvaGenText/tei/z000000040.xml;chunk.id=

d10;toc.depth=100;toc.id=;brand=default