

Prosperity, Region, and Institutions in Maritime China: The South Fukien Pattern, 946–1368. By Billy K. L. So. Cambridge, Mass.: Harvard University Press, 2001. 496 pp. Maps, drawings. Cloth, \$52.00. ISBN 0-674-00371-3.

Reviewed by Angela Schottenhammer

The present volume represents the culmination of Billy So's long-term research on the economic history of South Fukien (Min-nan) from the late T'ang dynasty (618–906) to the Yüan dynasty (1279–1368). Over a period of roughly two decades, Billy So has collected and analyzed sources and data while critically absorbing previous scholarship. *Prosperity, Region, and Institutions in Maritime China* began as a Ph.D. dissertation ("Economic Developments in South Fukien, 946–1279"), which he completed at Australian National University in 1982, but he has greatly enlarged and changed the scope, structure, and scheme of the project since then. Billy So considers South Fukien from the tenth to the fourteenth centuries to be "representative of the prosperity of maritime China, . . . largely because of the seaport-city of Ch'üan-chou," but he still views the region's economic development as a special case (pp. 1–2). As prosperity emerges from economic performance and can be depicted as a process, as economic performance always takes place in a local macro- and microeconomic context, and as institutions are critical to economic development, he divides his study into three sections: the economic cycle of medieval Fukien (Part I); South Fukien as a regional system (Part II); and a structural-institutional transaction-cost analysis of the economy (Part III). An examination of South Fukien's economic development according to these three superordinate categories is indeed a new way to approach the subject, although it is based on concepts established earlier by other scholars, primarily G. William Skinner's model of space by (*The City in Late Imperial China*, 1977) and Douglass C. North's exploration of the importance of institutions (*Institutions, Institutional Change, and Economic Performance*, 1991; "Institutions, Transaction Costs, and the Rise of Merchant Empires," in James Tracy, ed., *The Political Economy of Merchant Empires: State Power and World Trade, 1350–1750*, 1991). The advantage of this new approach is that it offers the possibility of describing the object of research from a broader, less detailed, long-term perspective.

Billy So certainly achieves his goal of constructing a more general framework for understanding the causes behind the prosperity of South Fukien. He touches on all major developments, from the commercialization of the local agricultural sector, to the emergence of local industries—above all, the ceramics industry—and the impact of the imperial clan and the local elite. He examines monetary issues, government administration of the maritime trade, the

legal framework, including property rights, and the informal institutional constraints on the merchants (rationality, ethics, the social fabric). Despite some repetition, particularly in his discussions of local industries and agriculture, the material is well organized, and the author seeks for contextual explanations instead of documenting and compiling lists of details.

The other major English-language study on the subject is Hugh R. Clark's comprehensive monograph on South Fukien's economic history during the Five Dynasties and the Sung period (*Community, Trade, and Networks: Southern Fujian Province from the Third to the Thirteenth Century*, 1991). In contrast to Clark, Billy So distinguishes between economic development in the northern and southern regions of South Fukien during the Sung period, and he extends his time frame to the Yüan dynasty. He is less concerned than Clark with the routinization of commercialization but is more interested in the integration of South Fukien's economic development within a broader temporal and spatial context and in how it fit into formal and informal institutional structures.

As an investigation of the economic history and development of one region in Southeast China, this book should be of interest to economic and business historians. As Billy So shows, the premodern South Fukien economy reflected the long-term legal and illegal institutional characteristics of a particular trade pattern, which may also interest modern business historians, although the applicability of the Sung/Yüan trade patterns to China's contemporary economic development is debatable.

Billy So draws from the immense literature on Sung and Yüan Ch'üan-chou and Fukien, and he does not shrink from tackling the arguments of earlier scholars when he disagrees with them. Thus the reader is treated to a comprehensive survey of the actual state of research and is made privy to more than one side of various controversies.

Prosperity, Region, and Institutions in Maritime China presents an excellent general portrait of the economic history of South Fukien from the tenth to the fourteenth century. I have only a few minor caveats. First, I would not agree that the state remained neutral in twelfth-century South Fukien. The repeated closing and reopening of the Superintendency of Maritime Trade, or *shi-po ssu*, and its gradual integration into the state finance administration (later partly revoked), may well have indicated strong governmental interest in siphoning the profits derived from maritime trade, even though members of the central government disagreed about how to institutionalize this strategy. I would also have mentioned the key position held as chancellor and statesman by Ts'ai Ching (1046–1126), a native Fukienese, in the central finance administration. Second, I would point out that most of the merchants were probably religious,

with some even becoming monks in their later days after quitting the business sector, but that religious beliefs cannot explain the success of South Fukien's economy. Not unlike in modern times, religious and ethical beliefs were maintained independently of, and parallel to, commercial business practices, serving to justify practices *a posteriori* when it became necessary to do so for personal, social, or political reasons.

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