“Commercial Revolution” in the Song Dynasty

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The Song Dynasty has been known in history for its great commercial success due to a series of events in the dynasty. In order to explain the reasons for economic success, this paper attempts to use factors such as political stability, discovery of new rice species in the South, the introduction of paper money by merchants from Sichuan in the South of China, and the increase in iron production especially in the North. Specialisation of products is also discussed separately but into details. A further mention of characteristics of the internal and international trade is also highlighted in this paper. An introduction of how the Song dynasty was founded and its distinct political, social and cultural characteristics, are delved into. Also the separation of northern Song Dynasty from the southern Song dynasty will be discussed. The paper concludes with combined interpretations from the famous “Qing Ming Shag He Tu” painting. This painting gives a somewhat illustrated evidence of the vibrancy of the Song Dynasty’s commercialisation recorded in history.

Keywords: Song Dynasty, commercialisation, economy, trade, specialisation

History of the Song Dynasty

It had become the norm that after the fall of a dynasty in ancient China, decades of warfare and division plagued it. So the end of the Tang Dynasty exhibited the said trait as previous dynasties. It was however General Zhao Kuangyin, in 960 AD who took reigns as the leader of all the divided sections of China, unified them China, and named the dynasty Song. In accordance with the tradition, he assumed the position of first Song Emperor. The Song Dynasty ruled for about three hundred years and a major reason for the rule for such long-lasting period of rule is credited to the choice of Confucius teachings and principles as the philosophy of rule. The Cambridge Illustrated History of China, therefore dubbed the Song dynasty as the model Confucian Dynasty in ancient China. Confucianism increased the emperors’ ability to practice benevolence to his subjects and their subjects in turn committed fully to the emperors. The practise of Confucianism also came with its negatives. Due to the high literacy of court officials, bureaucracy along with division in court was the norm. Hansen attributed the increase of bureaucracy to the development of the movable printer. It stated “Perhaps because printing made it so easy, bureaucratic regulations came to be issued in enormous quantities” (Hansen, 2000, p. 138). Another point worth expanding on is the division in the court. The most famous recorded is the tussle between Wang An Shi and his supporters against Su Shi and his supporters. Both very learned high court officials made many attempts to better the lives of the subjects. One of such policies proposed by Wang An Shi was the establishment of “Green Sprouts”, a sort of loan scheme to relieve farmers of their debts. For such important policies to be made, court
This division at court did lead to drastic endings. An example was the banishment of Su Shi to the DongPo, when Wang An’s faction had acquired more power at court.

The Song dynasty enjoyed a reign of internal peace and were able to invest time and money in the development of arts. The Emperor and his officials delighted themselves in painting, poetry, calligraphy, etc. It was the Song dynasty that invented the Song Ci style of poetry which was made more popular by Su Shi, also known as Su Dongpo. It has also been certified that the first woman poet in the history of China, Li Qingzhao lived in this era (Chang & Owen, 2010).

Though the Song Dynasty almost never recorded any internal conflicts, there were many external wars fought to keep the northern “barbarians” away from the then Northern capital, Kaifeng. Though they never won any of these wars, they enticed the Jurchen tribe from invading their capital by giving them large quantities of silk, porcelain, and lacquered products in a tributary system. After some years, the Jurchen tribe seemed unsatisfied with this arrangement so they marched south to north of the Song territory and defeated “the low skilled ill trained but art loving” military south of the Yellow River basin to the Yangtze River. Hangzhou was established as the capital of the Song dynasty. The Song thus was the first Dynasty to lose the birthplace of Chinese civilization; the Yellow River basin.

But as the Daoist teach, one should not try to alter destiny nor should one be saddened by misfortunes. The Song dynasty made up for their military woes by making great science and technological advancements and most important having an impressive economy that could not be rivaled anywhere in the world.

**Characteristics of North and South Song Economies**

**Northern Song Economy**

The seat of government in the northern Song dynasty was in Kaifeng in the south of the Yellow River basin. Kaifeng was chosen as capital as opposed to Chang’an perhaps because the canal that linked the north to the south end was linked to Kaifeng. It was in the North that the population of the Song Dynasty began to increase. Population increase meant an increase in production of all goods. With Kaifeng serving as an important port of the Grand Canal, it was also easier for goods to be transported between the north and the south. This convenience in goods transportation also helped with development of commerce in Kaifeng. The famous painting, “QingMing Shang He Tu”, uses the city of Kaifeng as its muse. The painting gives much evidence of the economic sector of the northern Song. Closer inspection of the painting shows permanent shop structures alongside temporary sheds dealing in different commodities such as alcohol, silk, iron products, etc. (Hansen, 1996).

**Southern Song Economy**

As mentioned earlier the invasion of the Jurchens did not bring only negative effects. Some scholars argue that had this situation not occurred the Song dynasty would not have reached these economic heights. The south of China, which then was still not fully explored became occupied. This region now served as a fresh source of natural resources which the growing population needed to survive. Deity worship and economic boom existed side by side in the south. “With a move of the capital south and the continued increase in market activity deities assumed new and commercial powers” (Hansen, 2000, p. 290). Many more tales were told of spiritual forces helping in trade, and perhaps the belief in these spirits kept people more optimistic. Renewed passions drove the
multitudes to increase the production capacity of goods. The locals believed in these deities so much that they did not fear to venture into the manufacture of new products nor did they doubt their safety when they ventured into new lands to trade.

Unlike the rivers of the North, Southern rivers were devoid of obstacles making them easily navigable as compared to the ones in the North. This phenomenon attributed to development in water transportation in the Song dynasty.

**Science and Technology in the Song Dynasty**

Song Dynasty recorded some ground-breaking technologies which are of great relevance even in modern times. Inventions such as ship building helped the Song in building ship sizes that had never been seen on earth. Advanced technologies such as an addition of water tight compartments to ships were invented and used. This area stored fresh sea food for Zheng He: the greatest Ancient Chinese explorer, and his crew when they moved to other countries developing diplomatic ties. Ships were also used as a main transport system on the north-south canal. A compass pointing north was invented and applied in shipbuilding. Since a compass is the main tool of navigation, combined with huge ships and many fleets of ships, Chinese sailors could travel to far reaching lands. The development of movable printers came as no shock since the Song government were an elitist group who took pride in studying the classics, writing calligraphy and poetry. Technology used in the movable printer can be seen in modern printers. Gun powder was also invented and there were many products developed from gunpowder, such as bombs and grenades.

**Factors that Led to Economic Boom**

**Political Stability but Tribute System**

Even though this may be a minor factor, in my opinion this contributed immensely to the economic growth during the Dynasty. The Open Empire describes Zhao Kuangyin as a wise general who knew the disadvantages of having military men rule the country. He thus retired his men on hefty pensions and replaced them with civilians (Hansen, 2000). This brought about general stability in all of Song. Political stability meant people then had a conducive environment to deal freely hence the commencement of very active trade.

Another unconventional factor may be due to the tribute system with the Liao; a neighbouring tribe further north. In order to maintain peace with their warmongering northern neighbours, the Song had to give tributes of very fine silk, porcelain, silver and large amounts of money etc to the Liao. Since this system was overly expensive to maintain, the government burdened the people with higher taxes and this forced the people to produce more if they wanted to enjoy higher profits after taxes. Hansen alleges that maybe trade was boosted because the northern people used money from the tribute systems to buy goods from the Song merchants (Hansen, 2000).

**The Discovery of New Rice Species**

Another important factor which sometimes is defined as the most important factor for the commercial upheaval is the discovery of new species of rice. During the Song Dynasty, a new type of rice from South East Asia entered China’s plantations and markets. This type of rice had a longer shelf life, and also had high yielding properties. The introduction of this species led to farmers being innovative by producing hybrids. These hybrids
had a bi-annual harvest times unlike previous species (Hansen, 2000).

The abundance of food thus led to a tripling of the country’s population. Population increase translated into an equal growth in goods’ production, and therefore a rise in incomes for the people and revenue for the state.

**The Introduction of Paper Money**

“One of the first challenges the Song faced was regularizing the various currencies in use throughout its new empire. Copper, iron, lead coins of varying weights and composition circulated in different regions” (Hansen, 2000, p. 266). Though paper money had been introduced in Sichuan during the Tang Dynasty by the merchants, it was not until the Song Dynasty that paper money was largely circulated. Copper coins then used as currency were very cumbersome to carry so for easy trade, a new way had to be invented. Merchants devised a way of doing monetary transactions by showing receipts from big shops where they had kept their cash balance. Also there was inflation and a shortage of coins due to hoarding of older but much valuable coins. The government as a way to solve the issue took over and printed paper money, which was used to buy certain commodities at certain places. Now carrying of huge sums for trade, had been simplified.

**Specialisation**

Specialisation came into being from the abundance of food sources during the Song Dynasty. Almost all Song Dynasty history sources stress on how specialisation contributed immensely to the economic growth. “Over time, farmers were able to develop hybrids with indigenous strains to make double-cropped rice, and the resulting increase in production freed some of the working population from having to grow their own food. It was those workers who were able to produce goods for market” (Hansen, 2000, p. 265).

Agriculture moved from subsistence farming to cash crop and commercial farming. “Some farmers were even finding specialization profitable. Local farmers near Suzhou, for instance, often devoted themselves to raising silkworms and producing silk thread. In Fujian, Sichuan and Guangdong many farmers devoted their land to sugar cane” (Ebrey, 1996, p. 141).

**Industrial Revolution**

The Song Dynasty is recorded to have experienced some sort of industrial revolution even before the European Industrial revolution, albeit on a smaller scale. Huge smelters were seen in the Song dynasty which only came into existence in Europe around 1760 (Hansen, 2000). The production of iron was at its optimum. Iron and steel were consumed by all members of the society. Iron was moulded into tools, nails and musical instruments. Some of the iron were fashioned into weapons.

Such large amounts of iron needed large amounts of energy in smelting. Charcoal was the cheapest choice of fuel for this process but large tracts of forest were cleared leading to deforestation. A solution was found in the discovery of the use of coal which led to the opening of coal mines in the northern parts of China.

**Inter Regional and International Trade**

**Inter Regional Trade**

Inter regional trade was at its peak during the Song Dynasty once again due to specialisation, availability of money and increase in disposable incomes. With a population of about 120,000,000, the Song would have more
than survived even if there was no existence of international trade. Merchants made sizable profits through internal trade and inter-regional trade. Little towns conglomerated into big cities to form big marketing centres. Markets as well as residential areas were affected and spilled out of the city gates. All types of commodities from other regions were found on the market, including brothels. “The effects of this expanding market were not limited to material life. As concubines and prostitutes joined the new commodities being traded, the practice of foot binding spread from courtesans to women of all social groups, though unevenly by region” (Hansen, 2000, p. 261). Entertainment was a bound in the cities and tea houses stayed open late through the nights. The Cambridge Illustrated History of China explains that interregional trade was made possible due to the introduction of partnerships of merchants and partnerships for farmers and the establishment of organized stock companies, with distinct shareholders and managers. Credit unions were set up in most parts of the cities by merchants to help in the assisting of loans.

Not all regions prospered during this period though. The writings of Judge Bao, expressed his pity for the people of Lu and Jiang clans in Shandong area. He observed that the people were under privileged and they had no time to rest and shuffled between agriculture and iron smelting (Hansen, 2000). Agriculture was not that developed in that area, this made wind of specialisation unable to reach those parts. People of these regions still practised subsistence farming.

**International Trade**

The government and merchants of the Song dynasty were obviously not content with just domestic trade. Although international trade already existed in the Han and Tang eras, it was Song Dynasty that recorded one of the greatest flows of international trade in ancient China. Trade was still done via the Silk Road and also to the north. Tea, silk, porcelain, copper coins, etc. were traded for horses for the military, other animals and most importantly silver. During that period not only was international trade done via the Silk Road or on other trade routes, but a breakthrough was made in maritime trade. In fact this is the first period that trade via the sea routes surpassed land trade.

Trade developed immensely with Japan and Korea, because Japan was the number one supplier of silver to China, and China needed silver in huge quantities to help in the minting of coins. The Emperor Taizong sent some eunuchs out to the South China seas to invite foreign traders to China to do business with his subjects. I believe it was also a way to show off his glorious dynasty to the world. Due to the sea voyages and trade there was a need for maritime offices to be set up around the coastal areas, in response to this need maritime offices were opened in most notably Hangzhou and Minghai. As mentioned above due to the invention of huge water tight sea vessels, Chinese ships sailed as far as the Horn of Africa. Chinese ships slowly replaced Arabs’ on the South Sea and Indian Sea. A written account of all the places visited by Chinese ships were made by Zhao Rugua which were later burnt in later years of the same dynasty. Products like pearls, perfumes, pepper and other spices from various places of the world made it into China. Records of exotic animals came into China, usually as the emperor’s gift. Chinese silk, tea, porcelain, lacquer, iron was available on world markets after these expeditions. Maritime trade was a great source of wealth for the government however later emperors conceived the building of ships as a waste of money unfortunately Chinese maritime trade was discontinued almost immediately after its inception.
Conclusion

The Song Dynasty is of course the most brilliant economic Dynasty amongst all the other dynasties. The famous painting by Zhang Zeduan will be a befitting reference to sum up the commercial revolution of the Song Dynasty.

• *QingMing Shang He Tu*

In Beijing on rare occasions this fragile painting is exhibited for public viewing. This painting is of great importance because it provides an illustration and gives evidence to support all histories written on commercial life of the Song Dynasty. In the painting one can first notice the multitudes of people in the city which supports the claim of over 120 million citizens in the Song dynasty. Merchants move across the bridge into the city and its outskirts with horse drawn carts to different areas to sell their wares whiles people move under the bridge in boats to transport goods to other parts of the country. A closer look at the painting shows the people seem quite content with everyday life and are dressed according to fabrics worn by one’s social status, emphasizing the class system. This scene looks more modern than the Song Dynasty which only further proves how economically advanced the Song dynasty had reached. More important to note is the expansion of trade and residential areas outside the city gates. It is quite a departure from the Han and Tang dynasties where markets were restricted to certain parts of the cities quarters and never outside the cities’ walls. With the title of the painting, many scholars transliterated the painting to be a scene from the Qing Ming festival day; grave sweeping festival. This in itself may sound quite odd since Chinese people revere the tomb sweeping day and kept it sacred. In my opinion, other scholars who have interpreted the word Qing Ming as a time of brilliance and enlightenment in the Song Dynasty instead (Hansen, 1996), could not be more correct.

![Qingming Shang He Tu](https://www.theworldofchinese.com/2012/08/the-scroll-that-says-it-all/)

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