

The Economic Factors of Utilizing the Salt of Sichuan to Purvey Chu and the War of Aid to Hubei

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The background of this article takes place after modern China. It is an essential change in the history of the Chinese salt industry that Sichuan salt supplies to Hubei. Sichuan salt jumped out of the original sales range, sold in Hubei. Since then, Hubei has become the most essential selling place of Sichuan salt, which continues to affect the economy of Sichuan. The War of Aid to Hubei was an inter-regional war in the warlord era. In order to realize “Local governance of Hubei”, the exploiting warlord Wang Zhanyuan was expelled. Sichuan chose to send troops, which economic factors are significant. Mainly, the Sichuan salt played a crucial role in it. Through the study of this problem, we can see that the economic factors in modern times occupy an essential position in the competition of warlords and promote the progress of history.

Keywords: utilizing the salt of Sichuan to purvey Chu, the war to aid Hubei, economy

Introduction

Salt is a special commodity in Chinese history, which is not allowed to be bought and sold at will. The sales status was controlled by the government. Utilizing the Salt of Sichuan to Purvey Chu was an important reform of the salt monopoly system in the Xianfeng period. As a result of this policy change, Sichuan Salt stepped out of its original fixed sales territory. This area of the salt, which used to be smuggled into Hubei, is now being sold openly. After the Taiping Rebellion, the policy of “Utilizing the Salt of Sichuan to Purvey Chu” was implemented, and Sichuan salt began to be sold in Hubei. It became an important political and economic activity in the history of the salt industry in the Qing Dynasty. It shows the complexity of salt administration reform and local finance in the late Qing Dynasty (Ni, 2009). In 1921, in the Battle of Hubei, Hunan Province and Sichuan Province chose to fight against forces of Wang Zhanyuan in Hubei. Sichuan sent troops because of the salt tax, which highlighted the economic factor of the salt tax in it (Chen, 2008; Deng, 1984). The existing research has been very detailed about the policy of Utilizing the Salt of Sichuan to Purvey Chu, but few people have studied the relationship between Utilizing the Salt of Sichuan to Purvey Chu and the war of aid to Hubei. After the 20th century, the Sichuan salt tax had a significant impact on the war between warlords. However, the former mentioned the Sichuan salt tax as an economic factor, but the reason why the salt tax affected the war was not discussed in detail. This paper focuses on the effect of salt tax on the war of aid to Hubei and tries to analyze the effect of salt tax on the warlord’s policy more clearly.

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The Historical Context of Utilizing the Salt of Sichuan to Purvey Chu

In the Qing Dynasty, salt was sold according to specific regions, and the salt industry practised a monopoly system. The mode of transportation and sales can be summarized as “Government supervises and merchant sales, government transport and sales, official transport merchant sales, Merchant transport and sales, Government supervision and popular sales, Government transport and popular sales, popular transport and sales” (Zhao, 1927). According to the salt law of the Qing Dynasty, Sichuan salt was only sold in eight counties in Hubei, and Hubei was not the main sales market of Sichuan salt. In the Hunan and Hubei markets, there are Luan salt and Guangdong salt also on sale. In general terms, Huai Salt has a larger proportion in the Hubei market, and Hankou is one of the most busiest sales centers of Huai salt. However, with its advantages, Sichuan salt occupies the initiative in the Hunan and Hubei markets. In Hubei, Sichuan salt is superior to Huai salt. The quality and transportation route of Sichuan salt is better than those of Huai salt, and the sales skills and transportation capacity of Sichuan merchants are also better than Huai salt (Ni, 2009).

During the mid-nineteenth century, China’s problems were compounded by Disasters and Accidents. The strike and impact on Qing Society by Taiping Rebellion is seriously. During the Xianfeng period, the Yangtze River channel was blocked due to the Taiping Rebellion. The Huai salt in the Hubei market is difficult to sell, resulting in the decadence of Huai salt in the Hunan Hubei market, and the whole market is short of salt. Not only the lives of the people were affected, but even the soldiers’ ability to fight was affected by the shortage of salt (Chen, 1988). More importantly, the problem of Huai salt transportation and sales affected the tax revenue of the Qing government. Therefore, the transfer of salt from other regions became an urgent problem. The governor of Huguang, Zhang Liangji, put forward some cogent reasons for transferring of Guangdong salt, but due to various factors, the plan failed. Finally, Luodian brought forth a proposal for the transfer of Sichuan salt to Hubei, “whether businessmen or ordinary people, they can sell and transport Sichuan salt and Guangdong salt in Hubei” (Zhao, 1927). Due to the excellent geographical location of Sichuan, it is possible to enter all parts of Hubei directly through water transportation. At the same time, because of the excellent quality of Sichuan salt, Sichuan salt quickly occupied the Hubei market (Hu 1888).

The salt demand in Hunan and Hubei markets is huge. After the implementation of Salt of Sichuan to Purvey Chu, Sichuan salt wells and production sites increased by more than 2000 (Chen, 1988). According to government reports, when transportation is not hindered, more than 776,600 Yin of salt are transported and sold each year (about 100 kilograms of salt each Yin), equivalent to more than 230 million kilograms (Ding, 1882). This huge market is occupied by Sichuan salt, which is a huge loss for Huai salt. The production of Huai salt is extremely high and often accounts for nearly half of Hubei’s sales (Ding, 1882). The authorities are more anxious to restore the Huai salt market in Hubei. Zeng Guofan believes that the division of traditional salt zones cannot be easily changed. He tried to restore the original sales of Huai salt and tried to reduce the sales of Sichuan salt by increasing the tax on Sichuan salt, but there was certainly prove futile. Li Hongzhang tried to implement the plan of “20 to 80 distribution” to restore the Hubei market. He suggested setting a sales ratio in Shashi City, Jingzhou, Sichuan salt at 80%, and Huai salt at 20%. Although this policy implemented for a period of time, actually did not achieve the anticipated effect. Then, the government kept coming up with new plans. For example, “Ban the sale of Sichuan salt and restore the Huai salt market”. Shen Baozhen, Liu Kunyi and Weng Tonghe all took different measure to restore the market of Huai salt in Hunan and Hubei. During this period, salt sold in these regions increased, but it was far less than the sales of Sichuan salt. In fact, from the eleventh year of Tongzhi to

the end of the Qing Dynasty, the society recognized Hubei and Hunan as the market of Huai salt. However, the “Huai-Sichuan boundary policy” has actually become the basic way of Sichuan salt and Huai salt sales in Hunan and Hubei. From “Utilizing the Salt of Sichuan to Purvey Chu” to “Dividing the Salt-selling-areas of Huai and Chuan” become a particular phenomenon in Modern China.

Analysis of Economic Factors at the Beginning of the War of Aid to Hubei

The control of Sichuan warlords over salt tax. Salt tax revenue was essential for upgrading weapons and equipment and feeding soldiers in the Beiyang period when warlords were rampant. During the period of Beiyang Government, various warlords detained the salt tax, and the Sichuan government withheld it every year (Huang, 2001). In 1916, General Chen Huan of Sichuan signed a contract with the Salt Audit Office, and 40% of the net salt tax from Sichuan was used as government revenue. In April 1918, Xiong Kewu agreed that except for the administrative funds of the Salt Organization, the rest would be allocated to the government. The figure below shows the amount of salt revenue withheld by the Sichuan provincial government during the outbreak of the War against Hubei from 1916 to 1921. Hubei Province is one of the most significant sales places of Sichuan salt, and the income tax of Sichuan salt is also a large amount of money. After the Revolution of 1911, salt policy reform began all over the country, and Sichuan also went through a relatively thorough reform, all of which were changed to free sales. At the end of 1920, the Beiyang government officially cancelled the regional policy of selling salt, which could be sold to Hubei. The sales of Sichuan salt increased year by year, and a large number of people became salt workers. If the decline of “Utilizing the Salt of Sichuan to Purvey Chu” happens, it will lead to large-scale unemployment. It is also more likely to cause instability in the social environment in Sichuan. At this time, the number of military forces distributed throughout Sichuan is expanding. The army budget is a big problem, and the salt tax is an essential source of military pay, so the Sichuan salt tax is significant for the warlords.

Year	Salt revenue withheld by the Sichuan provincial government (Yuan)
1916	3,385,500.00
1917	3,508,517.43
1918	8,166,333.61
1919	8,483,799.83
1920	9,579,962.98
1921	8,375,840.90

Figure 1. The amount of salt revenue withheld by the Sichuan provincial government during the outbreak of the War against Hubei from 1916 to 1921.

The development of the refined salt industry in Hubei has impacted the sales of Sichuan salt. Jiuda Refined Salt, the first refined salt company in China, tried to compete with the original salt manufacturers for the sales market, which also impacted Sichuan salt sales. According to the Regulations of Refined Salt Transportation and Marketing, to sell refined salt at the treaty port within the port, it is necessary to invite an agent to sell it. Jiuda had sent Jingbenbai to discuss the problem of fixed sales of Huai salt, but results were needed. In February 1917, Jiuda set up a branch in Hankou, breaking the monopoly of Huainan Gangan. Since then, Jiuda has set up many branches in Hunan and Hubei regions, and the sales of refined salt have increased significantly. The “Simin Daily” report describes that refined salt has gradually replaced Huai salt in Wuhu (Yu, 1921). The annual production of Jiuda was limited to about 300,000 Dan (Dan: An ancient Chinese unit of weight, one Dan is 60 kilograms) from 1919 to 1922. According to the development trend of China, this industry will get a significant development. As

refined salt sales increase in the Yangtze region, taxing refined salt has significant economic benefits. According to historical facts, in 1926, Wu Peifu imposed a refined salt tax in Hubei. Due to the importance of the future market in Hubei, it has also become one of the reasons for the Sichuan Army to send troops.

In 1919, the General Administration of Salt Affairs proclaimed to improve the sales policy in Hubei. The method of salt sales in Hubei has become a free market, and merchants can compete freely. Lu salt, Huai salt, and Sichuan salt are allowed to be sold in free competition, and there is no limit to the amount of salt transported to Hubei each year (NKIIE, 1985). This policy of free competition has put significant pressure on the sale of Sichuan salt. Xiong Kewu strongly opposed and fought to sell Sichuan salt to Hubei, hoping that the government would implement the old policy to maintain the income of Sichuan residents (Wang, 1920).

During the reign of Wang Zhanyuan in Hubei Province, the economy was wantonly exploited. The salt price increased by over 10 yuan per catty, and the salt tax exploitation was also severe. Wang Zhanyuan introduced Changlu to Hubei salt market when he was the inspector from 1918 to 1919, Hubei switched to Lu salt and Huai salt. For example, 20 percent of Lu salt was used in Shashi City, and 40 percent of reed salt was used in Yichang City, which partially impacted the Sichuan salt market. Wu Peifu had a good relationship with Wang Zhanyuan, and during Wu Peifu's stay in Wuhan after his withdrawal from Hengyang, Wang Zhanyuan provided him with 600,000 yuan in military expenses. After Wu Peifu experienced the withdrawal of Hengyang, his position became more and more stable. In the war of aid to Hubei, the Zhili Clique must join the war, must expel Zhanyuan Wang and seize Hubei. The main purpose of the Zhili Clique is to enlarge the power and expand the army. According to the domestic situation at that time, Wu Peifu was very likely to continue the policy on salt and continue to exploit. After Wu Peifu experienced the withdrawal of Hengyang, his position became more and more stable. Hubei economy played a critical role in Wu thought. As a well-established member of the local, he was likely to support the salt of the region to obtain more tax revenue to help the forces of Jiangsu against the extension of other forces to the south.

Summarize

The Utilizing the Salt of Sichuan to Purvey Chu is a policy formed in a particular historical period. This paper analyzes the policy of Utilizing the Salt of Sichuan to Purvey Chu and the influence of economic factors on the war of aid to Hubei. After implementing this policy, all the forces had a variety of thinking about it because of their interests. Salt, a particular commodity, broke through the monopoly system because of the development of the modern situation. However, the multiple interests involved make it difficult to return to the original policy once it is changed. The original temporary policy of the Qing government has become customary; because of the opening up of the Hubei market, the Sichuan salt industry has gained more development and promoted the modernization of the Sichuan salt industry. In order to restore the original market of Huai salt, successive Hunan and Hubei officials are actively working hard. Hunan, Hubei, and Sichuan provinces also refused to make concessions because of their interests. Until the outbreak of war, Sichuan sent troops, and economic factors occupied the primary position.

After Utilizing the Salt of Sichuan to Purvey Chu, Hubei became a vital Sichuan salt industry sale area. From Xianfeng to Tongzhi during Qing Dynasty, Sichuan's salt industry heavily depended on the Hubei market. The sale of Sichuan salt in Hubei affects the development of the Sichuan salt industry and restrains the development of the economic situation in Sichuan province. With the emergence of new economic factors, the sales volume of Sichuan salt in the Hubei market has been affected. Coupled with the fierce competition of

warlords for salt taxes, Sichuan had to choose to send troops. The war of aid to Hubei can be seen as a gamble on the part of Sichuan. If Wu Peifu came to power, their situation might be the same as now and could not be better. However, after the success, Sichuan can not only regain the market in Hubei but also solve the difficulties of the current situation in Sichuan. Therefore, the economic factor is one of the essential factors for Sichuan to send troops.

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