The Influx of Silver and Socioeconomic Changes during the Ming Dynasty

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Abstract: This article examines the impact of the influx of silver on socioeconomic changes during the Ming Dynasty period. In the early Ming Dynasty, copper coins were the primary circulating currency, and gold and silver transactions were strictly limited. With the emergence of paper currency, silver began to serve as a standard of value in market transactions and gradually became the main currency. The article analyzes the four stages of the monetization of silver and its significant impact on the economic system of the Ming Dynasty. It also explores the monetization of various taxes in the Ming Dynasty and how these changes promoted economic development and social transformation.

1. Introduction

During the early period of the Ming Dynasty, copper coins were the commonly circulated currency in society. The Ming government strictly prohibited transactions involving gold and silver, which resulted in the minimal usage of silver in the daily lives of common people. However, in the eighth year of the Hongwu era (1375), the Ming government introduced "Da Ming Tongxing Baochao," marking the beginning of the era of paper currency in the Ming Dynasty. Similar to the "Jiaozi" issued during the Song Dynasty, this paper currency could be exchanged for a corresponding amount of hard currency, mainly copper coins. Nonetheless, due to the extensive issuance of this paper currency by the Ming government, the "Da Ming Tongxing Baochao" faced difficulties in maintaining its official exchange rate with copper coins, resulting in severe inflation and a rapid decline in purchasing power. In response to the impact of paper currency, a situation emerged where silver became a bargaining tool in transactions involving grain, silk, and paper currency. Consequently, silver assumed the role of a value standard in the market, leading to a silver monetization trend that brought about significant changes in the social and economic system of the Ming Dynasty.

In the fourteenth chapter of the Ming Dynasty novel "Jin Ping Mei," it is mentioned, "Li Pinger became anxious and secretly sent Feng Mama to tell Ximen Qing, 'Tell him to take the deposited silver and exchange it for 540 taels.'" This passage, written between the Longqing era (1567) and the Wanli era (1615), indicates that although the trade of private silver was still legally prohibited during the late Ming Dynasty, silver had likely become widely circulated in society at that time.

Accompanying the continuous monetization of silver during the Ming Dynasty, significant transformations occurred within its social and economic system.

2. Literature review

This essay delves into the influx of silver and its ramifications on social and economic changes during the Ming Dynasty in China. The primary focus lies in two aspects:

Firstly, the impact of internal silver circulation on the Ming Dynasty's economy:

Wan Ming, in her work "A General Perspective on the Silver Monetization in the Ming Dynasty: A Research Outline," investigates two main topics: how silver became the primary currency in the Ming Dynasty and the influence of silver inflow on a society rooted in agriculture. Wan Ming divides the process of silver monetization into four main stages and discovers that silver gradually became a medium of exchange from the grassroots level. Furthermore, through a comparison of the fiscal conditions towards the end of the Ming Dynasty, she concludes that the Ming Dynasty's finances were in an economic crisis due to government expenditures surpassing revenue[1].

In her research paper "Silver Monetization and the Rise and Fall of the Ming Dynasty," Wan Ming examines the impact of the decline of paper currency on the monetization of silver. By comparing the rise and fall of tangible goods such as treasure notes, silk, and grains during their usage as currency, she concludes that the monetization of silver in the Ming Dynasty originated from the grassroots level[2-3].

In "Silver Monetization and Institutional Changes in the Ming Dynasty," Wan Ming explores whether the Ming Dynasty's involvement in global economic development during the late Ming period was a sign of China's transition from ancient to modern society. By analyzing the differences between a market economy and the economic system of the late Ming Dynasty, she refutes this viewpoint.

Chen Yanxuan's work "An Analysis of the Relationship between Private Maritime Trade and Silver Monetization in the Ming Dynasty" studies the inflow of foreign silver and the ratio of silver in the Ming Dynasty's maritime market. By compiling data on government treasury income and expenditure during the late Ming Dynasty, as well as estimating the inflow of silver from Japan and the Philippines, Chen concludes that the late Ming economy was deeply influenced by the influx of silver[4].

The research team of the Chinese Academy of History, in their work "A New Exploration of the 'Closed-door Policy' in the Ming and Qing Dynasties," investigates the reasons behind the passive situation of the late Ming Dynasty's economy. Scholars analyze the impact of the Ming Dynasty's "self-restricted closure" from the perspectives of military, economic, and cultural aspects, exploring its effects on the development of foreign trade during the Ming-Qing transition period and the promotion of cultural exchanges between China and the West. However, they also highlight the negative consequences of negative defense and neglecting advanced Western technology[5].

In "On the Two Conditions of Legal Currency: A Discussion of the Copper Coin Policy during the Jiajing Reign of the Ming Dynasty," Zhang Ruiwei explores the Jiajing Reign's attempts to restore state-made money. He argues that compared to contemporary European countries, the Jiajing reign's endeavors to maintain uniformity in legal currency, circulation credibility, and effective anti-counterfeiting techniques were largely unsuccessful. Consequently, the Ming Dynasty increasingly relied on silver currency from the grassroots level, leading society towards silver monetization[6].

Peng Xinwei's "History of Chinese Currency" provides a comprehensive overview of the development of currency in China, including the transition from copper coins to silver as a medium of exchange during the Ming Dynasty. The book analyzes the social and economic factors that influenced this transition and explores the impact of silver monetization on the Ming Dynasty's economy[7].

Gonde Frank's "Silver Capital: The Orient in the Economic Globalization" offers a broader perspective on the role of silver in the global economy during the Ming Dynasty. The book discusses the connections between the influx of silver into China and the economic globalization of the Orient, shedding light on the Ming Dynasty's participation in international trade and its position as a silver capital[8].

Li Shuai's work, "Analysis of the Impact of Silver Currency on the Economy of the Ming Dynasty," examines the economic consequences of silver monetization in the Ming Dynasty. The study analyzes the changes in price levels, trade patterns, and economic structure resulting from the widespread use of silver as a medium of exchange.

3. The Inflow of Silver in the Ming Dynasty from a Global Perspective

1453 was a significant turning point in world history when the capital of the Byzantine Empire, Constantinople, was captured by the army of Ottoman Sultan Mehmed II. This event artificially severed the ancient land route of the Silk Road to the East, and sea routes became the alternative. In the following two centuries, Europeans' desire for trade and advancements in maritime technology ushered in the Age of Discovery.

During the early Ming Dynasty, Zheng He undertook seven voyages to the Western Seas, but they were limited by the north-south coastline of China. The Ming Dynasty did not explore trans-Pacific routes. However, in the next hundred years, the Portuguese, Spanish, and English initiated maritime exploration. The Age of Exploration also facilitated trade connections between American silver and East Asian countries.

In 1545, the Spanish discovered the vast silver deposits in Potosi, South America. Subsequently, silver production in South America increased significantly. In 1565, the Spanish gained control of the Philippines, which was adjacent to Quanzhou, Fujian Province, China. As a result, trade between the coastal regions of the Ming Dynasty and the surrounding islands became more frequent. According to Japanese scholar Hiroshi Hasegawa in his work "Research on the Socio-Economic History of Ming and Qing Dynasties," the annual inflow of silver from China increased over the years. Initially, it was 300,000 pesos, reaching 500,000 pesos in 1586, over one million pesos in 1598, and exceeding two million pesos in subsequent years, reaching three million pesos in 1604. These figures are supported by a merchant ship in 1621 that transported around three million pesos to the Ming Dynasty. The annual inflow between 1622 and 1644 ranged from two to three million pesos. Additionally, Quan Hansheng mentioned in his paper "The Input of American Silver into China during the Ming-Qing Transition" that from 1565 to 1815, the Spanish government dispatched around two large sailing ships annually between Acapulco and Manila. The silver transported on these ships sometimes amounted to four million pesos, with the usual range being two to three million pesos. The Manila prosecutor reported to the Spanish king, "Since the conquest of the Philippine Islands, the silver brought here has exceeded 200 million pesos." According to De Comyn's calculations, from 1571 to 1821, a total of 400 million pesos of silver was shipped from America to Manila, of which one-fourth to one-half flowed into China. Quan Hansheng believes that De Comyn's estimate of one-fourth is too low, and one-half or even more is closer to reality. It can be seen that a significant amount of silver entered the Ming Dynasty through the "Manila Galleons." This influx of silver from sea routes had a profound impact and led to policy changes within the Ming Dynasty.

Shortly thereafter, there were internal changes in the Ming Dynasty that were favorable to trade. In 1567, Emperor Longqing ascended the throne and opened up the "Maritime Prohibition" and "Silver Prohibition." In 1581, Zhang Juzheng, a minister of the Ming Dynasty, promulgated the "Single-Whip Law," and some regions began to use silver as currency. Although the currency system of the Ming Dynasty remained "chaotic," the process of silverization had begun.

The inflow of silver in the Ming Dynasty mainly came from trade with the Spanish and the Japanese. The earliest source of silver was from Hyogo Prefecture, Japan. However, in 1592, the Ming Dynasty fought against the Japanese invasion led by Toyotomi Hideyoshi in Korea, which resulted in the loss of the Japanese silver supply. Later, in 1624, the Dutch occupied Taiwan, leading to a flood of European traders who cut off trade between the Ming Dynasty and the Spanish. The reduced production of the Potosi silver mines in South America in 1630 further worsened the supply of the silver route. The sudden shortage of silver caused deflation and financial resource scarcity in the Ming Dynasty. Deflation was one of the important underlying causes of the collapse of the Ming Dynasty.

The development of the commodity economy in the late Ming promoted the expansion of the global market. Chinese exports such as raw silk, silk fabrics, porcelain, and tea were favored in the European market, especially during the severe economic downturn in Europe in the mid-16th century. With a scarcity of European goods, attention turned to the Ming Dynasty, which had the most advanced production capabilities. Europeans engaged in extensive trade with the Ming Dynasty through silver.

The Ming Dynasty not only maintained traditional tribute trade systems such as "Kanhe Trade" and "Gongbo Trade" from the 16th to the 17th century but also transported goods to Europe, the Americas, and European colonies through Portuguese and Spanish colonial powers. This trade network facilitated the inflow of silver into the Ming Dynasty.

The influx of silver had a profound impact on the Ming Dynasty's economy. Silver became a widely accepted medium of exchange, replacing the traditional copper coins. The Ming government levied taxes and collected revenue in silver, and it became the standard currency for domestic and foreign trade. The increased availability of silver stimulated economic growth, expanded domestic markets and facilitated commercialization.

The inflow of silver also had social implications. It led to a significant increase in wealth for merchants and the emerging middle class, who were engaged in trade and commerce. The expansion of the market economy created new opportunities for social mobility and the accumulation of wealth. However, it also exacerbated social inequality, as those with access to silver could amass great fortunes, while others struggled to make ends meet.

Furthermore, the influx of silver had an impact on the price levels and inflation. As the supply of silver increased, the value of silver relative to other goods decreased, leading to inflationary pressures. The Ming Dynasty experienced periods of inflation, which contributed to economic instability and social unrest.

The inflow of silver in the Ming Dynasty was not without challenges. The disruption of trade routes, conflicts with European powers, and the decline in silver production from the Potosi mines all posed significant obstacles. The Ming government attempted to regulate the silver trade and prevent the outflow of silver from the country. They implemented various measures such as imposing restrictions on silver exports, regulating the exchange rate, and even banning the use of silver in some cases. However, these measures were largely unsuccessful in controlling the flow of silver.

Overall, the inflow of silver in the Ming Dynasty from a global perspective had far-reaching economic and social consequences. It transformed the monetary system, stimulated economic growth, and contributed to social inequality. It also highlighted the interconnectedness of global trade networks during the Age of Exploration and the significant role that silver played in shaping world history.

Many scholars believe that China was an important player in the world trading system before the 18th century. German scholar Gungwu Wang argues in his book "Silver Capitalism: Orientalism and Economic Globalization in Early Modern East Asia" that global trade existed even before the 18th century, with Asia, particularly China and India, playing a central role in the global economy. Europe, on the other hand, occupied a peripheral position in this system. He states, "Before 1800, Europe was not the center of the world economy. In terms of economic size, production, technology, productivity, per capita consumption, or the development of 'advanced' capitalist mechanisms, Europe did not dominate structurally or functionally. Therefore, it is not an overstatement to say that the economic development of the Ming Dynasty discussed in this paragraph contributed significantly to the expansion of the global commodity economy."

After 1580, Chinese goods were transported to places like Mexico through Manila. Raw silk, silk textiles, and porcelain were highly sought after by the wealthy Europeans in those areas. This trade continued for two hundred years, and the development of this trade route gave rise to the famous "Manila Galleon." Therefore, the Ming Dynasty held a central position in world trade. Of course, the massive export of Chinese products also had an impact on markets in other regions.

Due to the excessive popularity of Chinese goods, the local silk industry in Mexico declined. The Viceroy of Mexico attempted to ban the importation of Chinese silk but without success.

The rise of Macau is closely related to the Portuguese. Starting in 1524, the Portuguese engaged in smuggling along the southeastern coast of the Ming Dynasty. In the following decades, the Portuguese developed Macau into a reliable trading hub. After obtaining trading permits, Macau facilitated trade between the East and the West, becoming an intermediary connecting the Ming Dynasty with the global economy after the opening of new maritime routes.

Around May and June each year, Portuguese fleets set sail from Goa, India, carrying Indian goods such as pepper, sandalwood, ivory, and agarwood, as well as American silver, which they exchanged in Macau for Chinese raw silk, silk textiles, gold, lead, mercury, sugar, musk, poria, cotton yarn, and cotton cloth. The following summer, the fleets departed from Macau to sell the goods in Nagasaki, Japan. The Japanese silver earned by the Portuguese would then be used to purchase Chinese goods when they passed through Macau on their return journey to India. Macau rapidly developed thanks to its role in this trading system as a transshipment hub.

In addition to connecting the trade route from India to Japan, Macau also developed routes to Thailand, Malaysia, the Philippines, and Mexico. Macau became a shipping center linking various countries around the world, and the Chinese people also participated in the global trade network.

4. Silver monetization and economic system reform in Ming Dynasty

The Ming Dynasty implemented a series of reforms in the system of corvée and taxation, known as the monetization of corvée. This played a significant role in promoting the transformation of the Ming Dynasty's economic system.

During the Ming Dynasty, corvée reforms were mostly associated with the use of silver. There were two types of taxes: the "local color" tax, which was paid in kind such as rice and wheat, and the "silver color" tax, which allowed silver, banknotes, coins, and silk to be used as substitutes for tax payments. In the fifth year of the Xuande reign of Emperor Xuanzong, Zhou Chen proposed some improvement suggestions for the corvée system of the Ming Dynasty. He proposed the "flat rice law," which aimed to supplement the loss incurred during transportation by increasing the amount of rice collected. Additionally, he suggested using a "silver assessment" method to equalize the burden of land and tax households between the government and the people.

The "equal corvée and silver" system encompassed the concept of the silver difference in corvée work. "Silver difference" referred to the practice of hiring individuals to perform corvée work on behalf of those who paid silver. This system emerged as a result of the corvée difference.

The implementation of the "equal silver" system aimed to address the issue of unequal burdens in the expenses of sacrificial rites and village feasts organized by local communities. This system effectively combated the corruption of greedy officials.

The introduction of the "silver law" aimed to address the issues arising from the transportation of local grain by private individuals, such as the accumulation of losses due to transportation and the accumulation of debts. This law primarily stipulated two aspects: first, apart from the required tax grain, all other tax revenues were to be converted into silver; second, the conversion rate between silver and tax grain was determined based on regional estimates. These provisions significantly reduced tax losses. This law marked the monetization of additional taxes in the transportation of corvée grain.

The "uniform levy law" aimed to consolidate corvée and taxation. It involved reducing the corvée burden by increasing the amount of rice collected in some cases and levying the corvée directly in other cases. This reform was similar to the "flat rice law." Additionally, it involved merging corvée duties, implementing the silver difference system for some areas, and collecting taxes based on the number of people and the amount of land cultivated. This aspect of the reform was similar to the "equal corvée law."

The main purpose of the "gang silver" system was to levy silver from individuals based on their land holdings. However, the scope and methods of collection were complex.

The "ten-piece brocade law" aimed to simplify corvée work by distributing it among the land and unifying the collection of silver. This law directly allocated tax burdens to individuals and land.

The "string of bells law" was a reform of the corvée silver collection and transportation methods. Its main content was the principle of collective collection and distribution, where corvée silver was collected as a whole and then distributed according to the original purpose of collection and transportation.

"Gate silver" and "individual silver" were derived from the "equal corvée law." Gate silver referred to the calculation and payment of silver based on households, while individual silver referred to the calculation and payment of silver based on the number of individuals.

The "single whip law" was a reform built upon this series of changes. In the middle and later periods of the Ming Dynasty, silver played an increasingly prominent role in the state's finances. The Ming government collected silver as taxes. The "single whip law" policy merged land taxes and corvée into a unified silver levy based on land size. This transition from physical and labor-based taxation to monetary taxation was a progress in the state's corvée system. In regions where grain was not the main agricultural product, using grain as the standard for taxation would have required the central government to convert other goods into grain for tax assessment, creating inconvenience. Additionally, the "craftsman silver" collected by the Ming Dynasty defined that craftsmen could pay silver instead of corvée. This policy significantly reduced the waste of manpower caused by the rotational labor system of craftsmen. The collection of "craftsman silver" was the financial monetization of the service of handicraft workers, increasing the flexibility of the treasury.

The monetization of silver in the Ming Dynasty expanded greatly and gradually spread throughout the country. These corvée reforms, without exception, incorporated the concept of silver and adhered to the principles of unifying corvée and taxation and standardizing the use of silver. This indicates that silver played a central role in this series of corvée reforms. The implementation of the "single whip law" originated from a series of local corvée reforms. The "single whip law" was the continuation and summary of this series of corvée reforms. The monetization of silver in the Ming Dynasty did indeed develop from the bottom up, originating from the people rather than being enforced by imperial decrees. The process of silver monetization underwent a gradual progression from the grassroots level to full-scale implementation by the government. It served as a significant milestone in the transition from traditional Chinese society to a more modern one, allowing farmers to gradually free themselves from the constraints of the traditional taxation system.

The Ming Dynasty witnessed the phenomenon of "monetization of land taxes," "monetization of corvée labor," "monetization of salt taxes," "monetization of tea taxes," and "monetization of customs duties" in terms of fiscal revenue.

Regarding the "monetization of land taxes," with the irreversible trend of silver monetization, various regions of the Ming Dynasty adopted the monetization of land taxes. Grain transportation was mainly used to supply the military, while the surplus grain in local areas was primarily used to provide salaries for local officials. Apart from the essential transportation of grain to the capital, silver payments were levied and collected for other taxes during the late Ming Dynasty.

As for the "monetization of corvée labor," the overall process can be summarized as unifying corvée labor and collecting silver uniformly. Peasants and craftsmen paid silver to the government, weakening the dependency relationship between the state and the people. The development of a commodity economy continuously led to the gradual disappearance of corvée labor. The expansion and widespread use of silver undoubtedly greatly promoted this process.

Regarding the "monetization of salt taxes," the revenue from salt taxes became the most important source of the imperial treasury after the Chenghua and Hongzhi reigns. During this period, there was a tendency for salt taxes to be converted from physical goods to currency. In the Chenghua period, some regions began to calculate salt taxes in silver. By the Hongzhi period, a large-scale silver conversion system had emerged in major salt-producing areas nationwide.

Concerning the "monetization of tea taxes," the conversion of tea taxes into silver mainly occurred during the tea trade. This also led the Ming government to use the silver obtained from tea taxes as military pay in some border regions.

Regarding the "monetization of customs duties," customs duties were the most important taxes in Ming Dynasty commerce. During the Hongzhi period, the government explicitly implemented a silver collection and rapidly expanded the scope of the silver collection. The monetization of customs duties in the late Ming Dynasty became an important source of fiscal revenue.

In the early Ming Dynasty, officials' salaries were calculated in terms of rice and disbursed in the form of paper money. In the middle and late periods, government expenditures were calculated and paid in silver. Additionally, silver was widely used for palace expenditures in the Ming Dynasty. The implementation of the "One Whip Method" required farmers to sell their grain in the market and exchange it for silver to pay land taxes. This prompted both farmers and landlords to participate in market transactions. Many landlords shifted their focus from storing grain to storing silver. Compared to grain, silver was easier to store and less prone to damage. This process can be summarized into three main developments.

The first development was the transition of farmers from paying grain as labor to paying silver as labor. Farmers gradually detached themselves from the land, and the hiring of laborers and the formation of business networks occurred. These changes facilitated the process of marketization. The second development was the diversification of agriculture from a single economic entity to a gradual commodification. The separation of land management rights from ownership paved the way for the commercialization of agriculture. This was a process of commercialization. The third development was the transformation of rural areas from being closed or semi-closed to becoming open. The rise of market towns represented the realization of urbanization.

Furthermore, the reform of corvée labor in the Ming Dynasty had three major trends: the conversion of in-kind taxes to monetary taxes, the substitution of silver for corvée labor, and the transformation of head taxes into property taxes. With the silver monetization of corvée labor, silver was widely used among the populace and the court, indicating a significant alleviation of the constraints imposed by the social hierarchy.

In addition, the monetization of silver had an impact on the Ming Dynasty's fiscal expenditures in four aspects: imperial expenditures, official salaries, military expenditures, and government expenditures.

5. The Inflow of Silver and Social Changes in the Ming Dynasty

Before the Ming Dynasty, people would subtly express their admiration and pursuit of money whenever it was mentioned. However, with the inflow of silver and the development of a market economy, people's conceptions of money transformed. This new perspective was initially formed by merchants and gradually permeated through various social strata through their activities. Even literary works were deeply influenced, and the most representative example is "Jin Ping Mei" (The Plum in the Golden Vase), which vividly portrays the power of money. In the book, the character Ximen Qing, a wealthy but morally corrupt man, not only wields great influence locally but also extends his reach to the capital city with the help of his wealth. Therefore, the emergence of "Jin Ping Mei" signifies that people subjectively departed from the negative impression of money in the old era and instead embraced the concept that "money can work wonders." However, this cognitive shift has a dual nature: on one hand, it changed the hypocritical and contradictory notions of the past, but on the other hand, it also led to social corruption and moral degradation.

In the mid to late Ming Dynasty, silver gradually became how wealth was accumulated and measured among the upper echelons of society. There was a conventional rule in society that assessed the status of merchants based on the amount of silver they possessed. Merchants with over a million taels of silver were referred to as "dajia" (great merchants), those with two to three hundred thousand or tens of thousands of taels were called "zhongjia" (medium merchants), and those with several hundred or several thousand taels of silver were known as "xiaojia" (small merchants). However, this indirectly confirmed the phenomenon of a large amount of silver falling into the hands of a minority in the Ming Dynasty. Due to the preference of the upper class for hoarding silver or using it for real estate purchases and loans, this capital was rarely used for reproduction. This was one of the reasons why the monetary economy in the Ming Dynasty developed slowly and failed to foster new modes of production.

The socio-economic landscape of the Ming Dynasty exhibited a trend of concentric circles. According to the economic conditions described in "Jin Ping Mei," it can be roughly presented as a concentric circle with the Jiangnan region from Nanjing, Wuxi, and Suzhou to Hangzhou as the center, gradually expanding to the Yangtze River Basin, then the regions around the two capitals, and extending to the northern areas from Shandong to Hebei. This "concentric circle" primarily demonstrated the development of domestic economic trade through the network of canal transportation. German scholar Gungwu Frank, when outlining the world economic map between 1400 and 1800, observed another "concentric circle." It centered on the Yangtze River basin or southern China as the core, with Suzhou and Songjiang areas, particularly Taicang (the anchorage where Zheng He set sail for his voyages), radiating to a broader area including East Asia, the Korean Peninsula, Japan, Central Asia, Southeast Asia, and even spreading to Europe and South America. Frank's "concentric circle" focused on the maritime economy, and the two concepts largely overlap.

The influx of silver also led to a general rise in prices during the Ming and Qing dynasties. Taking the price of rice as an example, in the early Ming Dynasty until the Zhengde era, the price of rice in Jiangsu and Zhejiang provinces was around 2 to 3 qian per shi. In the early Jiajing era, it rose to 3 to 4 qian per shi, and by the late Ming Dynasty, it reached 5 to 7 qian per shi. Along with the changes in rice prices, the prices of other products such as cotton, cinnamon, and bird's nest also increased.

The widespread use of silver propelled the development of the Fujian-Guangdong region. Since the Song Dynasty, the region had faced food shortages due to limited arable land, and overseas trade during the Song Dynasty was primarily limited to commodities such as silk and porcelain. However, as the Ming Dynasty integrated into the global market and established global maritime routes, there was an increasing demand for a variety of goods, including daily necessities. A large amount of silver flowed from the Fujian-Guangdong region into the interior of the country, stimulating domestic market development. Necessities such as cotton fabrics and grains from Jiangnan and Jiangxi could be imported in large quantities into the Fujian-Guangdong region. On this basis, the people of the region also developed small-scale commodity production. They progressed from self-sufficient grain production in the early Ming Dynasty to the production of distinctive goods in different localities.

The late Ming Dynasty can be seen as the beginning of a new era. All social strata became involved in the silver monetary system. People's social relationships transformed from dependence on individuals to reliance on material possessions. The porcelain industry in Jingdezhen and the cotton fabric industry in Songjiang Prefecture serve as excellent examples.

The ability of the Jingdezhen porcelain industry to export in large quantities during the Ming and Qing dynasties was greatly facilitated by the various benefits brought about by the silver-based society in China. Firstly, European colonizers could use the abundant silver from the Americas to purchase a large number of Chinese artworks, including Jingdezhen porcelain. Secondly, as mentioned in the previous chapter, the "silver tribute" and "silver instead of corvée labor" created conditions for more laborers to free themselves from arduous agricultural production. The expansion of domestic and foreign markets attracted people from all directions to engage in porcelain production in Jingdezhen, thus providing abundant labor for the porcelain industry. On the other hand, the increasing demand for Jingdezhen porcelain in overseas markets also stimulated the improvement of labor productivity in the porcelain industry, leading to a need for an increasingly refined division of labor and specialized production to ensure its quality.

The cotton fabric produced in Songjiang Prefecture was the main supply source for the military in the early Ming Dynasty. Its central location attracted merchants from all over the country to establish fabric shops and engage in the cotton fabric trade, transporting it to various markets. Ye Mengzhu recorded in his work "Yue Shi Pian": "During the early Ming Dynasty, the standard cloth was prevalent, and wealthy merchants brought substantial capital to the market, with tens of thousands or even hundreds of thousands of taels of silver." Songjiang Prefecture used these external funds to transform cotton fabric into a nationwide commodity.

The extensive circulation of silver also led to the proliferation of money exchange shops, money-changing businesses, and rice-for-money shops. This was because silver came in various forms, including silver ingots, silver coins, and fragmented silver, with inconsistent standards and varying degrees of purity, requiring weighing for each transaction. As the silver-based economic system became increasingly consolidated, merchant groups known as "shangbang" emerged during the Ming Dynasty. Some well-known shangbang included Huizhou merchants, Jin merchants, Fujian merchants, Guangdong merchants, and Shanxi merchants. The activities of these merchant groups facilitated the circulation of goods between the northern and southern regions, promoted market consolidation and expansion, and directly contributed to the development of a commodity economy. Additionally, they strengthened the integration of agriculture, industry, and commerce. Silver played a significant role in the social changes of the Ming Dynasty.

6. Conclusions

The influx of silver during the Ming Dynasty was a significant turning point in Chinese history, marking a shift from a copper coin to a silver coin economy, and fostering economic growth. The

Ming Dynasty's reforms in taxation and corvée labor systems underscored the central role of silver in fiscal and social structures, enabling the Ming Dynasty to play a crucial role in global trade, especially in trade with Europe. Despite the challenges of price fluctuations and inflation brought by the influx of silver, it had profound impacts on the economy, society, and international relations of the Ming Dynasty.

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