

Problem of Moral Markets
I, Political Economy
(Jing-Shu; Jichang; Jitsugaku)
A. The Great Liguo-Yeast
Debate (1737) - Two
Factors - Administrators
and Volunteerists

II. Political Economy -
A. Concepts of Convergence
and Divergence (with
Respect To Contemporary
Economics) - The Concepts
of the Debate. How Did
Confucians Analyze Political
Economy And Lasheng's Lessevier

II. Concepts of Convergence

A. Price Formation;
Scarcity, Supply And
Demand

a. Opportunity Costs

b. Money Values And
Inflation

c. Institutional Efficiency -
(Like Contracts & Law)

B. Incentives - Positive And
Negative (Perverse)

1. The Legitimacy of Profit
And Wealth Maximization
(Coercion; Enrich Them;
Educate Them
Survives)

IV. Concepts of Divergence

A. The Agrarian Theory of Value

1. The Statute Act

Caste Hierarchy

2. Scholars - Officials;

Farmers; Artisans;

Merchants

B. Illusionary Values -

Natural Values -
Like Luxury

V. Political Economy

A. The Study of Political Interactions
In Markets.

IV. Core Consensus -

The Necessity of
Markets And Risk
Potential

A Conflict

B Corruption

C. Paradoxes of

Rationality (Mencius)

"Making (Helping) The
Rice Shoots Grow"

D. Core Policy Consensus

1. The Necessity of
Markets -

2. Subordination of

Market Logic To Proper

Order ~~at~~ Household Survival

VI. Lasting Lessons

A. Moral Markets -
The Significance of
Material And Moral
Incentives

B. Political Economy

C. The Legitimacy of
Profit and Wealth

Maximization

D. The Outcome of
The Lique. Yeast
Debate