

Introduction

OVER THE COURSE of the twentieth century, Wu Juenong (1897–1989) earned a reputation as the foremost authority on tea in China, writing influential books and spearheading government programs to revive the industry. In his early twenties, as with thousands of his compatriots at the time, he spent several years living in Japan studying foreign languages and sciences. It was in the Makinohara region of Shizuoka prefecture where he first learned the latest techniques for modern tea cultivation. During those years, he recalled, his Japanese classmates at the agricultural college would often pick up pieces of fruit, such as pears or oranges, and ask him, “Are these things in China, too?” Their lack of knowledge was understandable, he explained, for textbooks printed in Japan at the time often proclaimed that different plants and fruits could be found only within the empire’s own borders. And tea had been no exception:

Likewise, ever since England began to operate tea industries in India and Ceylon, and ever since Japan and Taiwan have increased their sales, the question of the birthplace of tea [*yuanchan di*] has become an object of speculation as well. As an extreme illustration of our country’s disgraced condition, it has been widely reported that when English and American people see labels for “China Tea,” they too will ask skeptically, “is there tea in China, too?”¹

“Is there tea in China, too?” How could this question even be raised? Tea had long been synonymous with China, down to its two names used across the world’s languages, “tea” and “cha”: distinct pronunciations of the same Chinese character, 茶. It was in early imperial China where tea was first ritually imbibed as a medicinal and religious drink, and it was eighteenth-century Chinese merchants who helped popularize it as a global commodity, enabling it to become the most consumed commercial beverage in the world today.

And yet: over the course of the next century the Indian tea industry, operated by British colonial planters and based in the northeast territory of Assam, suddenly overtook China as the world’s top exporter (figure 1). British and, later, Japanese propagandists seized upon this inversion in the global division of labor. The rise and dominance of Indian tea had been so decisive, they wrote, that it must have been pre-ordained. It was a difference not of degree but of kind, one attributable to the natural properties of the plant itself and its compatibility with

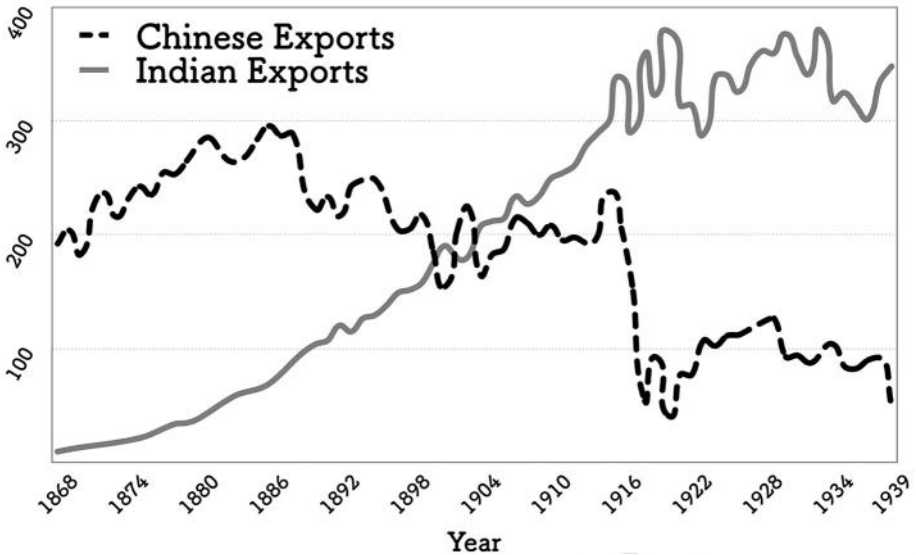


Figure 1. Overall tea exports from China and India, in millions of pounds, 1868–1939. Figures from Hsiao, *Trade Statistics*; Lyons, *Maritime Customs*; ITA Report (1920), 403; (1931), 375; (1940), 201.

the physical landscape. Propagandists dismissed Tang- and Song-era (618–1279) records of tea in China as unreliable, asserting instead that the true “birthplace of tea” must have been in India or Japan.

Among the proponents of this theory was David Crole, an English planter who had managed estates in India for a decade. In a pamphlet printed in 1897, Crole speculated that “the plant must have had its original habitat in the country whose soil, climate, etc., are most suitable to its well-being; and there can be no doubt as to Assam answering these requirements far better than any localities situated within the dominions of the Emperor of China.” Elsewhere, he attributed the crisis of Chinese tea to the “obstinate barbarism” of the “Celestials,” a “perversely conservative race,” in contrast to the “civilization,” “intelligence, science, and research” of “the West” (never mind that Assam was a remote frontier between South and Southeast Asia; British planters saw Assam tea as their own creation, and they selectively applied to it the same logic).² With his soil theory, Crole was stretching cultural arguments about commercial divergence to an extreme, naturalizing them, literally, into a property of the earth itself. If he believed the Chinese trade had collapsed due to its unchanging native traditions, then he could just as easily blame the Chinese soil and climate as well.

Underlying the ostensibly scientific debate over the birthplace of tea, then, was an overtly political attempt to rationalize the jarring upheavals wrought by the global market across the nineteenth and twentieth centuries. British and Japanese propagandists explained the divergent fates of Chinese and Indian tea as the inevitable product of innate and static civilizational differences, even attributing these economic reversals to the natural properties of the earth itself, distorting the historical record. It was a clear demonstration that the social and economic revolutions that we typically associate with the advent of modern capitalism also brought with them revolutions in perception and ideology. More broadly, while it would sound absurd today to ask whether or not “there is tea in China, too,” the same underlying logic of *naturalization* found in Crole’s soil theory has continued to be echoed in so many studies on modern Asia since his day. These works have long presumed that the disparate economic fortunes of the world could be explained by “some unique homegrown ingredient of industrial success” found in the “West”—its climate? the soil? civilization and culture?—but nowhere else in the “Rest.”³

This book both challenges and historicizes such naturalistic explanations of economic change. It does so by presenting the histories of Chinese and colonial Indian tea as a dynamic, unified story of global interaction, one mediated by modern capitalist competition. Across Chinese villages and Indian plantations, I demonstrate, global competition reshaped the rhythms of local social and economic life, and in turn, observers and participants in the tea trade—Chinese, Indian, and British—came to understand this new reality as the natural order of human organization and progress. The global story of tea thus entailed both a history of novel forms of economic life and a history of transformations in economic thought. Their implications shall unsettle many of our conventional assumptions about capitalism in China and India—or its absence thereof—and in so doing, they provocatively contribute to a more global conception of capitalism’s history as a whole.

In the following pages, we shall see how although imperial propagandists framed the divergence between Chinese and Indian tea in terms of static civilizational and natural traits, their theories were belied by a far more turbulent history of competition that tied together the agrarian hinterlands of coastal China and eastern India. In a Qing China (1644–1912) liberalized by wars of free trade, merchant financiers traveled from the treaty ports of Canton (Guangzhou), Fuzhou, and Shanghai to rural Anhui and Fujian, where millions of peasant households in the hills and makeshift workshops in the valleys roasted green, oolong, and black teas tailored to the palates of European and American consumers. In the 1830s, British officials established the Indian industry by hiring colonial merchants and botanists to scour Singapore, Canton, and inland China and bring both Chinese tea seedlings and human teamakers back to India. And as commercial pressures reshaped the Asian tea districts at the turn of the century, new generations of Chinese and Indian nationalists forged their own set of political-economic principles to make sense of the laws of global capital. For Wu Juenong in particular, the birthplace of tea controversy—that anyone could even entertain the notion that there was no tea in China—pushed him to devote his life to reviving China’s tea trade through “modern capitalist methods,” even traveling to India in the 1930s—a mirror image of British colonial adventures one century earlier—to study its new national rivals. The contours of the global tea trade entailed novel horizontal connections across colonial Asia, not only China and India but also

Ceylon, Japan, Taiwan, and the Dutch East Indies. Really, the modern history of tea belonged to the types of “inter-Asian” and “connected” histories foregrounded by scholars in recent years, interactions across the global South long marginalized by analyses rooted in nations, area studies, and center-periphery relations.⁴

Indeed, at the margins of his pamphlet, even Crole himself recognized that the fortunes of each region had been shaped not only by local and natural conditions but primarily by the global and historically contingent “struggle for supremacy between Chinese and British-grown teas.” A half century after the first Opium War (1839–1842) had drawn to a close, Crole described the current economic rivalry as “the tea war that has been and is still being waged.”⁵ At the same moment off the southern coast of China, the famed Qing reformer Zheng Guanying (1842–1922) completed his own magnum opus (1894), unknown then to the English-speaking world, in which he famously described the onslaught of overseas industrial threats facing Chinese tea and silk merchants by conjuring the phrase “commercial warfare” (*shangzhan*).

If the economic fates of Chinese and Indian tea had diverged at the turn of the century, then they had at the same time been drawn closer together, pitched on opposite sides of a mutual war of competition.

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Tea War sets out to tell the story of the global tea trade as a history of emergent capitalism in modern China and India. Through a history of economic life and economic thought, it both challenges past depictions of Asian stagnation, as embodied in the birthplace of tea controversy, and also accounts for how such ideas were naturalized in the first place at the turn of the twentieth century. *Tea War* demonstrates how the producers, merchants, and planters of the Chinese and Indian hinterlands were connected through overlapping circuits of accumulation as well as pressures toward intensive production that they shared in common with the rest of the industrial world. At the same time, these global and dynamic pressures produced, paradoxically, a view of naturalized economic progress that saw Chinese and Indian societies as particular and backwards, a view embraced by nationalist groups across Asia as well. In this book, such ideas shall themselves be read as objects of historical inquiry, for they indexed distinctly modern political-economic

views corresponding to novel social patterns found across East and South Asia. Thus, the story of tea ultimately helps us understand both the historical emergence of modern economic concepts *found within* China and India as well as several key ideas *about* modern Asia in its relationship to the rest of the world.

I present this book as an unfolding, back-and-forth dynamic between the two regional tea industries over the course of a century, a global and comparative history grounded in the process of competition. It begins with the end of the English East India Company's monopoly over trade with Canton (1833) and the subsequent Opium War, which produced a massive spike in Chinese tea exports into the 1880s. The colonial Indian industry took off only after planters employed penal labor laws to relocate indentured workers, known as "coolies," from central India to Assam, where they toiled on sprawling plantations described euphemistically as "tea gardens." Indian tea toppled its rivals by the 1890s, but by the new century, merchants and planters from both industries grew preoccupied with adapting to changing global conditions. In India, colonial officers and Indian nationalists clashed over the viability of labor indenture in a modern world that had endorsed the free wage contract. In China, reformers implored the Republican (1912–1949) government to overhaul the tea trade by eliminating archaic commercial institutions they labeled "feudal." I conclude with the outbreak of the Second World War (1937–1945), after which the ideologies of economic nationalism historicized here continued to shape the political-economic frameworks of postcolonial India and Communist China.

As a work of multi-sited inquiry, this book rethinks the story of tea in modern China by emphasizing its connections with the Indian industry, at the same time drawing new conclusions about the latter in light of its entanglements with the former. Scholars have long remarked that the histories of China and India share many comparable features as continent-sized agrarian empires in Asia, but until recently they have rarely been studied in terms of their material historical connections.⁶ The competition in tea was one such moment of concrete conjuncture, presenting an opportunity to bring together the distinct historiographical traditions of each region, borrowing their categories to illuminate each other's stories. Namely, whereas historians of South Asia have excelled in their analysis of colonial labor, scholars of China have foregrounded commercial processes of domestic circulation and

global markets. In pursuing a combined analysis, I pay particular attention to peasant and seasonal tea production in the Chinese districts while conversely situating the Indian tea garden within global circuits of migration, finance, and accumulation.

Such comparative analysis is grounded within historical connections forged by the process of capitalist competition. For neoclassical economists, “perfect competition” is envisioned as a tranquil marketplace equilibrium; however, the “real” history of competition, as economist Anwar Shaikh recently argued, has been “antagonistic by nature and turbulent in operation,” as different from perfect competition “as war is from ballet.”⁷ Competition points beyond standard histories organized by nations toward a new set of analytical units: discrete industries and producers pitted against one another across the global market, united by abstract movements of price, and undertaking concrete strategies to topple one another, from cutting wages to technical innovation to—as with the birthplace of tea controversy—advertising and propaganda. The tea districts of China and India shared a mutually determinative impact on each other’s fates, and neither side of the tea war can be fully understood without studying the other. Transnational competition thus serves not only as this book’s framing but also as its argument for how best to understand the historical dynamics of capital accumulation. In turn, these connections also help decenter the privileged role of the North Atlantic in histories of capitalism, drawing attention to the experiences of labor and the movement of capital across China, India, and the rest of Asia—where, after all, the majority of the world’s manufacture for the global market now takes place.

Through this geographically expansive approach, I pursue the methodological question of how to write a history of capitalism in the Chinese and Indian tea hinterlands—and marginal sites like them—both as a local story and as part of a broader reconceptualization of the social logics animating the global division of labor. *Tea War* highlights two aspects of change in particular. First, as a social history, it illustrates how the labor-intensive production patterns of Chinese peasant families and indentured Indian coolies played a central role in generating patterns of accumulation that were massively profitable for British and Chinese merchant houses. These findings contradict older approaches that presumed the Chinese merchant and peasant were too traditional, and the Indian coolie too unfree, to belong to the modern world, and

they suggest that standard interpretations of capitalism as a system distinguished by free markets and free labor need to be rethought. Second, as an intellectual history of political economy outside the North Atlantic, this book demonstrates how participants in the tea war living in China and India came to articulate increasingly abstract notions of value, production, and labor in order to make sense of the global marketplace. Novel conceptualization, in turn, compelled Asian reformers to envision their own societies through the historicist and evolutionary framework of economic progress, measured in degrees of freedom and innovations of technique. As with the birthplace of tea controversy, these nationalist thinkers abstracted from a dynamic history of competition a set of natural and spatially bound economic laws. In particular, they fixed their attention on the parasitic “comprador” merchant of China and the unfree “coolie worker” in India, respectively, as idiosyncratic markers of Asian backwardness.⁸ Paradoxically, this imagery of backwardness, so popular within writings on Asia throughout the twentieth century, in fact reflected how these regions were *already immersed* within the very modern logics of accumulation.

TEA IN WORLD HISTORY

The tea plant (*Camellia sinensis*) had been cultivated and consumed in East Asia for over a millennium before it became a truly global commodity in the seventeenth century. European and American aristocrats grew enamored with tea as part of an early modern, worldwide craze for “drug foods,” including coffee, opium, chocolate, tobacco, and sugar: stimulants and depressants incorporated into everyday rituals. For nearly two centuries, British and Dutch merchants purchased Chinese tea from a collection of thirteen houses that controlled the southern port of Canton. On the supply side of this “Canton system” (1700–1842), the British EIC and its army of private “country traders” profited by selling Indian opium, using their returns to buy shiploads of tea, and carrying the leaves back to London in order to cash out their profits. On the demand side, European and American trading companies actively worked to create domestic markets for tea throughout the eighteenth century, with an eye toward enriching governments and paying for wars. Soon, the bourgeois and working classes of western Europe had begun to drink tea with milk, sugar, and sweet pastries

several times per day. Tea and sugar formed what Sidney Mintz called a “tea complex,” in which sugar served as “both a sweetener of the tea itself and a fundamental ingredient of many of the foods that accompanied the tea.” Tea time became a sacred ritual, one ascribed with moral, psychological, even “magical” effects beyond the chemical properties of caffeine and calories. The sugar arrived courtesy of the West Indies, where the British operated slave plantations for cultivating cane. The result was a “very strange thing,” in the words of an English contemporary: that the “common people” of Europe should “use, as part of their daily diet, two articles imported from opposite sides of the earth.”⁹

The modern history of tea entered a new phase in the 1830s. Dissatisfied British merchants, freed from the constraints of the EIC’s charter, believed they could sell more opium to Qing merchants if only they could expand activities beyond the Canton system, which they condemned as a monopoly. A survey of correspondence from that decade reveals two common proposals by merchants and politicians: either open up new ports of trade in China or experiment with tea cultivation in regions controlled by the British Empire. The first solution was accomplished infamously by the Opium War. After a lopsided British victory, the 1842 Treaty of Nanjing opened up five new trading ports, liberalizing the export of Chinese tea. Within a decade, the arteries of commerce had been relocated to Fuzhou in the southeast and Shanghai at the mouth of the Yangzi River. The middle decades of the 1800s were a golden age for the Chinese tea trade, as exports and prices reached unprecedented heights.

At the same time, British officials in India championed tea cultivation in the northeast Brahmaputra Valley by using the same rhetoric of the Opium War hawks, claiming that Indian tea would “destroy” and “annihilate the Chinese monopoly.”¹⁰ Colonial experiments with Indian tea in the 1830s constituted the second solution to the Chinese monopoly: it was war by other means. In the 1860s, colonial officials introduced penal contract labor laws that prevented migrant coolies from leaving their employer under the threat of criminal punishment. Labor indenture powered the rise of Indian tea, whose exports to Britain first surpassed the Chinese trade in the 1889 season and thrived for decades afterwards (see figure 1).

By the early twentieth century, the combined annual tea exports from China and India reached over five hundred million pounds: an

elevenfold jump from on the eve of the Opium War. The global tea market also featured new entrants from Japan, Taiwan, Ceylon, and Java, and the contrast between a dominant Indian industry and a collapsing Chinese one had become reified in the minds of observers, lending plausibility to Crole's soil theory. If the Opium War had unleashed the powers of the Chinese tea trade, then the tea war would nearly destroy it. The divergence was depicted in exaggerated comic imagery in a 1910 pamphlet put out by the colonial Indian Tea Association (figure 2).

During the period covered by my study, the mid-eighteenth to mid-twentieth centuries, tea was one of, if not *the*, most emblematic commodity in the export economies of China and colonial India. For the Qing Empire, it was not only a basis for the creation of the treaty-port system but also by far the most valuable export in the nineteenth century. For the subcontinent, the plantations of Assam and Bengal became, for Samita Sen, "the most spectacularly successful colonial enterprise." At the turn of the century, tea ranked number one in India among private industries in terms of numbers of companies and total investment. By the 1930s, the first systematic calculations of labor revealed that for both regions, tea employed more workers than any other export-oriented commodity sector in their country, whether cotton, jute, or silk: over five hundred thousand in Assam and three million in China. It would be difficult to tell a history of modern capitalism in either China or India without considering the place of tea.¹¹

Yet tea was not unique in its mobilization of labor. Over the course of the eighteenth and nineteenth centuries, greater volumes of goods traveling between Asia, Europe, Africa, and the Americas required wider sources of capital and credit, entailing an expansion of employed labor on a global scale. Merchants, companies, and planters engaged peasants across Asia and transported millions of African slaves to work in plantations across the Americas, supplying cheap drugs, raw materials, and clothing for their home markets. Chinese tea helped keep alive Caribbean slavery at a time when sugar consumption was declining. It was also traded for opium produced on factory-like plantations in India and cotton grown by enslaved Africans in the United States. For centuries, tea was supplied exclusively by peasant farms and seasonal factories, joined later by indentured coolies who operated the sprawling gardens of Assam. The diverse workforces of Chinese and Indian tea represented but two nodes within a broader constellation of forms



Figure 2. Illustration of Chinese and Indian tea sales in an Indian Tea Association pamphlet, 1910. Buckingham, *A Few Facts*.

of commodified labor—slave, indenture, sharecropping, family, peasant tenantry, and free wage—bound together and mobilized in support of the first truly global division of labor. In the early twentieth century, for instance, W. E. B. Du Bois spoke of a “dark and vast sea of human labor in China and India, the South Seas and all Africa; in the West Indies and Central America and in the United States . . . spawning the world’s raw material and luxury—cotton, wool, coffee, tea.”¹²

A recognition of the interconnectedness of these global commodities, I believe, prompts us to rethink the history of capitalism as something radically at odds with past paradigms, which emphasized the uniqueness of the North Atlantic world, and instead explore a more truly global conception of capital accumulation and its dynamics. In doing so, this book builds upon recent research that has reexamined economic “divergences” between Asia and Europe as well as the new “histories of capitalism.”

GLOBALIZING THE HISTORY OF CAPITALISM

Since the origins of modern political-economic writing, China and India have long been seen as formerly flourishing civilizations that were nevertheless constrained from achieving modern industrial capitalism. They lacked the dynamics of “improvement” outlined by Adam Smith (1723–1790), the bourgeois class relations of Karl Marx (1818–1883), and the capitalist rationality of Max Weber (1864–1920). The logic of this classic literature has had a profound impact on modern social-scientific thought, embodied, for instance, by Crole’s contrast between China and the West. It was precisely these types of “Europe-centered stories” that were challenged by Kenneth Pomeranz’s now-classic *The Great Divergence* (2000) and a prolific, subsequent “divergence” literature.¹³ Pomeranz’s masterful synthetic work proposed that in the eighteenth century the Yangzi Delta and England shared similar commercial dynamics and Malthusian constraints, suggesting that the nineteenth-century divergence between western Europe on the one hand and China, India, and Japan on the other was highly contingent on non-market factors, such as geography and politics, rather than on profound social and economic incompatibilities. Likewise, *Tea War* shares the “divergence” scholarship’s ambitious goal of challenging purely localistic analyses through a reciprocal comparison between historically

constituted regions. Hence, in this book I will examine comparabilities between the tea districts of southern Anhui, northwest Fujian, and upper Assam, rather than the aggregate units of the Qing Empire and colonial India, in addition to material and commercial connections.

But *Tea War* also pushes the eighteenth-century story forward to the turn of the twentieth, and it asks a different question about social transformation. In their explanations of divergence, Pomeranz and others—for example, Prasannan Parthasarathi in his analysis of India and England—controlled for social and economic differences, emphasizing the *continuity* between Asian and European dynamics and between early modern and modern growth: a laudable counterweight to past Orientalist scholarship. In this book, by contrast, I set out to explore the *discontinuity* of the modern world, which brought with it unprecedented levels of material wealth and, as Pomeranz and Parthasarathi readily assert, revolutionary patterns of capital concentration and technological innovation.¹⁴ If, over the past two centuries, the global economy has witnessed a *quantitative* divergence in levels of national income, then it has also at the same time experienced a *qualitative* convergence in terms of shared social practices and intellectual forms. While historians of Asia take for granted that China and India were embedded within such patterns by the last century, what remains conceptually underdeveloped is the *interregnum* between early modern commerce and high modern industry.

My interest in rethinking the economic upheavals of the past two centuries also naturally places this work in conversation with the new “histories of capitalism” literature. Such research has focused mostly on the North Atlantic, providing fresh perspectives on the global cotton trade, plantation slavery, and consumer finance. It draws inspiration from both topical concerns—globalization, historic inequality, and the 2008 subprime mortgage crisis—as well as the scholarly suspicion that specialized studies on labor, business, and growth had hit an impasse. What was needed was a more interdisciplinary and denaturalizing perspective, one offered by the category “capitalism.” Notably, a hallmark of these works has been the refusal to explicitly define capitalism itself, fearing the foreclosure of newer approaches. But as sympathetic scholars have observed, this refusal threatens to undermine the project’s scholarly coherence and hence any positive research agenda. These concerns can be restated in geographic terms. For historians of

the United States and western Europe, their sites of study have been considered the center of the modern capitalist order from the outset of its conceptualization, and suspending those older frameworks may appear highly liberating. But East and South Asia have been excluded from that tradition for just as long, and we have far fewer tools to describe capitalism's history in those regions in positive terms. Rather than underspecification, then, the more useful project for scholars of the world outside the North Atlantic, it seems to me, would be a *more conceptually rigorous specification* of capitalism's historical tendencies, illustrated through a concrete examination of how those regions were being subtly reshaped by, and also actively reshaping, the global activities of production, exchange, and accumulation in which they participated.¹⁵

Thus, for instance, while this work draws upon Erika Rappaport's admirable world history of tea centered on the experiences of the British Empire, my aim is to understand what capital accumulation meant at the *edges* of European empire, in colonial Asian societies often seen as incapable of modern growth. The existing historical literature on Chinese and Indian tea is replete with works suggesting that, although the world tea trade was highly profitable, neither regional industry could be said to be "capitalist" insofar as neither adhered to the only available historical model, namely, Euro-America. Indeed, within the broader economic historiography of Asia, the *de facto* approach has been a "technicist" one, focused on the individual *technical* benchmarks associated with twentieth-century Fordism: technological innovation, mass production, and strong state and corporate power. Such conventions remain even within the new history of capitalism literature, for example, Sven Beckert's laudable research on cotton, which, although foregrounding global history, depicts modern productivity gains as the result of sudden and local innovations in England.¹⁶ Within this technicist frame, modern capitalism can only be viewed as something invented in northwest Europe and later disseminated to Asia and the "rest" of the world.

Today, such modular assumptions appear less ironclad. As researchers in recent decades have studied workers in Asia, Africa, and Latin America, they have grown aware of the degree to which the world market relies upon patterns of accumulation that defy the original models. Meantime, interpretations of North Atlantic capitalism have become

less certain, as nineteenth-century British mechanization now appears to have been slower, less powerful, and less widespread than initially thought. These studies have occurred against the backdrop of the erosion of Euro-American factories and labor unions, whose employers have for decades now continuously relocated production to low-wage regions overseas: “flexible accumulation” in the words of geographer David Harvey. In Asia, the world’s center of export manufacture today, businesses rely upon deregulated, semi-independent, coerced, and paternalistic workforces, patterns that look uncannily similar to the types of employment that animated the earliest eras of capitalist production. Labor-intensive strategies are deployed alongside capital-intensive ones, and the scale of operation ranges from factory to living room. To exclude these diverse social arrangements, Jairus Banaji has argued, would leave “large swathes of capitalism’s history unexplained and shrouded in mystery.”¹⁷

A more globally adequate vision for the history of capitalism, then, would need to explain the revolutionary transformations of social and economic life in recent centuries while also retaining the divergence literature’s emphasis upon social dynamics shared across the world outside Euro-America. It is with these aims in mind that *Tea War* draws inspiration from a critical reexamination of capitalism’s underlying dynamics undertaken since the 1970s—in light of the crises of accumulation known as “stagflation” and consequent reconfigurations of the world economy—centered upon a rereading of Karl Marx’s mature critique of political economy. In this view, capitalism is not to be imagined as an inflexible path toward the English model but rather as an abstract dynamic, of which, in Marx’s time, Victorian England happened to provide the most cogent illustration. The real object of this analysis is not capital-intensive industry and its breathtaking technical achievements but rather the underlying drive to endlessly accumulate profit for its own sake and the various forms it has assumed historically. For clarity of understanding, I first broadly sketch out Marx’s categories before concretizing them historically.¹⁸

Throughout the many drafts of his critique of political economy, Marx pursued the question of what, fundamentally, distinguished the epoch of the past several centuries from preceding ones. As Rebecca Karl has put it, it was not the earlier eras of direct human organization but rather “capitalism” that was “so odd and indeed irrational that it

needs explanation.” The answer could not have been the development of world trade, nor, contradicting the earlier *Communist Manifesto* (1848), a special set of class relations founded upon surplus extraction, for both were common to many other types of society. Rather, capitalism was set apart by a peculiar abstract dynamic marked by both constant change, with cyclical bubbles and bursts, and by a relentless, underlying drive to raise productivity through both technique and technology, breaking through Malthusian limits and expanding into new geographies and aspects of everyday life. The result has been the paradox of ever-growing productivity and material wealth paired with the secular cheapening of commodities: in William Sewell’s words, a “genuinely weird temporality.”¹⁹

Marx came to explain this dynamic in highly idealized terms. For him, modern capital accumulation originated centuries earlier with capitalist production on a small scale—as early as the fourteenth century—which itself built upon the development of a world market, established currencies, and agricultural and manufacturing skills. What distinguished it was the employment of free waged workers: “free” of property and of personal obligations—that is, neither peasants nor serfs and slaves. This was pivotal for two reasons. First, at a technical level, labor mobility proved superior to other systems for organizing work, an issue I explore below. But Marx’s analysis also pointed toward a second, more fundamentally transformative aspect of wage labor: when “generalized,” or, predominant across society, waged work ushered in a new, historically determinate form of wealth grounded in productivity. Whereas human labor to produce crops and clothing was “immeasurably old,” earlier it would have been distributed primarily through non-market mechanisms such as the *overt* relations of servitude, family, sex and caste, religion and custom, and so on. By contrast, modern waged workers spent their time producing commodities for the marketplace, under the direction of their employers, and such production, in turn, relied upon the prior purchase of the workers’ time as a commodity. Products of labor were now distributed through the *covert* mechanisms of the market. Within societies wherein wage-based production had become dominant (initially sixteenth-century Holland and England, Marx speculated), a merchant or artisan seeking to accumulate wealth would need to first employ commodified labor and then, in order to earn a profit, sell that labor’s products as a new commodity: commodities were now both the “premise” and “result” of modern accumulation.²⁰

The generalization of waged labor and commodities transformed the practical significance of both. On the one hand, human relations were now animated by impersonal yet interdependent acts of buying and selling. The proliferation of acts of exchange reinforced an abstract notion of equality between buyers and sellers, leveling natural and political differences. Workers and kings, so long as they used the same money to pay for the same goods, were equals in the marketplace. This liberal, exchange-premised view of human equality would feature centrally in political movements against both the *ancien régime* and the institution of African slavery and, as we shall see, in the campaign by Indian nationalists to abolish labor indenture on the Assam tea gardens.²¹

On the other hand, commodities now constituted a new form of wealth. As production and exchange developed, prices settled into regular patterns. Goods as *qualitatively different* as silk and sugar, tea and textiles were being *quantitatively equated* through their sole common denominator: the amount of labor to produce them. As production exploded, merchants and consumers calculated values through an estimated average of how much labor was needed to produce each item, relative to one another. Accordingly, a producer who worked at above-average speeds, using less labor to produce the same amount, would earn even higher profits, and a slower producer, lower. The abstract measurement of working time thereby began to preoccupy merchants and managers of production. For instance, overseers in Chinese tea factories used seemingly archaic technologies, such as slow-burning incense sticks, to measure and reward above-average efficiency. Likewise, colonial planters in India used gongs and an informal piece-wage system to keep their coolie workers on task. Such sentiments were captured by eighteenth-century political economy's notion of "value," described below, as well as by Benjamin Franklin's famous dictum, central to Weber's analysis of capitalism, that "time is money."²²

Marx put it this way: the defining trait of the capitalist epoch was that the abstract, social, and quantitative aspects of labor came to have a determinative effect over its concrete, private, and qualitative ones—that the value of my own work is constantly being measured, commensurated with, and calculated relative to all the labor performed by the rest of society. Thus, already within the very phenomenon of generalized commodity exchange (as the exchange of products of labor) we can locate capitalism's "immanent drive, and a constant tendency, towards increasing the productivity of labor, in order to cheapen

commodities and, by cheapening commodities, to cheapen the worker himself [*sic*].”²³

LABOR AND POLITICAL-ECONOMIC THOUGHT: CONCRETE HISTORIES OF ABSTRACT DYNAMICS

This reinterpretation of capitalism as a social logic is admittedly abstract, but precisely for that reason it is more flexible and productive for writing global history than standard technicist readings of Marx as an evolutionary theorist of national development. It suggests that capital-intensive industrialization, although often seen as the starting point for the modern world, was in fact one result among many stemming from the pressures of accumulation shared across regions beyond northwest Europe, not only the Asian tea industries but also the trades in silk, cotton, coffee, sugar, and opium. In terms of envisioning this abstract logic more concretely, Marx pointed to the process of competition. “Competition merely *expresses* as real,” he wrote, “. . . that which lies within the nature of capital.”²⁴ It is thus valuable to study the histories of Chinese and Indian tea together, rather than through separate national stories, in order to highlight the role played by transnational competition in local histories of change. In this book I pursue the concrete history of these abstract dynamics from two different perspectives: through an exploration of both labor intensification in the tea districts of Asia and, its flipside, through the ascendance of the category “labor” within the political-economic thought of modern China and India.

First, this work is concerned with an analysis of Chinese and Indian tea production, organized along seemingly precapitalist principles yet enmeshed within global circuits of accumulation. Here it is necessary to confront the conventional Marxist view of capitalism and labor, which holds that the former could only take off with truly “free labor,” epitomized by England. In this view, only proletarian labor enabled specialization and combination into large-scale concerns, whereas traditional social arrangements, such as serfdom or smallholding, would have inhibited growth. *Pace* this influential body of work, I agree with a new global labor history literature that the “classic” description of proletarianization was only an “ideal type” or “simplifying assumption” within the logic of political economy. In truth, such descriptions did not correspond to any real society, not even Victorian Britain. Although

free mobility *did* represent a crucial technical advantage, “freedom” cannot be viewed as the defining feature of capitalism. So what could? Again, when Marx introduced the wage labor concept, he laid emphasis upon its condition of *market dependence*. It was the constant necessity to produce goods for sale in order to survive that transformed commodities into a category mediating society-wide relationships of interdependence. Many other instances of “capitalist labor” in this sense—market-dependent and commodity-producing labor—can also be found across Eurasian history, at least as far back as the eleventh-century foundries of Jiangsu, China, or the putting-out systems for wool and silk in Renaissance Florence.²⁵

Tellingly, in the margins of his work Marx offered two primary instances of capitalist production that defied the proletarian ideal type but which have in recent decades gained increased attention from historians. First, in the Americas, the long-established institution of enslaved African labor became drawn into the technologically and financially advanced world markets for sugar and cotton. The brutal extractive activities of slavery thus began to operate on the basis of efficiently calculating labor inputs and output, implicating industrial England and the northern United States with the intensification of slavery, a subject receiving fresh attention in the new histories of American capitalism. Second, across countless commercial agrarian societies, peasant agriculture and home-based domestic industry came to depend on production for, and purchases from, the marketplace to reproduce itself. Today, economic historians refer to these patterns as the “industrious revolutions” of northwest Europe and East Asia, wherein seventeenth-century “market-oriented [household] labor” grew more intensive and continuous. Notably, Jan de Vries has argued that European domestic industry was conducted not along the lines of a subsistence household economy but instead following the principles of individual wages, for the economy had long been characterized by regular labor markets of property-less workers: a suggestion, similar to Marx’s, that waged work, once generalized, reshaped preexisting social forms.²⁶

These stark historical examples attest to a subtle, vital, and yet often overlooked distinction in Marx’s analysis. On the one hand, modern capitalism has been most prominently identified with the “specifically capitalist mode of production,” or, economic arrangements “specific” to the past few centuries. For instance, the American automobile factory

may have captured the spirit of the twentieth century, but it would have been unthinkable in the fifteenth. On the other hand—and more fruitfully for world history—the earliest instances of modern accumulation rested upon “inherited” forms of “*available, established labour process[es]*,” which predated the modern era, were compatible with many other social orders, and yet were appropriated by modern capitalists in search of a pliable workforce.²⁷

Taking this history of “inherited,” *non*-specifically capitalist processes seriously helps us analyze how and why Chinese farms and Indian plantations became bound up with the social patterns of modern accumulation. In both regions, extant practices were repurposed toward profit-seeking commodity production. In the tea districts of Anhui and Fujian, peasant households were driven to usurious loans in order to grow tea from year to year, selling raw leaves to makeshift factories that pushed workers to their physical limits. The tea gardens of upper Assam may have been built anew by colonial capital, but they drew upon archaic “master and servant” laws to pin down their coolie workforces. In spite of the planters’ rhetoric of industrial revolution, they owed their economic gains to a draconian regime of overworked and underpaid men, women, and children. Both regional industries also organized workers along older distinctions of ethnicity and sex, and they employed patriarchal figures of village authority to shoulder the modern tasks of recruitment and management. Indeed, Chinese and Indian tea workers represented both extremes of “independent” and “unfree,” supposedly noncapitalist labor found at the margins of modern economic history—and yet they were unmistakably implicated within the expansion of British, Chinese, and Indian capital, prized in the twentieth century for the immense commercial value they generated.

Second, this social process of tea labor intensification was matched by an ideological counterpart, namely, the discovery of the category “labor” by participants in the Chinese and Indian tea trades. For these Asian hinterlands, as with the rest of the global market, nineteenth-century competition signaled more than a continuation of timeless commercial activities. It represented a disorienting, epochal shift in economic behavior that brought with it novel forms of subjectivity and consciousness. In the history of western Europe, these were famously indexed within the tradition of thought known as “classical political economy,” spanning the period roughly from Smith to Marx. “It was no

mere coincidence,” Maxine Berg has observed, “that industrialisation and the emergence of political economy occurred at virtually the same time.” Political economy was the first discourse to posit the measure and substance of wealth as neither foreign trade, as the mercantilists had argued, nor nature, as the French Physiocrats averred, but instead a general notion of human labor. In modern Asia, a century after Smith’s celebrated *Wealth of Nations* (1776), similar political-economic claims would also come to saturate the writings of Chinese, British, and Bengali observers contemplating the turbulence of the world tea market. Their works shared an uncanny resemblance in presentation, challenging traditional economic ideas revolving around physical substances such as bullion and agriculture in order to delineate an abstract notion of value-producing human labor in the same tradition that Smith had established.²⁸

But while it is of course meaningful in itself to document the transmission of these ideas into Asia, “there is also,” at a deeper level of explanation, Andrew Sartori has suggested, “a history to be told about the very availability, plausibility, and purchase of political-economic concepts as modalities of claims making.” On what social basis could writers in China and India latch onto the principles of human-labor-based wealth, originating in Glasgow and London, in order to explain their immediate circumstances in rural Asia? Any such “analysis of political economy’s historical significance in any specific context,” Sartori continued, “must first consider . . . the degree to which the real abstractions it names are operative as practices structuring social interdependence.”²⁹ The suggestion offered in this book is that the conditions of possibility for abstract, human-labor-premised theories of value turned upon specific historical limitations and determinative social practices, whether living in Glasgow or Shanghai. Namely, the global competition in tea meant greater employment of seasonal migrant workers, tenant farmers, family labor, and plantation coolies spread out across the Chinese and Indian tea districts. This expansion and intensification of forms of labor that were abstracted through exchange and “generalized” in practice—here, in the sense that they could be hired to perform different tasks on a nonspecific, “general” basis—is what helped observers in Asia, as in Euro-America, find it plausible that in modern society hired labor served as the measure and substance of wealth. For Chinese and Indian economic thinkers, abstract conceptions of labor

in thought paralleled the abstraction of labor in social practice, further highlighting a history of capitalist dynamics in the tea districts of rural Asia, in spite of the absence of their traditional technical markers.

Over time, these political-economic categories invited new conclusions about how Chinese and Indian societies should view themselves in relation to the rest of the world. For instance, by the standards of the early nineteenth century, there was little particularly scandalous about merchant capital in China and unfree labor in India; Qing and British colonial officials even praised them as crucial tools for expansion. But by the turn of the century, after decades of intensive activity, Chinese and Indian nationalists castigated both institutions as anachronistic when measured against new global norms. Reformers in Republican China drew upon political economy's notion of productive labor to demonize the non-manufacturing comprador tea merchants as feudal and unproductive parasites. In eastern India, the liberal Bengali intelligentsia contested the penal contract, employing Smithian language to assert that in the wake of global abolitionism, tea coolies deserved legal and political equality with British subjects, free to sell their labor unencumbered, as with any circulating commodity on the market. Thus, both figures of the parasitic Chinese "comprador" and unfree Indian "coolie" became castigated by nationalist thinkers in Asia, embodying the local social tensions generated and exacerbated by global competition.

As with the British and Japanese propagandists' birthplace of tea theory, the economic discourses of Chinese and Indian nationalists emerged from a set of naturalized, evolutionary principles aimed at explaining why some nations prospered while others did not. Indeed, for so many in twentieth-century East and South Asia, liberation from the depredations of imperialism appeared impossible without first mastering the principles of political economy within their own vocabulary, as they launched projects to develop their own "national capital" and stave off a vulturous world market. Rather than a story of dissemination and assimilation, then, this study suggests that modern capital has never been exclusively "Western" in nature but global in character throughout its history, in practice and in thought. If the two tea industries followed patterns resonant with the broad segments of Asia, and the world, that have come to participate in the international division of labor, then they also took on forms peculiar to the remote, mountain-

ous frontiers of China and India, whose land and people were responsible for supplying enough tea to fulfill the rest of the world's insatiable craving for the magical leaf.

NARRATIVE OF THE WORK

In the chapters that follow, I begin with an overview of the history of tea cultivation and consumption in imperial China, its popularity in Euro-American markets, and experimental colonial projects to transplant cultivation to eastern India. For these regions in East and South Asia, participation in the global tea trade entailed a transformation from an early modern luxury trade to a decisively modern competition between capitalist industries. Chapter 2, set in nineteenth-century China, inaugurates the story of competition by examining how market pressures forced tea producers in the provinces of Anhui and Fujian to increase productivity in an industrial manner, despite lacking cutting-edge technology. Drawing on the family archives of the Jiang family in southern Anhui and social-scientific surveys of the Wuyi Mountains in Fujian, I describe how guest merchants became factory managers, employing slow-burning incense sticks and arcane local customs to measure, regulate, and raise labor productivity, all in response to a rising global demand followed by plummeting prices.

In chapters 3 and 4 I turn to contemporaneous attempts by British capitalists to establish a tea industry in colonial Assam, beginning in chapter 3 with the initial failures by colonial officials to profit from tea, from about 1830 to 1860, and a subsequent reexamination of classical political-economic principles. After colonial schemes to lure "free migrant" families from China failed, the bureaucrat W. N. Lees implored the colonial Government of India to dispense with liberal Smithian ideals and instead embrace the "colonization" schemes of Edward G. Wakefield, drawing upon historicist, paternalistic theories that were popular in the late nineteenth century. This debate introduces classical political economy's concept of "value" as a key category for the rest of the book. Chapter 4 describes how these illiberal views buttressed a system of indentured labor recruitment to Assam, starting in the 1860s, that would enable Indian tea to topple its rivals. In this chapter I challenge historiography that has argued capitalist production must, by definition, rely upon free labor and technological innovations. Instead,

it resituates the mechanization of Indian tea production within the social dynamics of escalating labor productivity. Along the way, this chapter draws out key similarities between the work regimes of Chinese and Indian tea and, together with chapter 2, suggests that across both regions, the purportedly precapitalist practices of “merchant capital” and “unfree labor” were actually central to the emergence of capitalist development in Asia.

After the rise of Indian tea triggered a collapse of its Chinese rivals, the Chinese trade underwent its own crisis of economic principles in the 1890s, the subject of chapter 5. Here I provide an overview of economic ideas during the high age of the Qing Empire, which entailed a sophisticated grasp of economic growth revolving around the utility of the soil and the importance of trade. In a parallel with the classical economists, late Qing thinkers broke with tradition under pressure from overseas competition. The Qing bureaucrat Chen Chi penned an influential memorial on reviving the tea trade, with much of his analysis tied to a simultaneous engagement with the translated works of English economist Henry Fawcett, ultimately arriving at the same classical tenets of “value” outlined by Lees in India.

In the second part of the book I look ahead to the long-term implications of political-economic categories in modern Chinese and Indian political thought. If the previous four chapters connected the emergence of a theory of value with the corresponding intensification of capitalist production, then these final two examine how thinkers in China and India appropriated and repurposed political economy for their own ends.

From the time penal labor laws were liberalized in the 1880s until they were abolished in 1926, Indian nationalists charged that indenture was unfree and resembled slavery. I analyze this controversy in chapter 6 by focusing on the Bengali writer Ramkumar Vidyaratna and his social novel *Sketches of Coolie Life*. Drawing direct comparisons with the emancipation of enslaved Africans, Vidyaratna’s work rested upon the assumption that labor was a commodity that should naturally be free to seek employment wherever it desired, an idea plausible partly because a disposable waged workforce in eastern India had become a general feature of economic life. If chapter 4 challenged the theoretical equation between “capitalism” and “free labor,” then this chapter accounts for that equation’s historical emergence by grounding it within

changing social conditions in India. Whereas free labor was the major controversy that dogged the Indian tea industry, in China, it was the problem of the traditional comprador merchants. I conclude in chapter 7 by analyzing how the Republican economic reformer Wu Juenong, in his attempts to revive the collapsed industry, articulated a criticism of the tea merchants as parasitic. These were the same houses who earlier played a crucial, dynamic role during the nineteenth-century golden years of Chinese tea. What had changed by the 1930s was not the merchants' own behavior but instead the perspectives of Chinese economic thought, now rooted in a division between "productive" labor and "unproductive" finance. As with free labor in India, the oppositional categories of productive and unproductive labor in China signaled an embrace of the industrial capitalist model by nationalists across Asia, in spite of a dearth of the traditional signs of industrialization in either region.