

## 15.2: On Merchants (NOTE: Question 1 only)

1. Zhang Han is intimately familiar with the Chinese state's management of network flows. What lessons does he draw from the history of that management? In his view, what interests need to be balanced in setting management policy? What debates about network management can you extract from Zhang Han's presentation of the issues?

The System of Equalization and standards were the topics of the lessons Zhang Han drew from the history of the Chinese state's management network flows. According to him, the maritime market, which steered goods away from the people and prevented the state from dealing with any financial values, represented the interests that needed to be balanced when formulating management strategy. Zhang argued that if the sources are large, riches will be plentiful, and if the sources are little, wealth will be scarce in order to prevent those from being prohibited. The state will benefit on the one hand, and the citizens will benefit as well; (page 26). According to this justification, they should compare profits and other factors so that the states can earn more money.