

The Story of Tao Zhu Gong

TZG Partners respectfully borrows its name from Tao Zhu Gong (b. 517 B.C.) - a respected politician, ideologist, strategist, and businessman in Chinese history. In its work in present era China, TZG Partners aspires to the long term vision, intellectual leadership, and superior insights that Tao Zhu Gong came to represent in his era.



Fan Li (Tao Zhu Gong's given name) as a Politician:

- During the Spring & Autumn (“warring kingdoms”) era, Fan Li held the position of Prime Minister of Yue Guo. He was appointed because of his superior intelligence and expertise in both political and military strategy.
- In 494 B.C. Emperor Gou Jian of Yue Guo launched an unprovoked attack on neighboring Wu Guo - ignoring the objections of Fan Li - because of growing threats from the latter’s military and economic progress. Yue Guo lost the battle and Gou Jian was enslaved by Wu Guo.
- During this chaotic time, Fan Li encouraged Gou Jian to take a long term view and as a result, endure humiliation for the short term (even grooming horses for the captors) while waiting for the opportunity to again build up his resources and power. By leveraging numerous tactics that played to the emotions of Fu Chai and his subordinates, Fan Li eventually bewildered Fu Chai and secured a release for himself and Gou Jian.
- After returning to Yue Guo, Fan Li played a key role in the reconstruction, such as developing new policies that stimulated agricultural production and grew the imperial coffers, and using diplomacy with neighboring kingdoms to build strategic alliances. He persuaded Wu Guo to launch an attack on neighboring Qi Guo in order to deplete the military and civilian resources of both kingdoms. Fan Li also oversaw the construction of a citadel, that purportedly facilitated reparation payments to Wu Guo but in reality, facilitated a later attack he would launch on behalf of Yue Guo.
- As a result of Fan Li’s many successful strategies, Yue Guo’s resources and influence grew in strength and scale. It eventually conquered Wu Guo in 473 B.C., becoming a dominant kingdom.
- Over time, frequent successes and the hierarchical nature of imperial politics made Fan Li blasé about his influence. As a result, he retired from political life and started as a businessman with the new name of “Tao Zhu Gong.”

The Story of Tao Zhu Gong

Tao Zhu Gong as a Businessman

- During the Spring and Autumn, agriculture and food production were the most important drivers of the Chinese economy. After retiring from political life, Tao Zhu Gong launched his private business focused on farming, livestock husbandry, and trading of food-based commodities in order to capitalize on this market potential. His apprenticeship with Ji Ran in business planning and finances prior to his political career was a key asset for him in this endeavor.
- Tao Zhu Gong is said to be the first person in history to use business analyses, applying meteorological, agri-biological, and economic theory to practice. Not only did he conduct sophisticated forecasts on agricultural supply based on climate change, he also examined demand based on demographic changes, and looked at how agriculture affected the economy at large.
- He made major business decisions and transactions based on these analyses. For example, one well known practice was to buy food commodities during bountiful years and sell during drought years. In doing so, he not only accumulated significant wealth for himself, but also ensured food prices and social stability.
- Tao Zhu Gong's main principle that shaped him a businessman was to understand the properties of nature and personalities of people and apply that to a changing economic environment. He often spoke of the importance of understanding supply and demand in a market, understanding the likely price ranges of products under different scenarios, and accelerating capital turnover.
- As a result of his extraordinary achievements in business and contributions to society, Tao Zhu Gong was given the post-mortem name "Saint of Business."

