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# The Concept of “Greater China”: Themes, Variations and Reservations\*

Harry Harding

The world is suddenly talking about the emergence of “Greater China.” The term has appeared in the headlines of major newspapers and magazines, has been the topic of conferences sponsored by prominent think-tanks, and is now the theme of a special issue of the world’s leading journal of Chinese affairs. It thus joins other phrases – “the new world order,” “the end of history,” “the Pacific Century” and the “clash of civilizations” – as part of the trendiest vocabulary used in discussions of contemporary global affairs.

As is so often the case with the phrase of the moment, however, the precise meaning of “Greater China” (usually rendered as *dazhonghua* in Chinese) is not entirely clear. In essence, it refers to the rapidly increasing interaction among Chinese societies around the world as the political and administrative barriers to their intercourse fall. But different analysts use the term in different ways. Some refer primarily to the commercial ties among ethnic Chinese, whereas others are more interested in cultural interactions, and still others in the prospects for political reunification. Some observers focus exclusively on Hong Kong, Macao, Taiwan and mainland China, others incorporate Singapore, and still others include the overseas Chinese living in South-east Asia, America and Europe. To some writers, “Greater China” is simply a way of summarizing the new linkages among the far-flung international Chinese community; to others, it is a prescription of the institutions that should govern those ties.

Even more important, “Greater China” is a controversial concept. To some observers, the formation of a Greater China is an inexorable and irreversible process – the resurrection of a wide range of natural economic and cultural relationships that were long restricted by artificial political obstacles. In contrast, other analysts stress the remaining barriers to economic interaction, cultural exchange and political integration among Chinese societies, and insist that the creation of Greater China will be a turbulent and ultimately unsuccessful undertaking. Moreover, where some see the emergence of Greater China as an attractive possibility both economically and culturally, others regard it as all too reminiscent of past attempts to create empires by military force, and argue that both China and the rest of the world would be better off without it.

This article is an attempt to explore the various meanings of the term “Greater China,” as well as to capture some of the controversy surrounding it. It makes three basic arguments. First, the term “Greater China”

\*This is a revised version of a paper presented at the conference on “Greater China,” convened by *The China Quarterly* in Hong Kong on 4–5 January 1993. I am grateful to the participants in the conference for their valuable criticisms and suggestions. I also wish to express my appreciation to Scott Kennedy, my research assistant at the Brookings Institution, for his invaluable help in assembling material.

subsumes three relatively distinct themes: economic integration, cultural interaction and political reunification within the international Chinese community. Each of these variants of Greater China has different boundaries, has different capitals or centres of activity, and takes different institutional forms. Secondly, within each of these three themes, there are many variations. Some authors simply use different terms – whether in Chinese or in English – to express pretty much the same ideas. In other cases, however, different terms reflect significantly different meanings. These variations, in turn, often reflect different assessments of the boundaries of Greater China, and different evaluations of the feasibility of institutionalizing it. Finally, Greater China is a problematic idea. Some analysts question its feasibility, given the disintegrative forces that continue to separate the various elements of the global Chinese community. Others question its desirability, either for China or for the rest of the world. It is important to understand the reservations surrounding the idea of Greater China, as well as its rationale.

### *The Origins of “Greater China”*

In the English language, the word “greater” is often used to suggest a coherent economic and demographic region that spans administrative borders. The term “Greater London,” for example, refers to the city and its suburbs, even though those suburbs may lie outside the jurisdiction of the municipal government. Similarly, the term “Greater New York Metropolitan Area” refers to the economic system that takes New York City as its hub, but includes parts of at least three states. In these contexts, the entity is regarded as the product of largely natural economic and social forces, which render political boundaries obsolete or irrelevant.

In a political or strategic setting, however, the term “greater” often has a much more pejorative connotation. Here, it refers to a state’s expansion of its political boundaries to include territories formerly outside its control. Although occasionally justified in terms of uniting an ethnic group divided by political frontiers, this is not usually a natural process, but may actually occur by force. The most common examples are the “Greater Germany” (*Grossdeutschland*) that Hitler intended to unite all the “Germanic peoples” of Europe as the core of an even larger German Empire, and the Greater East Asia Co-Prosperity Sphere, designed by Japan to include most of East Asia. Other imperial powers have occasionally employed the term in this way as well: the phrase “Greater Britain” was used briefly in the 1860s to refer to what was later called the British Empire.<sup>1</sup>

Although the specific term “Greater China” is a fairly recent one, it has quite a long pedigree. The concept can be traced to the traditional distinction, made first by Chinese and then adopted by Western geogra-

1. Stephen Uhalley, Jr., “‘Greater China’: what’s in a name?” paper presented to the Regional Seminar on “Greater China,” sponsored by the Center for Chinese Studies, University of California at Berkeley, February 1993, p. 2.

phers, between “China Proper” (*Zhongguo benbu*) and what was variously called “Outer China” or the “Chinese dependencies” (*shudi* or *fanshu*). “China Proper” referred to those areas that were directly controlled by the central administrative bureaucracy. For most of the Qing Dynasty, it consisted of the 18 provinces primarily populated by Han Chinese. In contrast, “Outer China” or the “dependencies” referred to other areas, primarily peopled by ethnic minorities, that were under the suzerainty of the Chinese state and whose subordination was ensured by force if necessary. During the Qing, these included Manchuria, Mongolia, Chinese Turkestan and Tibet.<sup>2</sup>

Together, China Proper and Outer China were normally called the “Chinese Empire,” but references to the combination of the two regions as “Greater China” date at least to the 1930s. In 1934, George Cressey used the term when calculating the geographic area of the country. Six years later, Owen Lattimore used it to describe the combination of “China within the Great Wall” (that is, China Proper) and its six “frontier zones” (which he described as “Manchukuo,” outer Mongolia, Inner Mongolia, Chinese Turkestan, Tibet proper, and the “Tibet–Chinese frontier provinces of Ch’inghai [Qinghai] and Hsik’ang [Xikang]”).<sup>3</sup>

In the 1940s, the term “Greater China” also appeared on a number of United States government maps, with, depending on the map, two different connotations: political and topographic. In some cases, it was used to imply that the Republic of China claimed territories that had once been part of the Chinese Empire, but that the Nationalist government did not presently control. A map published in 1944, for example, included outer Mongolia, Manchuria, Tibet and Xinjiang as part of “Greater China,” even though not all of these territories were controlled by the Chinese government of the time.<sup>4</sup> In other cases, the phrase referred to geographic features that were customarily associated with China, but that spilled across international boundaries into other jurisdictions. Thus, one map of the mountain ranges of “Greater China” showed the Himalayas, the Tianshan mountains and the Shikote Akin range, even though they lay either partly or entirely outside the boundaries claimed by the Republic of China.<sup>5</sup>

2. On the distinction between “China Proper” and the rest of the Chinese Empire, see William Darby, *Darby’s Universal Gazetteer* (Philadelphia: Bennett and Walton, 1827), p. 154; J. Calvin Smith, *Harper’s Statistical Gazetteer of the World* (New York: Harper and Brothers, 1855), p. 402; and *Lippincott’s Gazetteer* (Philadelphia: J. B. Lippincott, 1883), p. 464. The term “Outer China” is used, together with “China Proper,” in *China Proper*, Geographical Handbook Series, No. 530 (Washington, D.C.: U.S. Department of the Navy, Naval Intelligence Division, July 1944). On the related terms “outer territories” and “dependencies,” see Edwin John Dingle (ed.), *The New Atlas and Commercial Gazetteer of China*, 2nd ed. (Shanghai: The North-China Daily News and Herald, 1918?).

3. George Babcock Cressey, *China’s Geographic Foundations: A Survey of the Land and Its People* (New York: McGraw-Hill, 1934), p. 53; and Owen Lattimore, *Inner Asian Frontiers of China* (New York: American Geographic Society, 1940).

4. U.S. Office of Strategic Services, “Greater China,” 1944. See Uhalley, “What’s in a name?”

5. U.S. Department of the Interior, Bureau of Mines, Foreign Minerals Division, “Sketch map of the principal mountain ranges in Greater China,” Map No. 170, June 1947.

The more recent usage of the concept of Greater China first emerged in Chinese-language sources in the late 1970s, largely to discuss the expansion of economic ties between Hong Kong and mainland China that was resulting from the post-Mao reforms, and to highlight the prospects that a similar growth might occur in the commercial relations between Taiwan and the mainland. Perhaps the first such reference can be found in the June 1979 issue of a Taiwanese journal, *Changqiao* (*Long Bridge*), which advocated the creation of a “Chinese Common Market” that would link Taiwan, Hong Kong, Macao, Singapore and the Chinese mainland.<sup>6</sup> In Hong Kong, one of the first to use a similar concept was the futurologist Huang Zhilian who, in 1980, devised the terms *Zhongguoren gongtongti* (Chinese community) and *Zhongguoren jingji jituan* (Chinese economic grouping) to refer to economic co-operation among Hong Kong, Taiwan and the mainland.<sup>7</sup>

In English, the first contemporary use of the term “Greater China” appeared about five years later, in the mid to late 1980s. At first, a few writers employed it to refer to the possibility of a politically reunified China, as when *The Economist* mentioned that Taiwan might eventually join a “greater China confederation.”<sup>8</sup> But it was more frequently used to describe the expansion of commercial ties among the three main Chinese economies. *Business Week*, in an article entitled “Asia’s new fire-breather,” referred to “Greater China” as the prospective result of the “three-way economic integration” of Hong Kong, Taiwan and the mainland, and as a more “comfortable” and “apolitical” path to reunification than any formal political settlement.<sup>9</sup> Around two years later, the *Los Angeles Times* described Greater China as a “superpower on a drawing board,” the result of the economic integration and possible political reunification of Hong Kong, Taiwan, Macao and the mainland.<sup>10</sup>

In the early 1990s, the concept of Greater China is becoming steadily more commonplace. Chinese writers continue to devise variations on the concept of an integrated Chinese marketplace, and to a lesser degree to propose formulas for the political reunification of their country. At least two major international conferences, attended primarily by Chinese, have been held specifically to discuss the concept of an integrated Chinese economy, and many others have touched on the idea as part of a different agenda.<sup>11</sup> Several major American research institutions and foreign affairs organizations have popularized the term through their publications and

6. Cited in *Far Eastern Economic Review*, 20 July 1979, p. 24.

7. Huang Zhilian, *Meiguo 203 nian: Dui “meiguo tixi” de lishixue yu weilaixue de fenxi* (*America at 203 Years: An Analysis of the Historiography and Futurology of the American System*) (Hong Kong: Zhongliu, 1980), pp. 915–929.

8. “Too rich to stay a lonely beacon,” *The Economist*, 28 March 1987, p. 21. See also *The Financial Times*, 9 December 1985, Section III, p. VII.

9. “Asia’s new fire-breather,” *Business Week*, 10 October 1988, pp. 54–55.

10. “‘Greater China’: superpower on a drawing board,” *Los Angeles Times*, 12 June 1990, Section H, p. 1.

11. The first conference was held in Hong Kong in January 1992; the second in Stanford in June 1993. See Uhalley, “What’s in a name?” pp. 13–14.

conferences.<sup>12</sup> Multinational corporations use the concept to describe their marketing or investment strategies in Asia, and several mutual funds have appropriated the term as well.<sup>13</sup> “Greater China” is rapidly becoming part of the standard lexicon of international affairs, whose meanings and implications deserve careful scrutiny.

### *A Transnational Chinese Economy*

The most common theme in contemporary discussions of Greater China is the integration of the world’s various Chinese economies, surmounting the political boundaries that once divided and isolated them. This first aspect of Greater China is reflected in the enormous increase in the trade between Hong Kong and mainland China over the last 15 years, and the more recent but equally rapid growth of trade between Taiwan and mainland China since the mid-1980s. Hong Kong’s trade with mainland China, most of it entrepôt transactions, grew from \$5.7 billion in 1980 to more than \$80 billion in 1992. During the same period, Taiwan’s trade with the mainland increased from around \$300 million to \$7.4 billion. And, according to Taiwan’s accounts, its trade with Hong Kong, including some of its entrepôt trade, rose from \$2 billion in 1980 to \$17 billion in 1992. For each of the three Chinese economies, trade with the other two has become an important part of its global economic relations.

Investment has also been rising. It has been estimated that Taiwan has now invested a cumulative total of \$6.7 billion in mainland China and another \$2 billion in Hong Kong, that mainland China has invested a total of \$20 billion in Hong Kong (although none yet in Taiwan), and that Hong Kong has invested \$10 billion in mainland China and a further \$1.2 billion in Taiwan. If these figures are accurate, they suggest that cross-investment within these three parts of Greater China is in the order of nearly \$40 billion. The investment provided by overseas Chinese entrepreneurs in South-east Asia and North America would increase the total still further.<sup>14</sup>

12. See, for example, Andrew Brick, “The emergence of Greater China: the diaspora ascendant,” Heritage Lectures, No. 411 (Washington, D.C.: The Heritage Foundation, 9 September 1992); David Lampton *et al.*, *The Emergence of “Greater China”: Implications for the United States*, Policy Series, No. 5 (New York: National Committee on U.S.–China Relations, October 1992); Pamela Baldinger, “The birth of Greater China,” *China Business Review*, May–June 1992, pp. 13–17; and Harry Harding, “The U.S. and Greater China,” *China Business Review*, May–June 1992, pp. 18–22. The articles in *China Business Review* were drawn from a conference on “American Economic Relations with Greater China,” jointly organized in February 1992 by the U.S.–China Business Council and the American Enterprise Institute.

13. One of the first firms to announce a “Greater China” marketing strategy – regarding Hong Kong, Taiwan and mainland China as a single consumer market – was the Swiss watchmaker Rado. See *Bangkok Post*, 25 December 1989. Coca-Cola has also adopted a similar strategy; see *South China Morning Post*, 29 October 1991. Of several closed-end mutual funds making investments in Hong Kong, Taiwan and mainland China, the one managed by Invesco Mim is called the “Greater China Opportunities Fund,” while the one managed by Baring International is called the “Greater China Fund.”

14. For further details on the level of economic interactions among the principal Chinese economies, see the article by Robert Ash and Y. Y. Kueh in this issue.

The emergence of this transnational Chinese economy is most often portrayed as the result of the economic complementarities that presently exist among Hong Kong, Taiwan and the mainland. Mainland China has an interest in gaining access to capital, technology and know-how from Hong Kong and Taiwan, and especially to gain their co-operation in penetrating markets in third countries. Conversely, manufacturers in Hong Kong and Taiwan have an interest in finding alternative bases of production, as higher wages, stronger currencies and environmental restrictions make it increasingly expensive to produce goods at home. In addition, Hong Kong and Taiwan – like other economies – are keen to exploit the large and rapidly growing markets on the Chinese mainland, especially at a time of recession and perceived protectionism in the United States, Europe and Japan.

The realization of these economic complementarities, in turn, is facilitated by the cultural ties among these Chinese societies. It is frequently asserted that a common culture, a common language, family ties and ancestral roots all make it somewhat easier for Chinese to do business with one another than to engage in commercial relations with foreigners. In addition, prosperous Chinese entrepreneurs outside mainland China may be more willing to absorb losses in their dealings in the People’s Republic out of a belief that they are assisting in the economic development and modernization of their motherland.

Another crucial factor has been the more accommodating posture taken by the governments concerned. Both Beijing and Taipei adopted policies in the 1950s that were extremely inhospitable to the maintenance of normal commercial relations among the three principal Chinese economies. The People’s Republic chose a strategy of autarkic socialist development which assigned a minimal role to foreign trade and which virtually barred foreign investment, except for a brief period in which a limited amount of Soviet investment was tolerated. Because of its hostile political relationship with the mainland, Taipei banned virtually all economic contacts across the Taiwan Strait. From this perspective, mainland China’s decision to welcome and promote foreign trade and investment in the post-Mao era has been one critical stimulant for the creation of this transnational Chinese economy. Another has been the willingness of the Taiwan government to remove some of the barriers to commercial relations with its rival on the mainland.

So far, this analysis makes the emergence of a transnational Chinese economy appear to be a prime example of the “natural economic territories” – the economic systems spanning political boundaries – that can develop when governments allow them.<sup>15</sup> And, to a large degree, the growing commercial interactions among Hong Kong, Taiwan and the Chinese mainland do represent the construction – or, in many cases,

15. The term “natural economic territories” has been popularized by the American political scientist Robert Scalapino. See his *The Last Leninists: The Uncertain Future of Asia’s Communist States* (Washington, D.C.: Center for Strategic and International Studies, 1992), p. 20.

the resurrection – of normal economic ties that had been interrupted by 30 years of central planning in the People's Republic and by 35 years of hostility between Beijing and Taipei. Hong Kong is resuming its original role as the entrepôt for southern China, whereas Taiwan is developing a natural position as a growth centre for Fujian and much of the Chinese coast.

It is becoming increasingly evident, however, that more than natural economic forces are at work. The governments of the principal Chinese societies are not simply removing past obstructions and adopting a neutral posture towards economic relationships. Instead, they remain deeply involved in promoting and guiding the commercial ties among their economies. What is more, they are doing so for strikingly different motives. From Beijing's perspective, economic interaction is viewed as a way of facilitating the eventual political reunification of China. The mainland Chinese government has therefore adopted a series of policies to stimulate commercial relations with Hong Kong and Taiwan, most notably the creation of special economic zones directly opposite them, for political as well as for purely commercial reasons. Hong Kong, in turn, regards economic ties with the mainland as a way of cushioning its return to Chinese sovereignty in 1997, in that they will give Beijing a large and direct stake in preserving the territory's political viability and economic prosperity throughout the transition. On Taiwan, in contrast, economic interaction with the mainland is seen in the short term as a lever for extracting political concessions from Beijing, especially with regard to renouncing the use of force against the island and allowing Taiwan a larger voice in international affairs, and possibly a way of promoting democratization as well. Over the longer term, many on Taiwan regard economic integration as a more feasible and more tolerable form of national unity than formal political reunification.

The emergence of this new transnational Chinese economy has evoked a multitude of analytical concepts and prescriptive formulas. A search of both Chinese and English language materials has thus far identified no fewer than 41 variations on this particular theme, ranging (in alphabetical order) from the "Asian Chinese Common Market" through the "Chinese Economic Community" and the "Greater China Economic Sphere" to the "South-east China Free Trade Area." These formulas differ along two principal dimensions: the scope of the territory regarded as being included, and the degree of formal integration being proposed.

Until quite recently, the varying definitions of the geographical extent of the Greater Chinese economy could be portrayed as five concentric circles, all centring on Hong Kong. These included: Greater Hong Kong (Hong Kong, Macao and Guangdong)<sup>16</sup>; Greater South China (Hong Kong, Macao, Taiwan and the south-eastern coast of the People's Repub-

16. Eugene Linn, "Hong Kong/Guangdong link: whither the South China NIC?" *Am-cham*, Vol. 22, No. 10 (1990), pp. 12–15; Woo Kwong-ching, "The challenge of 'Hong Kong plus'," 2nd ed. (Hong Kong: The Wharf (Holdings) Ltd., November 1991); and Zhang Jiangming, "Nuli cuijin yue-gang-ao-tai jingji hezuo zuoshang xin taijie" ("Work to enable economic co-operation among Guangdong, Hong Kong, Macao and Taiwan to reach a new



lic, extending north perhaps as far as Shanghai)<sup>17</sup>; Greater Nanyang (Hong Kong, Macao, South China, Taiwan, Singapore and overseas Chinese entrepreneurs in the rest of South-east Asia)<sup>18</sup>; All China (Hong Kong, Macao, Taiwan and the entire People's Republic)<sup>19</sup>; and Greater China (Hong Kong, Macao, Taiwan, the People's Republic, Singapore and overseas Chinese throughout the world).<sup>20</sup> The emergence of these variations reflects, to some degree, the changing realities of commercial interaction within the transnational Chinese economy. At the beginning, the economic ties between Hong Kong and Guangdong dominated the process: Hong Kong accounted for the bulk of China's foreign investment and foreign trade, and the largest share of Hong Kong's trade and investment relations were, in turn, with Guangdong. As a result, discussions of "Greater China" understandably focused on the inner concentric circles that lay closest to Hong Kong.

By the end of the 1980s, however, Taiwan had become a major trading partner and source of investment for mainland China, and investment

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footnote continued

level"), *Gang'ao jingji (The Economies of Hong Kong and Macao)*, No. 8 (1990), pp. 7–9, citing a proposal by a Hong Kong entrepreneur for a "Pearl River Delta Economic Alliance."

17. Xiu Chunping, "Haixia liangan jingmao fazhan de dongyin, zhang'ai ji gaiyou de quxiang" ("The impetus and obstacles to the development of economic relations across the Taiwan Strait and the trend it should take"), *Taiwan yanjiu (Taiwan Research)*, No. 1 (March 1991), pp. 45–50; Ting Wai, "The regional and international implications of the South China Economic Zone," *Issues and Studies*, Vol. 28, No. 12 (1992), pp. 46–72; Jin Hongxun, "Zhongguo jingji de yitihua yu 'haixia liangan jingji quan' shexiang" ("The integration of China's economy and the idea of a 'Cross Strait Economic Circle'"), *Taiwan yanjiu (Taiwan Research)*, No. 3 (June 1991), pp. 44–51; Zhou Bajun, "Cong 'Zhongguoren gongtongti' dao 'hua dongnan ziyou maoyiqu'" ("From a 'Chinese Commonwealth' to a 'South-east China Free Trade Area'"), *Jingji daobao (Economic Reporter)*, 6 November 1989, pp. 3–5; William Yang, "Taiwan: a Chinese economic community is emerging," *Business Taiwan*, 4 May 1992; Sally Stewart *et al.*, "The latest Asian newly industrialized economy emerges: the South China economic community," *Columbia Journal of World Business*, Vol. 27, No. 2 (1992), pp. 30–37; and Zhong Yuanfan, "Jianli yu fazhan huanan jingji qu" ("Construct and develop a South China economic zone"), *Gang'ao jingji (The Economies of Hong Kong and Macao)*, No. 4 (1993), pp. 3–6.

18. Li Huiwu, "'Yatai shiji' yu 'fan nanzhongguo jingji quan' de xingcheng" ("The 'Asia-Pacific Century' and the formation of a 'Pan-South China Economic Circle'"), *Gang'ao jingji (The Economies of Hong Kong and Macao)*, No. 10 (1991), pp. 21–23.

19. Zhou Zhihuan, "'Zhongguo jingji quan' chutan" ("An initial exploration of the 'Chinese Economic Circle'"), in Li Jiaquan and Guo Xiangzhi (eds.), *Huigu yu zhanwang – Lun haixia liangan guanxi (Review and Prospect – On Cross-Strait Relations)* (Beijing: Current Affairs Publishing House, 1989), pp. 294–304; Fang Sheng, "Guanyu 'Zhongguo jingji quan' de sikao" ("Reflections on a Chinese Economic Circle"), in *ibid.* pp. 305–316; An-chia Wu, "The political implications of the 'Coordination of Chinese economic systems'," *Issues and Studies*, Vol. 28, No. 4 (1992), pp. 1–9; Chang Kao, "A 'Greater China Economic Sphere': reality and prospects," *Issues and Studies*, Vol. 28, No. 11 (1992), pp. 49–64; and Huang Wentao, "'Zhongguo jingji guanxi quan' de fazhan yu 'Zhongguo jingji quan' de kunzhi" ("The development of the 'China Economic Relations Grouping' and the obstacles to a 'China Economic Sphere'"), *Taiwan yanjiu (Taiwan Research)*, No. 1 (March 1991), pp. 23–31.

20. *Changqiao*, June 1979, cited in *Far Eastern Economic Review*, 20 July 1979, p. 24; Cheng Chu-yuan, "Dazhonghua gongtong shichang de gouxiang" ("The idea of a Greater Chinese common market"), *Zhongguo shibao (China Times)*, 9 June 1988, p. 2; David Carnes, "Taiwan: Chinese prosperity sphere begins to take shape," *Business Taiwan*, 16 March 1992; and Brick, "Emergence of Greater China."

from both Hong Kong and Taiwan had spread from Guangdong up the coast and into the interior. Even more recently, overseas Chinese entrepreneurs in South-east Asia have shown a more visible interest in conducting trade and investment with the People's Republic. In an empirical sense, therefore, the boundaries of the transnational Chinese economy have steadily expanded in all directions. As this occurred, analysis began to incorporate the outermost of the concentric circles, whose boundaries lay farther from Hong Kong.<sup>21</sup>

But the analysis of the transnational Chinese economy is a prescriptive exercise, as well as a descriptive one. One clear division among those who address the concept has fallen between those who wish to include Singapore and overseas Chinese in Greater China and those who do not. The former often believe that expanding the geographic area of the transnational Chinese economy will make it more dynamic, more efficient and ultimately more powerful. Conversely, the latter often hold that explicitly including overseas Chinese is highly risky, in that it will raise fears in South-east Asia that China has hegemonic ambitions in the region and will produce suspicions that overseas Chinese are expected to be more loyal to their motherland than to their place of residence.

The second dimension along which analyses of the transnational Chinese economy vary involves the degree of formal economic integration that is being envisaged. In fact, most discussions are extremely vague on this point, referring ambiguously to an economic "circle," "sphere" or "zone" linking the various economies, without providing much detail on the institutional or legal structures involved. To the extent that these issues are addressed, however, there has been a growing tendency to favour informal patterns of economic activity over formal institutional arrangements. In other words, just as the geographical scope of the transnational Chinese economy has been expanding, the prescriptions for its organizational structure have become steadily less ambitious.

Of course, some of the earliest discussions of the transnational Chinese economy did imply a rather high degree of formal economic integration. Drawing on the theoretical literature on economic integration, as well as experience in Europe and elsewhere, some analysts proposed the creation of a "free trade area" (*ziyou maoyiqu*) linking the various Chinese economies, implying the elimination of tariff barriers to goods passing among them. Others advocated the formation of a "common market" (*gongtong shichang*), which would involve the establishment of a common set of tariffs for all goods entering the region from abroad. And a few, drawing a parallel with the European Economic Community, recommended the organization of a Chinese Economic Community (*jingji gongtongti*), which would entail not only free trade within the area and common tariffs with non-members, but also the unrestricted mobility of

21. Some analysts predict that the boundaries of the transnational Chinese economy will continuously expand over time. See, for example, Fu Dongcheng, "Xianggang, taiwan, dalu jingji tonghe de qianjing" ("The prospects for economic unification among Hong Kong, Taiwan and the mainland"), *Zhongguo shibao zhoukan* (*China Times Weekly*), 5–11 January 1992, pp. 15–22.

the factors of production (especially capital and labour), the co-ordination of monetary and fiscal policies, and the creation of common social welfare mechanisms.<sup>22</sup>

Over time, however, analyses have become considerably more modest institutionally.<sup>23</sup> Instead of envisaging a high level of economic integration, governed by formal intergovernmental institutions, many observers now advocate a more informal process of "consultation" or "co-ordination," in which governments will attempt to facilitate commercial relations rather than trying to negotiate formal trading blocs or common markets.<sup>24</sup> This trend appears to be occurring for several reasons. First, there is a greater awareness of the barriers that would exist even to the creation of a free trade area, let alone a fully-fledged economic community. Hong Kong's status as a free port makes it impossible to envisage its inclusion in a Chinese free trade area, unless the rest of Greater China were also willing to eliminate tariffs on imported goods.<sup>25</sup> The gaps between the standards of living, economic institutions and legal systems on the Chinese mainland and those in Hong Kong and Taiwan also make extensive economic integration highly problematic.<sup>26</sup> Moreover, Taiwan and mainland China do not yet have official political relations, direct air

22. These distinctions are drawn in Zhou Bajun, "Cong 'Zhongguoren gongtongti' dao 'hua dongnan ziyou maoyiqu' " ("From a 'Chinese Commonwealth' to a 'South-east China Free Trade Area' "). See also Cheng Chu-yuan, "Dazhonghua gongtong shichang de gouxiang" ("The idea of a Greater Chinese common market"); Gao Xijun [Chang Kao], "Zhongguoren ruhe miandui jingji bilei? Jianli 'yazhou huaren gongtong shichang' de tantao" ("How should Chinese confront economic blocs? On the construction of an 'Asian Chinese Common Market' "), *Yuanjian (Distant View)*, 15 October 1988, pp. 101–105; and Yu Yuanzhou, "Lun jianli 'Zhonghua jingji gongtongti' " ("On constructing a 'Chinese Economic Community' "), *Gang'ao jingji (The Economies of Hong Kong and Macao)*, No. 2 (1993), pp. 14–16.

23. This is evident in the work of Cheng Chu-yuan, one of the leading analysts of a transnational Chinese economy. Compare his recent "Da Zhonghua jingjiqian de xingcheng yu qianjing" ("The formation and prospects of the Greater China Economic Circle"), *Zhongguo shibao zhoubao (China Times Weekly)*, 6–12 June 1993, pp. 34–37, with his earlier "Dazhonghua gongtong shichang de gouxiang" ("The concept of a Greater Chinese Common Market").

24. See, for example, Li Shuiwang and Liu Yingxian, "Canjia 'Zhonghua jingji xiezuo xitong' yantaohui youguan" ("Concerns after participating in a symposium on a 'system for co-ordinating the Chinese economies' "), *Taisheng (Voice of Taiwan)*, April 1992, pp. 17–19; and Liu Yingxian and Luo Xiangxi, "Cong liangan jingmao guanxi fazhan kan 'Zhonghua jingji xiezuo xitong' de jianlai ji kunnan" ("Viewing the construction and difficulties of a 'system for co-ordinating the Chinese economies' from the development of cross-Strait economic and trade relations"), *Taiwan yanjiu (Taiwan Research)*, No. 2 (1992), pp. 36–44.

25. This point was first made by Yun-wing Sung, in "Non-institutional economic integration via cultural affinity: the case of mainland China, Taiwan, and Hong Kong" (Shatin: Hong Kong Institute of Asia-Pacific Studies, Chinese University of Hong Kong, 1992).

26. See, for example, Xu Donghai, "'Dazhongguo jingji gongtongti' shexiang yu pinggu" ("The idea and critique of the 'Greater China Economic Community' "), *Gongdang wenti yanjiu (Research on Communist Party Issues)*, Vol. 16, No. 1 (January 1990), pp. 73–78; Yen Tzung-ta, "Taiwan investment in mainland China and its impact on Taiwan's industries," *Issues and Studies*, Vol. 27, No. 5 (May 1991), pp. 10–42; Gao Chang, "Haixia liangan jingji zhenghe kexingxing fenxi" ("An analysis of the feasibility of cross-Strait economic integration"), *Taiwan jingji yanjiu yuekan (Taiwan Economic Research Monthly)*, Vol. 14, No. 6 (June 1991), pp. 67–74; and An-chia Wu, "Political implications."

or sea links, or a trade or investment agreement. This makes discussion of a high level of economic integration seem most premature.

Questions of feasibility aside, analysts both in China and abroad have also expressed reservations about the desirability of forming a highly institutionalized transnational Chinese economy. In Taiwan, and to a more limited degree even in Hong Kong, there is the fear that economic integration with the mainland would lead to a “hollowing out” of local industry.<sup>27</sup> This would be particularly true, according to one analysis, if Taiwanese and Hong Kong entrepreneurs shifted their entire production processes and research and development effort to the mainland, not just the simpler assembly operations.<sup>28</sup> Paradoxically, some mainland economists have expressed parallel concerns: that the complete removal of barriers to trade and investment relations with Hong Kong and Taiwan would confront mainland manufacturers with unbeatable competition, and thus would exacerbate the problems of bankruptcy and unemployment in the state sector in the People’s Republic.<sup>29</sup> In each society, in other words, analysts are viewing the process of full economic integration with some apprehension, worrying that their own economy will gain the least benefit and suffer the greatest dislocation.

The creation of a formal Chinese economic community would also raise the same issues as the organization of any international economic bloc: the fear of those outside that they will be disadvantaged, and even the apprehension of those inside that their other economic linkages will be attenuated. Thus, several analysts in China have warned that talk of an institutionalized transnational Chinese economy could alienate other countries in Asia, especially members of ASEAN, who would be excluded from it. Similarly, observers in the United States have speculated that the economic integration of Hong Kong, Taiwan and mainland China would divert more trade and investment from third countries than it would generate. Some analysts in Japan are apprehensive that the formation of a Chinese economic community would produce an “export machine” with which the rest of the developing world could not compete, and whose output the developed nations could not absorb. Conversely, observers in Taiwan (and, interestingly, in mainland China as well) have

27. Huang Ruiqi, “Liangyan jingmao jiaoliu dui guonei chanye fazhan zhi yingxiang” (“The effect of cross-Strait economic and trade interchange on the development of domestic industry”), *Taiwan jingji yanjiu yuekan*, Vol. 14, No. 6 (June 1991), pp. 43–46. For a similar concern about Hong Kong, expressed by the chairman of a Hong Kong Chinese industrialists’ association, see Liang Qinrong, “‘Qian dian hou chang’ moshi yu Xiang Gang jingji fazhan luxiang,” (“The ‘store in front, factory in back’ model and the path for Hong Kong’s economic development”), *Jingji daobao (Economic Reporter)*, No. 2 (1993), pp. 49–50. For a more sanguine view, written by a mainland scholar, see Zhang Guanhua, “Taiwan ‘chanye kongdonghua’ wenti zhi tantao” (“An inquiry into the ‘industrial hollowing-out’ of Taiwan”), *Taiwan yanjiu (Taiwan Research)*, No. 4 (1992), pp. 33, 34–39.

28. Liu Ruitu, “Poxi guonei shengchang waiyi dalu” (“An analysis of the movement of domestic industry to the mainland”), *Taiwan jingji yanjiu yuekan (Taiwan Economic Research Monthly)*, Vol. 14, No. 6 (June 1991), pp. 32–37.

29. Pei Wuwei, “Dui ‘Zhongguo jingjiquan’ de jingji fenxi” (“An economic analysis of the ‘Chinese Economic Circle’”), *Yatai jingji – Zhongguo de duiwai kaifang (Asia-Pacific Economies – China’s Opening to the Outside World)*, No. 2 (1993), pp. 54–59.

cautioned that the creation of a transnational Chinese economy might somehow cut off or attenuate their existing economic relations with Japan, the United States and the rest of the world.

Increasingly, therefore, discussions of the transnational Chinese economy are featuring the significantly different concept of a network of overlapping and interlocking economic territories, some large and some small, rather than a single unified economic bloc. According to one early version, presented by the Hong Kong scholar Huang Zhilian, these economic territories might include Greater South China centring on Hong Kong and Taiwan, a Yangzi Circle focused on Shanghai, a Bohai Circle linking Tianjin and Dalian to South Korea, and a South-west China Circle connecting Sichuan and Yunnan to South-east Asia.<sup>30</sup> To this list others would add the Tumen River region, linking north-east China, Russia, Japan and the two Koreas; and a North-west Circle, connecting western China to Russia and the bordering Central Asian republics.

This conception differs from earlier discussions of "Greater China" in several ways. First, it is more multi-nodal, in that these emerging economic circles and networks are no longer seen as centring exclusively on Hong Kong, as earlier versions tended to be. It is still acknowledged, of course, that Hong Kong will continue to provide much of the capital investment for the entire Asia-Pacific region, and to serve as an entrepôt for much of its trade. But a number of other key cities are also depicted as centres of economic growth, with Taipei, Shanghai, Tianjin, Dalian and Chongqing occupying a much more prominent place than they did in earlier versions. Whatever its economic logic, this approach has more political appeal than a concept that assigns the central part solely to Hong Kong.

Secondly, unlike the earlier versions of "Greater China," most of these smaller economic circles are not solely Chinese. Although some (such as Huang Zhilian's Greater South China) still link territories exclusively or largely settled by Chinese, and others (such as the South-west China Economic Circle) involve connections with overseas Chinese entrepreneurs, there are those (such as the Bohai Circle and the North-west Circle) which foresee interaction with economies where ethnic Chinese do not play a dominant role. Thus, Japan, Russia, India and North America are centrally involved, whereas they were virtually excluded from the first portraits of Greater China.

And thirdly, the discussion of these transnational economic circles envisages a relatively low degree of formal institutionalization. Although governments will be involved in breaking down the administrative barriers to trade and investment, and in building the physical infrastructure that can promote commercial transactions, there is as yet little talk of

30. Huang Zhilian, "‘Xi Taipingyang diqu chanye xiezuo xitong’ chubu gouxiang" ("Initial conception of a 'western Pacific regional industrial co-ordination system'") *Jingji daobao* (*Economic Reporter*), 18 July 1988, pp. 14–15. See also his *Xianggang zouxiang ershiyi shiji: "Huaxia tixi" yu "taipingyang shidai" de tansuo* (*Hong Kong Moves Toward the 21st Century: An Exploration of the "Cathaysian System" and the "Pacific Era"*) (Hong Kong: Chinese Press Publishing, 1989).

forming these regions into formal free trade areas or common customs territories. Instead, there is more emphasis on building infrastructure, exchanging information and harmonizing regulatory policies.

In short, the new vision of the transnational Chinese economy involves a set of smaller economic circles, integrally connected to larger economic regions, such as the emerging Asia-Pacific economic community, rather than focused primarily on internal interaction. It also emphasizes relatively spontaneous commercial activity, rather than the negotiation of formal trading arrangements. To its advocates, it therefore promises the best of both worlds: the benefits of new commercial opportunities that cross international borders, without the economic or cultural exclusivity – or the political ambition – associated with earlier conceptions of a “Greater China.”

### *A Global Chinese culture*

The second core concept subsumed under the heading of “Greater China” involves the increasing cultural interaction of people of Chinese descent, again across international boundaries. Like economic integration, this trend can be captured in a few simple statistics. People from Taiwan now visit mainland China around one million times every year. The volume of visits between Hong Kong and the People’s Republic is several times higher. The flow of mail across the Taiwan Strait has now reached 24 million pieces per year, and telephone calls from the mainland to Taiwan amount to 40,000 per day. The popular culture of Hong Kong and Taiwan has a growing audience on the mainland, and exchanges of artists, performers and writers between Taiwan and the mainland are steadily increasing.

The growth of these kinds of exchanges represents the reintegration of the transnational Chinese society that had been created by the centuries-old diaspora from the heartland of China to other parts of the world. The flow of Chinese overseas began in the Ming Dynasty with the resettlement of Chinese merchants to South-east Asian trading ports. It continued with the emigration of thousands of Ming sympathizers to Taiwan in the 17th century; with the flow of emigrant labour around the world in the 19th and early 20th centuries; with the flow of political refugees from Communism to Hong Kong, Taiwan, South-east Asia and North America in the mid-20th century; and with the continuing stream of students and scholars to the West over the last hundred years.

The political division of China in 1949 profoundly disrupted the normal contacts within this global Chinese society, just as it prevented the exercise of normal commercial contacts. The People’s Republic generally viewed overseas Chinese as being contaminated with bourgeois values; the Nationalist government on Taiwan cut off all cultural and humanitarian exchange with the mainland. Although both Taiwan and the mainland maintained ties with Hong Kong and with groups of sympathetic Chinese abroad, the level of interaction within the international Chinese community was far lower than it would normally have been.

With the fall of these political barriers, cultural exchange could rapidly resume, reflecting the natural desire for interaction among those enjoying a common culture. Families divided since 1949 longed for reunion. Overseas Chinese wanted the opportunity to visit their native places, historical sites or scenic spots on the mainland. Artists and performers wished to exchange their work; intellectuals and scientists were eager to share their views on topics of common concern. Ordinary Chinese wanted to enjoy the stimulation of films, songs and literature produced in their own language but in a different social setting. Moreover, the global revolution in transport and communication has greatly facilitated the resurrection of these kinds of cultural exchange. Jet travel has made it easier and less expensive for Chinese around the world to visit one another. Telephones and fax machines have promoted regular communication among friends and families. Audio tapes, video cassettes and satellite broadcasting have all encouraged the exchange of popular culture.

To this degree, the recreation of a global Chinese culture has been a natural process: the product of a common ancestry, facilitated by modern communications. But, as with commercial ties, many of the governments involved have not been neutral or disinterested observers. The leaders of mainland China have viewed cultural and humanitarian exchanges, like economic relations, as a way of promoting the reunification of the country. The rediscovery of a common cultural identity, they believe, will produce a desire for political reintegration. The Nationalist government has favoured cultural ties across the Taiwan Strait for a related but slightly different reason: not so much to create a demand for reunification as to forestall the demand for independence. Moreover, many in Taipei believe that cross-Strait contacts, by graphically revealing the differences in living conditions between the two sides, will bolster the legitimacy of the Kuomintang while undermining that of the Communists.

Thus far, the reintegration of the global Chinese community has been the least extensively discussed of the three core versions of Greater China.<sup>31</sup> It is here, more than in economics or politics, that both description and prescription are lagging well behind reality. Nevertheless, a number of distinct variations on the common theme of renewed cultural contact are already evident in the few writings on the subject.

Perhaps the dominant tendency in the analysis is an emphasis on high culture. Most writings on the subject focus on the growing interaction among Chinese intellectuals around the world, which they portray as the continuation and renewal of a 150-year search for a modern Chinese culture. Tu Wei-ming, perhaps the most articulate advocate of this view, has portrayed the process as one by which Chinese intellectuals can overcome their "sense of impotence, frustration, and humiliation" and

31. There has, however, been at least one multilateral conference on the subject. The meeting, called "Prospects for Cultural China: Concept and Reality," was co-sponsored by the Chinese University of Hong Kong, the Taipei Hong Kong-Macao Association, and the *China Times*, and was held in Hong Kong in March 1993. See *Zhongguo shibao (China Times)*, 21 March 1993, p. 22.

find identity “not only as Chinese but as thinking and reflective Chinese in an increasingly alienating and dehumanizing world.”<sup>32</sup>

Tu’s vision of what he calls a global “Cultural China” raises several profound and interrelated questions. First, who should be included in it? Not surprisingly, Tu includes all those of Chinese descent, whether living in predominantly Chinese societies (such as Taiwan, Hong Kong, Singapore and the mainland), or as minorities in Chinese communities overseas. More controversially, he also includes those non-Chinese with a personal or professional interest in China: “individuals, such as scholars, teachers, journalists, industrialists, traders, entrepreneurs and writers, who try to understand China intellectually and bring their conceptions of China to their own linguistic communities.” Tu thus defines the membership of a global Chinese culture culturally, rather than ethnically: it consists of all of those, from whatever ethnic background, who participate in the “international discourse of cultural China” and who thereby join in the creation of a modern Chinese identity.<sup>33</sup>

The second crucial question raised by Tu’s concept concerns the capital of his Cultural China. Traditionally, the Chinese state has sought to ensure that the cultural and political capitals of the nation were one and the same, so as to ensure that the prevailing intellectual climate would conform with political orthodoxy. Thus, the leaders of the People’s Republic today would presumably wish to see Beijing, and possibly Shanghai, serve as the centres for modern elite Chinese culture. Conversely, political dissidents, dissatisfied with the status quo, wish there to be several centres of cultural life that remain autonomous of the political capital. For them, the intellectual capitals should not be restricted to Beijing or Shanghai but should also include Taipei, Hong Kong and Singapore, and, equally important, the overseas dissident communities in Cambridge, Princeton and Paris. Tu Wei-ming inclines toward the second position. The subtitle of his article – “The periphery as the center” – implies his major theme: that the “periphery will come to set the ... cultural agenda for the center.”<sup>34</sup> Or, as he puts it elsewhere, “a significantly weakened center may turn out to be a blessing in disguise for the emergence of a truly functioning Chinese civilization-state.”<sup>35</sup>

And this, in turn, leads to the third and ultimately most critical question: the content of the modern Chinese identity that will be produced by the “international discourse of Cultural China.” In essence, different centres are associated with different themes, particularly in the crucial area of political culture. Many intellectuals, let alone political leaders, in Beijing, Shanghai and Singapore are advocating a modernized version of traditional Chinese political culture, drawing heavily on Confucian concepts of politics to create a political system that is technocratic, hierarchical and orderly. In contrast to this neo-authoritarian vision, the

32. Tu Wei-ming, “Cultural China: the periphery as center,” *Daedalus*, Vol. 120, No. 2 (1991), p. 2.

33. *Ibid.* pp. 12–13.

34. *Ibid.* p. 12.

35. *Ibid.* p. 15.



prevailing view among Chinese intellectuals in Hong Kong, Taipei and overseas is for a much more democratic version of modern Chinese culture, with the organizational and ideological pluralism associated with liberal democracies in the West. The outcome of this debate will not only have a profound effect on the structure of the various Chinese polities, but also, as will be noted later, have significant implications for the political evolution of the rest of the world.

Alongside this there is also a phenomenon that is much more populist in character: a transnational popular Chinese culture, shaped not by modern literati but by commercial artists, musicians and writers. Although this is rapidly becoming a reality, it has not yet become a prominent part of discussions of a global Chinese culture. Still, harbingers of this concept are apparent in the view of a group of Taiwan and Hong Kong television executives that direct satellite broadcasting of Chinese-language programming will soon create a "Chinese television global village,"<sup>36</sup> and in the opinion of at least one mainland Chinese scholar that there is emerging a Chinese "civilizational community" (*shengming gongtongti*) characterized by a "pan-Chinese culture" (*fan Zhonghuaxing wenhua*).

This populist version of a global Chinese culture raises the same issues of participants, capitals and content that have been generated by the more elitist variants. One such question concerns the role of ethnic minorities in forging Chinese popular culture. Chinese officials have long insisted that the Manchus, Tibetans, Mongols and Hui are not only citizens in the Chinese state, but have been assimilated into a common Chinese culture.<sup>37</sup> Increasingly, however, many Chinese writers and artists take the opposite position: that national minorities not only absorb Chinese culture, but also provide values, meanings and artistic vocabularies that can enrich it.<sup>38</sup> Relatedly, one can imagine controversy over the degree to which overseas Chinese are regarded as consumers of Chinese popular culture, or as creators of it. As a result, there will be intense rivalry to serve as the geographic centres of popular Chinese culture. At first, it seemed clear that Hong Kong and Taiwan would play such a role, at least in music and film. Their products were more professionally produced, more technically sophisticated and unconstrained by the orthodox styles and subjects of the cultural bureaucracy on mainland China. More recently, however, the cultural centres of mainland China have made a strong resurgence. This is not only because of the easing of the political restrictions imposed after the Tiananmen crisis of 1989, but also because many believe that problems and trends in mainland society can only be reflected by their own artists and writers. Thus, Guangzhou, Shanghai and Beijing (in music), and Beijing and Xi'an (in film) are challenging the near-

36. *Zhongguo shibao zhoukan* (*China Times Weekly*), 26 April–2 May 1992, pp. 40–53.

37. David Yen-ho Wu, "The construction of Chinese and Non-Chinese identities," *Daedalus*, Vol. 120, No. 2 (1991), p. 162.

38. See, for example, Leo Ou-fan Lee, "On the margins of the Chinese discourse: some personal thoughts on the cultural meaning of the periphery," *Daedalus*, Vol. 120, No. 2 (1991), pp. 207–224.

monopoly in successful popular culture once held by Taipei and Hong Kong.

The content of popular Chinese culture is also a matter of dispute. Most observers agree that that produced outside the mainland is primarily individualistic, materialistic or even hedonistic in character. It is highly likely that the official overseers of culture in Beijing will therefore seek to encourage, as a counterweight, a more orthodox popular culture that embodies collective values, patriotism and asceticism. It is conceivable that the battle between these two versions of Chinese popular culture could be as intense as the struggle among Chinese elites between the proponents of democracy and the advocates of neo-authoritarianism.

And yet, sceptics argue that the emergence of global Chinese culture must overcome two sets of daunting obstacles. First, political barriers still play a restrictive role in cultural matters, just as they do in economics. Although Communist leaders are much less intolerant of unorthodox popular culture than they were in the Maoist era, there are still periodic complaints against "spiritual pollution" from abroad, and there are informal limits on the number and type of films and television programmes from Hong Kong and Taiwan that can be exhibited on the mainland.<sup>39</sup> If anything, the barriers on Taiwan are even higher: there are restrictions on the content of mainland publications that can be sold on Taiwan, bans on the public exhibition of mainland films and television programmes, and even regulations concerning the amount of time that mainland performers can appear on the screen in co-produced movies. Political mistrust continues to hamper intellectual exchanges in the social sciences and contemporary humanities. Some worry that these barriers will not only impede cultural interaction, but also ensure that cultural products intended for a transnational audience (such as broadcast on the Chinese-language channel of Star Television) remain bland and non-controversial.

Other analysts have suggested that the main obstacle to the creation of a global Chinese culture will not be the barriers imposed by central governments, but rather the competing attraction of local sub-cultures. And, indeed, the democratization of political life on Taiwan and the decay of political controls on the mainland are producing a noticeable resurgence of local identity. In Taiwan, in Guangdong, in Shanghai and in other parts of mainland China, there is a renewed interest in local history, folk religion and culture, and a rise in the use of local dialect. By extension, there is presumably less interest in national history, in high national culture and in the use of *guoyu* or *putonghua*.

In reply it can be said that these trends are not unprecedented, nor do they negate the possibility of the emergence of a global Chinese culture, at both the elite and popular levels. As Myron Cohen has written, "that differentiation and integration may occur concurrently, especially in complex societies, should hardly come as a surprise.... The generation or

39. As one informant put it, historical dramas are encouraged, whereas programmes showing daily social life in Taiwan and Hong Kong are not.

preservation of [local] differences was the flip side of the creation of [national] uniformities in late traditional Chinese culture.” There was always a tension between the national orthodox culture (which the state sought to promulgate, but never expected commoners to master fully) and local sub-cultures (some aspects of which were tolerated by the state, while others were suppressed).<sup>40</sup> Thus one should not regard the question of cultural identity as a zero-sum situation, in which one form of identity can exist only at the expense of another. The creation of a global Chinese culture, in other words, can exist at precisely the same time as the renaissance of local sub-cultures.

A similar debate concerns the likelihood that large numbers of Chinese overseas will become part of a global Chinese culture. Some argue that, compared to the past, more overseas Chinese are seeing themselves as permanent emigrants, rather than temporary sojourners, and are abandoning their Chinese citizenship in favour of foreign nationality. Generation by generation, they will therefore assimilate into their adoptive cultures, intermarry with people of different backgrounds, lose their knowledge of Chinese language and culture, and even abandon much interest in China. Outside East Asia, their ethnicity may prevent their full absorption into their new societies. Even so, they may define that ethnicity in other ways than Chinese, in the way that many younger Americans of Chinese descent see themselves as Asian-Americans, rather than specifically as Chinese-Americans.

In response, defenders of the concept of a global Chinese culture again argue that cultural identity is not an either-or affair. Wang Gungwu, the leading scholar of overseas Chinese, has insisted that working and studying abroad does not necessarily eradicate a sense of Chineseness, but rather helps to define it and even to strengthen it.<sup>41</sup> He emphasizes the ongoing significance of ethnicity, noting that “most [overseas Chinese] live in countries where denial [of their Chineseness] would be useless.”<sup>42</sup> He also predicts that the globalization of the world economy and the improvements in communication and transport technology will make it both convenient and imperative for overseas Chinese to maintain at least a partial identity as members of a global Chinese culture.

### *A Reunified Chinese State*

The final theme associated with the term “Greater China” is the reunification of the Chinese state after a period of division. Of the three core concepts under discussion here, this is the one with the deepest roots in Chinese history. In traditional times, the boundaries of the Chinese empire were never static. The size of the empire shrank when the vitality of the central government declined: peripheral territories, parts of Outer

40. Myron L. Cohen, “Being Chinese: the peripheralization of traditional identity,” *Daedalus*, Vol 120, No. 2 (1991), pp. 113–134, at p. 121.

41. Wang Gungwu, “Among non-Chinese,” *Daedalus*, Vol. 120, No. 2 (1991), p. 136.

42. *Ibid.* p. 154.

China, became autonomous or fully independent. In periods of severe decay, China Proper might itself be divided, falling victim to foreign invasion, or disintegrating into a number of rival Chinese states. But the subsequent phase in the dynastic cycle was that, in time, the empire would reconstitute itself. A strong political force would reunify the provinces of China Proper, re-establishing a powerful central government. It would then use a combination of economic blandishments and military force to reassert China's suzerainty over Outer China. The boundaries of the resulting empire might not be precisely the same as before, but the process was similar, and became an important part of Chinese political culture. As John Fairbank wrote of the situation in 1949, "the history of past dynastic foundings predisposed the Chinese people to expect and welcome the return of central power."<sup>43</sup>

The last years of the Qing Dynasty provide an excellent example of the process of territorial disintegration during a period of political decay. As the empire weakened, it was stripped of land. Some of these lost territories were part of China Proper, beginning with the Portuguese occupation of Macao in 1557, and continuing with the other colonies, concessions and leased areas (such as Hong Kong, Guangzhouwan, Qingdao and Dalian) seized by the Western powers along the Chinese coast in the 19th century. But foreign powers also seized more peripheral regions: Russia took eastern Siberia; Japan seized the Ryukyus, Taiwan and Korea; France colonized Indo-China. With the collapse of the Qing, the process of disintegration went even further: Outer Mongolia, Tibet and Turkestan all became independent of China, at least *de facto*, in 1911–12; and Manchuria, as Manchukuo, became a separate state under Japanese influence in 1932.

Although the defeat of Japan in the Second World War returned Taiwan and Manchuria to China, the Chinese civil war produced further division of the country, when the Communists seized control of mainland China and the Nationalists retreated to Taiwan. Thus by 1949, what had been a single empire under the Qing had been divided into five separate entities: the People's Republic of China, the Republic of China on Taiwan, the Mongolian People's Republic, Hong Kong and Macao.

Since then, both the Nationalist and Communist governments have been committed to the reunification of China. But what should be the boundaries of a reunified Chinese state? In the 1950s, a few high school textbooks published on Taiwan carried maps suggesting that Nationalist China would seize all of Siberia and much of Soviet Central Asia after the defeat of the Soviet Union and Communist China in a world war, but there is no evidence that the Kuomintang ever took such grandiose plans very seriously.<sup>44</sup> Instead, the Nationalist government has taken the consistent position that China should include all of China Proper, plus Taiwan,

43. John K. Fairbank, "The Reunification of China," in Roderick MacFarquhar and John K. Fairbank (eds.), *The Cambridge History of China*, Vol. 14 (Cambridge: Cambridge University Press, 1987), p. 22.

44. See Uhalley, "What's in a name?"

the South China Sea, Tibet, Xinjiang and Manchuria. Until recently, Mongolia has also been a part of the Kuomintang’s conception of Greater China, but in the past few years Taipei has shown a growing willingness to acknowledge Mongolia to be a separate, independent nation.

The perspective of the Chinese Communist Party (CCP) is even more pertinent to an analysis of the prospects of a reunified China. In fact, over time the CCP has taken quite different views of its territorial claims. One issue has concerned Taiwan. At its Second Congress in 1922, the Party called for the unification of China, but did not mention Taiwan as part of the territory to be included within its borders.<sup>45</sup> In an interview with Edgar Snow in 1936, Mao Zedong made the same point more explicitly. Likening Taiwan to Korea, Mao said that both territories should become independent states following the defeat of Japan, rather than being reattached to China.<sup>46</sup> However, the CCP’s policy toward the island soon changed. Once the Nationalists had relocated to Taiwan, the CCP called for the reunification of Taiwan with the rest of China – a position it has held consistently ever since.

The CCP’s views on the status of outer Mongolia have also varied over the years. Before 1949, CCP documents portrayed Mongolia, Tibet and Xinjiang as having the same status: as minority areas not part of China Proper, which would formally be given the right of secession and independence, but which would “automatically” (in Mao’s word) become part of a federal Chinese state after the Communists’ seizure of power.<sup>47</sup> After 1949, however, presumably under pressure from the Soviet Union, Beijing recognized the independence of the Mongolian People’s Republic. And yet Mao and other senior Chinese leaders have periodically hinted that they still considered outer Mongolia to be part of China, as do some younger people in mainland China today.

The last boundary question concerns the fate of other territories, historically subject to Chinese suzerainty, that fell under the control of foreign powers during and after the 18th century. Chinese maps published in the early 1950s depicted these territories in extensive detail, suggesting that the Communist government still held some claim to them. Moreover, at the beginning of the Sino-Soviet dispute, Beijing denounced the treaties with Tsarist Russia that had demarcated the two countries’ border, and implied that it still laid some claim to large portions of Siberia. Since the early 1970s, however, the CCP has consistently pledged to accept most existing international borders, with some limited modifications. Its sole remaining claims are to Hong Kong, Macao and the islands in the South China Sea.

Boundaries aside, how should a reunified China be governed? Al-

45. “Manifesto of the Second National Congress of the CCP” (July 1922), in Conrad Brandt *et al.* (eds.), *A Documentary History of Chinese Communism* (New York: Atheneum, 1966), pp. 63–65.

46. Edgar Snow, *Red Star Over China* (New York: Grove Press, 1961), p. 96.

47. “Manifesto of the Second National Congress”; “Constitution of the Soviet Republic” (November 1931), in Brandt, *A Documentary History*, p. 223; and Snow, *Red Star Over China*, p. 96n.

though most discussions of a transnational Chinese economy and of a global Chinese culture are of fairly recent vintage, formulas for reunifying China under a single government have a much longer history. These formulas – Communist and Nationalist – can be grouped into four broad categories: “one country, one system”; “one country, two systems”; “one country, two governments”; and “one country, many governments.”<sup>48</sup>

Until quite recently, both the CCP and the Kuomintang proposed that the reunification of China be accomplished under a single government, and with a common socio-economic system. Not surprisingly, each party believed that the government that it controlled should serve as China’s central political authority; equally predictably, each party advocated that all of Chinese society be organized according to its own ideological model. Thus, for most of the period from 1949 to 1979, the CCP called for the “liberation” of Taiwan, the creation of a socialist economic system on the island and the formation of a provincial government on Taiwan that would be subordinate to the central government in Beijing. In parallel fashion, the Kuomintang’s formula for reunification involved the democratization of the mainland’s political system, the reform of the mainland economy according to market principles, and then the reabsorption of the mainland provinces under the Nationalist Constitution of 1946. The CCP, in short, envisaged the unification of China under the principles of Marxism-Leninism, the Kuomintang under the *sanmin zhuyi*.

In the early 1980s, however, the CCP significantly modified its formula for reunification, changing from a policy of “one country, one system” to one of “one country, two systems.” It announced that, after reunification, Hong Kong, Macao and Taiwan would become special administrative regions of the People’s Republic. As such, they would be able to preserve their own social and economic systems, maintain a more democratic form of government than in the rest of China, and enjoy a high degree of autonomy in their internal affairs. In addition, Taiwan was offered the right to maintain its own armed forces. Nevertheless, under this formula all these entities were seen as local jurisdictions under the sovereignty of the central Chinese government.

In response to this Communist initiative, scholars and policy analysts on Taiwan developed a significantly different formula: not “one country, two systems,” but “one country, two governments.”<sup>49</sup> Under this approach, Taiwan would not only maintain its own economic, social and political system, but would enjoy equal status with the mainland in international affairs. Third countries could have diplomatic relations with both Taiwan and the mainland, and both Chinese governments would be represented in the United Nations and other international agencies. The

48. For another classification and summary of the competing formulas for reunification, see Wen-hui Tsai, “Convergence and divergence between mainland China and Taiwan: the future of unification,” *Issues and Studies*, Vol. 27, No. 12 (December 1991), pp. 1–28.

49. This formula is also summarized as “one country, two regions” or “one country, two entities.”

principle of "one Chinese nation" would be maintained, but in practice that nation would be divided into co-equal political systems.<sup>50</sup>

To some of its proponents, this formula applies only to a transitional period, during which the remaining gaps between the conditions on Taiwan and those on the mainland make full reunification impossible. As one leading analyst on Taiwan has put it, the concept of "one country, two governments" "does not preclude reunification ..., [but] only provides the room for simultaneous recognition of both political systems within the divided states in the transitional period before the eventual reunification."<sup>51</sup> To others, however, this formula may represent not an interim solution, but a final one. Many analysts on Taiwan believe that the island's culture, economic system, political institutions and standard of living are now significantly different from those on the mainland, and that the gap between them may never be closed. No formula for reunification under a single central government, in their perspective, could guarantee sufficient autonomy for Taiwan to be acceptable to the Taiwanese people. Thus, they believe that, whatever lip service must be given to the concept of "one China," the reality can only be two distinct societies under two separate governments.

Recently, a fourth set of formulas has begun to emerge on both sides of the Taiwan Strait, adopting a federalist approach to China's reunification. Under many of these formulas, the present People's Republic of China would devolve much of its existing political authority to its provinces, while creating a federal national government to facilitate reunification with Taiwan and Hong Kong. Such an approach can therefore be summarized as "one country, many governments." Although federalism has deep roots in the history of contemporary China,<sup>52</sup> its revival in recent years has been most closely associated with the mainland scholar Yan Jiaqi, the former director of the Institute of Political Science of the Chinese Academy of Social Sciences, now living in exile abroad. Yan has proposed the creation of a federal government to govern the present territory of the People's Republic, and then an even looser

50. Some mainland officials and policy analysts appear willing to explore this proposal. See, for example, the report by Tang Shubei of the mainland's Association for Relations Across the Taiwan Strait that the two sides might "commonly share international status" (*gongtong fenxiang guoji diwei*), in *Zhongguo shibao*, 20 June 1993, pp. 72–75. The most recent official statement of Beijing's policy toward Taiwan, however, shows no such flexibility. See "The Taiwan question and the reunification of China," a white paper issued by the Taiwan Affairs Office and the Information Office of the State Council, relayed by Xinhua News Agency, 31 August 1993, in *Foreign Broadcast Information Service Daily Report: China*, 1 September 1993, pp. 43–51.

51. Yung Wei, " 'Multi-system nations' revisited: interaction between academic conceptualization and political reality," paper presented to the 15th World Congress of the International Political Science Association, Buenos Aires, July 1991.

52. See, for example, Jean Chesneau, "The federalist movement in China, 1920–23," in Jack Gray (ed.), *Modern China's Search for a Political Form* (Oxford: Oxford University Press, 1969), pp. 96–137; and Prasenjit Duara, "Provincial narratives of the nation: centralism and federalism in Republican China," in Harumi Benu (ed.), *Cultural Nationalism in East Asia*, Research Papers and Policy Studies No. 39 (Berkeley: Institute of East Asian Studies, University of California, 1993), pp. 9–35.

confederal structure to incorporate Taiwan, Macao and Hong Kong.<sup>53</sup> As Yan points out, there was a time when the CCP itself endorsed a federal system for China. The Party's Second National Congress in 1922 formally proposed the creation of a "Chinese Federal Republic," and Mao's interview with Edgar Snow made a favourable reference to the concept. And yet, once the Communist Party gained control over the mainland in 1949, it promptly renounced its federalist heritage. Indeed, even though the Communist Party modelled many aspects of its new governing structure after Soviet practice, it specifically rejected the idea of copying the nominally federal structure of the Soviet Union.

Today, Chinese scholars and officials normally reject federalism as incompatible with the official formula of "one country, two systems."<sup>54</sup> Recently, however, there have been signs that the concept may be receiving a more favourable hearing. Deng Xiaoping himself has reportedly said that, if it is more acceptable to Taiwan, federalism may be the most effective strategy for the reunification of China.<sup>55</sup> And interviews with Chinese scholars in the summer of 1993 have suggested much greater openness to the concept than in the past.

And yet, many still have qualms about the desirability of a single reunified China, even under a federal formula. The most obvious reservations are held by people in the territories that might be incorporated in such an entity. Although the fate of both Hong Kong and Macao has now been determined by international negotiations, a majority of people in Hong Kong, and probably a sizeable portion of the population of Macao as well, would have preferred to remain separate from the People's Republic. Around 10 or 15 per cent of the people of Taiwan are in favour of a formal declaration of independence from the mainland, and a much larger number support the indefinite continuation of the status quo. And certainly the overwhelming majority of those in outer Mongolia wish to remain outside a reunified Chinese state.

Many of China's neighbours, too, are apprehensive about the strategic consequences of Chinese reunification. It has already become commonplace in discussions of regional and global matters to aggregate the resources available to the three major Chinese societies to estimate the power of a reunified China. Together, we are told, the foreign exchange

53. Yan Jiaqi, *Lianbang Zhongguo gouxiang (The Concept of a Federal China)* (Hong Kong: Ming Bao, 1992). For more on federalism, see Jiang Jingkuan, "Zhongguo tongyi zui lixiang de tujing" ("The most ideal path for Chinese reunification: implement a federal republican system"), *Zhongbao yuekan (Central Monthly)*, April 1984, pp. 8–10; and Chen Guozhen, "Minzu zijue zhi shi hai shi shenlou?" ("Is ethnic national self-determination a mirage?"), *Zhongguo shibao zhoukan (China Times Weekly)*, 2–8 September 1989, pp. 13–15.

54. See, for example, Zhongguo tongxunshu (China News Agency), 26 February 1992, in *Foreign Broadcast Information Service Daily Report: China*, 2 March 1992, pp. 37–38.

55. Deng reportedly said that Beijing should give "careful consideration" to the "possibility of post-reunification constitutional changes," including the formation of a "so-called 'federation' or 'confederation.'" *Jing bao*, No. 184 (5 November 1992), pp. 63–64, in *Foreign Broadcast Information Service Daily Report: China*, 6 November 1992, p. 55. Yang Shangkun is reported to have made a similar remark. See *China Post*, 5 May 1993, in *Foreign Broadcast Information Service Daily Report: China*, 12 May 1993, pp. 66–67.



holdings of Taiwan and the mainland dwarf those of any other country; the global trade volumes of Hong Kong, Taiwan and the People’s Republic rival those of Japan; and the armies of Taiwan and the mainland would be the largest military force in Asia. Today, such calculations are not that meaningful, since they assume that these resources would be at the disposal of a single political will that does not exist. Were China to be reunified under a powerful central government, however, such an aggregation of resources would indeed have occurred, producing an international actor far more powerful than mainland China is today.

Finally, some mainland Chinese – albeit a minority – also question the desirability of a politically reunified China. They not only admit the social, economic and political disparities between mainland China and Taiwan, but also acknowledge that the differences between the two are not likely to be eliminated in the foreseeable future. In addition, some interpret their country’s history as showing that the Chinese nation is more likely to be culturally vibrant and humanely governed if it has several competing centres of political power, not just one.<sup>56</sup>

### *Conclusion*

There has been a plethora of terms to describe the system of interactions among mainland China, Hong Kong, Taiwan and people of Chinese descent around the world. The South China Economic Circle, the Greater China Free Trade Area, the Chinese Economic Community, the China Productivity Triangle, the Chinese Economic Circle, the Chinese Federation, the Chinese Commonwealth, the South China NIC, the Chinese Prosperity Sphere, Cultural China, the Cross-Strait Economic Circle and the Chinese Civilizational Community are but a fraction of the terms that have been used by analysts and observers of the subject. Of these terms, however, it is “Greater China” that is becoming, at least in English, the most commonly employed.

Many people object to the use of the term “Greater China.” Although it was originally intended in an benign economic sense, as an simile to Greater London or Greater Tokyo, in some quarters it evokes much more aggressive analogies, such as the Greater East Asia Co-Prosperity Sphere or Greater Germany. But despite these objections, the term is likely to survive. Not only does it have a simplicity and familiarity that its rivals lack, but its very vagueness is one of its greatest virtues. In contrast to more specific terms, the phrase “Greater China” does not imply any definite geographic boundaries, is not limited to any specific set of interactions, and does not refer to any definite structures or institutions. It accurately captures both the broad scope and the uncertain outcomes of the phenomenon in question.

It has been suggested that “Greater China” in fact subsumes three

56. See, for example, Ge Jianxiong, *Putianzhixia: Tongyi fenlie yu Zhongguo zhengzhi* (*All Under Heaven: Unity, Division, and Chinese Politics*) (Jilin: Jilin Educational Press, 1989).

distinct, although related, concepts. Economically, Greater China involves the expanding commercial interactions among mainland China, Taiwan and Hong Kong. Culturally, it refers to the restoration of personal, scientific, intellectual and artistic contacts among people of Chinese descent around the world. Politically, it refers to the possibility of the re-establishment of a single Chinese state, reuniting a political entity that was disintegrated by more than a century of foreign pressure and civil war. To a degree, the three themes are interrelated: a common cultural identity provides a catalyst for economic ties, and economic interdependence may lay the foundation for political unification. In theory, therefore, the three aspects of Greater China could merge into a single integrated entity.

At present, however, they are not perfectly correlated. Each of the three faces of Greater China has different boundaries and different centres. Economic Greater China, at this point at least, is largely limited to the coastal regions of mainland China, together with Hong Kong, Macao and Taiwan. Hong Kong is clearly its capital, although Taipei and Shanghai are both rising in importance. Cultural Greater China includes all those of Chinese descent, wherever in the world, who choose to become engaged in what Tu Wei-ming terms the "discourse" on what it means to be Chinese. It has several centres of influence: Hong Kong and Taipei are the most important for popular culture; whereas elite cultural activities are centred in places as diverse as Beijing, Singapore, Princeton and Paris. Political Greater China, if it fully emerges, would include mainland China, Hong Kong, Macao and Taiwan. Its centre would be Beijing, although the degree of central power wielded in the capital remains to be seen.

Moreover, there appears in all three Chinese societies to be a growing acknowledgement of the barriers to the creation of Greater China, especially one with a highly institutionalized form. There are indeed powerful integrative forces in play: a natural economic complementarity among the three economies, the common cultural and ethnic background among the world's Chinese communities, the family ties linking various segments of the Chinese diaspora, and the age-old sense that a powerful China should be a unified China. But against these are working significant disintegrative factors, including differences in level of economic development, in political and economic system and in cultural identity. Moreover, some fear the consequences of closer integration: the dislocations of economic life, the erosion of cultural identity and the loss of political autonomy.

Thus, there is no unanimity among Chinese about the desirability of a Greater China. Instead, different groups of Chinese approach these three sets of concepts with distinctly different degrees of enthusiasm. In mainland China, there is interest in extensive cultural and economic interaction among the People's Republic, Taiwan and Hong Kong, but largely as a way of securing political reunification. On Taiwan, there is also an interest in promoting cultural and economic ties with the mainland, but these are widely regarded as an alternative to political reunification, rather than as a means of achieving it. In Hong Kong, the

greatest interest is in the development of economic and cultural ties with South China, largely as a method for cushioning the transfer of political sovereignty to Beijing that will occur in 1997.

As a result, the emergence of Greater China remains an indeterminate process, the final dimensions of which are not yet clear. But the trends in the discussion may give a preliminary clue to what lies ahead. Increasingly, analysis is focusing on less formal and institutionalized mechanisms of economic and political integration. Federalism is emerging as the dominant formula for political unification, and the "economic circle" is replacing "common markets" and "free trade areas" for economic interaction.

In addition, discussions of the economic and cultural interactions among ethnic Chinese are becoming much less exclusive in tone. The most recent analysis of economic trends foresees the development of several different economic regions, each of which would link segments of the transnational Chinese economy to economic systems where ethnic Chinese do not play the dominant role. Similarly, discussion of cultural matters is increasingly acknowledging that Chinese living outside mainland China will probably develop and maintain a multi-layered cultural identity, viewing themselves both as Chinese and Taiwanese, or as Chinese and American, rather than as Chinese alone.

The rest of the world has viewed the prospect of a Greater China with both fascination and considerable alarm. Some see it in benign terms, as a dynamic common market which provides growing opportunities for trade and investment. More frequently, however, there has been concern that the combination of economic and military resources available to a Greater China will pose a significant threat to the commercial vitality and the strategic stability of the rest of the world. There is also the worry that the process of cultural integration will produce a neo-Confucianism whose authoritarian tendencies will pose an ideological challenge to the West.<sup>57</sup>

The trends outlined above, however, suggest that some of the alarmist interpretations of Greater China have been severely overdrawn, largely because they focus only on the integrative forces at work and overlook the centrifugal tendencies. It is unlikely that a single central government will be able to gain firm control of the economic and military resources of the mainland, Taiwan and Hong Kong. Without such a centralized political will, Greater China will not evolve into a strategic superpower of the magnitude many envisage. Similarly, it seems improbable that the various Chinese economies will form a closed economic bloc, buying primarily from themselves while seeking to export to others. And the cultural interaction within the global Chinese community is marked by sharp debate between proponents of democracy and advocates of state

57. See Samuel P. Huntington, "The clash of civilizations?" *Foreign Affairs*, Vol. 72, No. 3 (Summer 1993), pp. 22-49.

control, rather than by consensus on the desirability of authoritarian solutions. The international implications of greater cultural, economic and political interactions among ethnic Chinese will doubtless be significant, but they may not be either as great or as dire as some have suggested.