



*Social Transformation,
Nascent Civil Society and the
Taiwanese Capital in Fujian*

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Hong Kong Institute of Asia-Pacific Studies

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Introduction

Under the "Deng Doctrine" of the "Four Modernizations," since 1978 market forces have been brought back into socialist China, with an open-door policy to attract foreign investments. As a result, coastal China entered a new development era in the 1980s, and Fujian has been a part of this unfolding drama ever since.

Over the past 17 years, Fujian province under the open-door policy has registered an impressive record of economic growth in comparison with other inland provinces. From 1978 to 1995, Fujian's agricultural, forestry and fishery products increased from 3.6 to 76.5 billion yuan; the industrial products grew even greater, from 6.3 to 288.1 billion yuan; and the total electricity generated also increased from 4.07 to 26.2 billion megawatts/hours. On the other hand, the residents' year-end saving deposits also jumped from 0.66 billion to 79.5 billion yuan while the total retail values of consumer goods registered an increase of more than 20 times, from 3.06 to 67 billion yuan.

Fujian's developments have several distinctive characteristics. First, Fujian has experienced a slow growth, in comparison with Guangdong. The macro economic statistics clearly show that Fujian's rapid growth began in the late 1980s and early 1990s. In other words, Fujian has been a late comer in the dynamic southern Chinese growth triangle by taking a catch-up strategy for industrialization.

Secondly, such a catch-up industrialization strategy finally boosted Fujian's industrial output per capita to exceed that of the national average in 1992. And in 1995, its figure has reached 1.5 times the national average. Fujian's success can be marked by its

industrialization efforts since the 1990s as its total industrial output grew 5 times between the period of 1990 and 1995, while the non-agricultural output grew about 3 times in the same period. The changes in the relative importance of different types of enterprises also reflect the major forces behind Fujian's industrialization in recent years. It appears that the township enterprises, backed by local authorities and operated jointly by the emerging private and the joint-venture business, have become the most dynamic sector while the state enterprises have been losing grounds over the years.

Thirdly, Fujian's industrial development since the 1990s has moved significantly towards the extroversion of the economic structure where imports and exports have greatly expanded. Since 1988, the ratio of export value to GNP in Fujian has already exceeded the national average, and in 1994 the ratio was 41% for Fujian and only 22.4% for the nation. The most recent statistics, for 1995, still demonstrate Fujian has outperformed the national average with 35.6% to 21.7%, respectively. The major items of Fujian's exports are light industrial goods and textiles.

Finally, accompanying the active exports was the increasing foreign investment. Direct investments into Fujian from abroad in 1980 were about 24 million US dollars; in 1993 the total amount had already increased to 11.4 billion US dollars. To take 1979 to 1996 as a whole period, a total of 18.93 billion US dollars foreign investment was utilized, and that accounted for 45.6% of Fujian's overall fixed asset investment in the same period (*Fujian Statistical Yearbook*, 1997).

Among the foreign investors, the ethnic Chinese business outside China has always played a very important role. For example, in the early 1980s, ethnic Chinese investors from Southeast Asia (Philippines, Thailand, Malaysia, Singapore and Indonesia) were the major sources of foreign capital in Fujian. Singapore developed close economic and investment ties with Fujian after Lee Kuan Yew's visit to Fujian in 1980. Many major Southeast Asian Chinese business groups with Fujian origin, such as Philippines' Tan Yu and Lucio C. Tan, Indonesia's Liem Sioe Liong (Sudono

Salim), Malaysia's Robert Kuok, all have made substantial investments in Fujian since the 1980s.

But, since the mid-1980s, investments from Hong Kong, Macau and Taiwan have begun to take the lead. Taiwan's capital has been registered under Hong Kong/Macau over the years, but to Fujian, Taiwan investment has been even greater than that from Hong Kong and Macau. From 1985 to 1995, among all foreign direct investments, Taiwan, Hong Kong and Macau capital has always ranked the top, followed by the United States (US) and Europe, Southeast Asia and Japan. The investments from Southeast Asia have declined significantly over the whole period, the percentage of 45.7% in 1980 dropped to only 13.1% in 1985; it then even declined to merely 1.6% in 1990, yet later to increase to 13.9% in 1995. The Japanese investment also experienced the similar declining trend, its ratio dropping from 18.6% in 1980 to 12.5% in 1985 and then to only 1.9% and 2.5% in 1990 and 1995, respectively.

In contrast, direct investment from the US and Europe increased significantly over the past 15 years, accounting for only 3.1% in 1980, but increasing to 14.0% in 1985, and then jumping to 40.2% and 32.9% in 1990 and 1995, respectively. Similarly, foreign investment from Taiwan, Hong Kong and Macau increased substantially and topped other origins of foreign capital, contributing 32.6% of Fujian's total foreign investment in 1980, increasing to 60.4% in 1985, 56.1% in 1990; in 1995 it still remained at the 50.7% level. Overall, it can be said that Fujian's economic development has been made possible largely because of the ethnic Chinese capital from Southeast Asia, Hong Kong, Macau and Taiwan since the 1980s.

Ethnic Chinese and Taiwan Capital in Fujian's Economic Reform

Like Guangdong, Fujian has long been one of the major sources of Chinese emigrants. It is estimated that there are about 8 million

Chinese of Fujian origin who reside outside of Fujian (exclusive of Taiwan), and 80% of these Fujianese descendants are currently in Southeast Asia. Though these former Fujian emigrants have been naturalized and have become citizens of Southeast Asian countries, they have kept close social and economic ties with their hometowns in Fujian. The overseas connection has not only provided economic remittance to Fujian, but also given Fujian an opportunity to develop external linkages to the outside world. From 1950 to the outbreak of the Cultural Revolution, overseas Fujian Chinese had consistently invested in Fujian; it has been estimated that about 80 million yuan of investment had been made. But since the Cultural Revolution in 1966, the investment from Fujian emigrants had been terminated for 12 years until 1978, when China began its open-door policy, the overseas connection being then resumed again.

The Fujian provincial government began to take advantage of this policy change and set up a Fujian investment company in 1979 to attract foreign investment, and in 1980 the Min-Hua Inc. (Overseas Fujian Chinese Company) began its practice in Hong Kong, aimed at those overseas Fujian businessmen to invest in Fujian. The contributions made by Fujian Chinese business in Southeast Asia, Hong Kong and Macau to Fujian's economic development since the 1980s can be found in the following aspects.

Through personal and kin connection, the overseas capital has helped develop the growth of village-township enterprises (VTEs) since the early 1980s. The VTEs were transformed from the people's commune and production brigade enterprises of the pre-reform era through the privatization and sub-contracting mechanisms. The investment from overseas Fujian-origin business was timely and critical to meet the need of capital formation of those emerging VTEs in Fujian in the 1980s. In addition to capital contribution, the overseas Fujian Chinese business also donated necessary production equipment to Fujian's VTEs. By 1991, 6,000 sets of small scale production facilities (each valued below 100 thousand yuan) had been received from abroad. In agro-business alone, more than 700 kinds of new products were introduced into Fujian.

Moreover, the overseas Fujian Chinese invested significant amounts in the various forms of enterprises (the so-called *sanzi* enterprises: sole ownership, joint venture and technical cooperation) and made direct contribution to Fujian's industrial development. For example, in Shishi of southern Fujian, 80% of the families had overseas relatives and, as a result, in the city with less than 100 thousand population in 1992, there were 3,800 VTEs, 440 *sanzi* enterprises, more than 200 private owned businesses and 7,000 shops of various sizes (*Fazhi Daily*, 27 January 1993).

The total industrial output of the *sanzi* enterprises has increased rapidly since the 1990s, from 10.01 billion yuan in 1990 to 32.85 billion yuan in 1993 and to 85.99 billion yuan in 1996, which accounted for 18.48%, 24.13% and 31.63% of Fujian's overall industrial output in those three respective years. In other words, these enterprises with overseas capital produced more industrial output value than state-owned enterprises and self-employed business units in 1996. Furthermore, in 1996, almost 30% of Fujian's tax revenue was generated from those foreign invested enterprises, greater than that from the collective-owned enterprises (*Fujian Statistical Yearbook*, 1997).

The overseas capital further opened up the previously closed Fujian economy to the outside world market. Through the inflow of overseas capital and the setting up of various enterprises with external investment, Fujian was incorporated into the global division of labour with the timely use of its abundant labour surplus and cheap labour cost. Hence, the labour intensive manufacturing sector of the world economy soon found its new production base in Fujian, and Fujian also found its economic opportunities in the global capitalist system.

The expanding outward-looking economy also accelerated the development of the other inward-looking economy in Fujian. In addition to Xiamen, Quanzhou, Zhangzhou and Fuzhou, the four major cities with foreign capital concentration, after 1990 Fujian also witnessed the growth of many boom towns in areas away from the coast and not necessarily engaged in the export economy. One type was the induced suburban development

where the surrounding towns and villages of those major cities were given the opportunity to grow commercially and fulfil the need of expanding urban consumption. The other type was the so-called local resource development centres where local natural resources were finally utilized for actual production, with the help of external investment. The examples of the former were Taishan near Fuzhou, Nanan near Quanzhou, and Zhishan near Zhangzhou, and for the latter were Gutian (cement production) and Chizhou (ceramic making).

Furthermore, the overseas Chinese investment at the early stage functioned as a model to attract more ethnic Chinese business in Southeast Asia, Hong Kong and even Taiwan to enter Fujian. It is especially important to note that the Taiwanese businessmen were given the example of the early investors from abroad to invest in Fujian, considering their very limited knowledge of China's practice and policy change and the fear caused by the long lasting political tension between Taiwan and China. The Taiwanese business was then inspired to enter Fujian despite the Kuomintang (KMT) state's prohibition policy at the time. The early move of the overseas Chinese investment also served as a mediator linking Taiwan capital with the so-called regional Chinese business network in a joint effort to invest in Fujian. Therefore, in the mid-1980s it was not easy to draw a distinction between capital from Taiwan, Hong Kong or the overseas Chinese (from Southeast Asia or North America).

As early as 1981, the Fujian provincial government began to launch plans to attract Taiwan capital and investment. In October of that year, Fujian's Federation of Industry and Commerce (Gongshanglian) issued a signed invitation letter to many business leaders in Taiwan to come to Fujian for business cooperative talks. The Aviation Bureau and Civil Aviation Bureau also began preparations for possible direct air transport in 1981. But, the response from Taiwan business circles was not enthusiastic at all at the beginning. Lack of trust toward and great suspicion of China and the fear of being sanctioned by Taiwan's government were the reasons behind Taiwanese businessmen's hesitation. The

first Taiwan's direct investment case finally took place in 1983, according to Fujian's official record. Up to 1987, a total of only 58 cases were registered for a sum of 40 million US dollars, and the majority was under the name of Hong Kong or foreign companies.

The year of 1987 marked the beginning of the rapid growth of Taiwan capital into Fujian. In July, the Taiwan authorities relaxed control over foreign currency transfers and, in November, home visit for mainlanders in Taiwan was allowed, which accelerated a new wave of civilian contact with China. With the new policy changes, many businessmen from Taiwan went to Fujian to explore business opportunities under the name of visits to relatives, family reunion or tourism. The so-called mainland investment fever was then made public. The most noticeable example was the Fujian business exploration tour self-organized by a sizable group of Taiwanese shoe-manufacturing businessmen in 1989. The immediate result of that delegation's visit was that almost all of Taiwan's shoe-making industry was relocated to Fujian. Given the fact that Fujian had not had any shoe-manufacturing industry, the relocation of the Taiwanese shoe sector suddenly made Fujian the shoe empire of Asia in a very short time. According to 1992 data, out of Fujian's top VTEs, eight were in the shoe-making business. The output of shoe production jumped to 320 million pairs in 1994 from 33 million pairs in 1990, and the export value of sport shoes alone also rapidly increased to US\$100 million in 1993 from US\$3.63 million in 1989.

Similarly, the expansion and growth of garment, umbrella and electric appliance industries were also very impressively due to the inflow of Taiwan's capital and plant transplantation. Fujian's ratio of export value to national GNP exceeded the national average for the first time in 1988 and 1989; and that could be attributed to the crucial Taiwan factor. In short, it was the Taiwan factor that successfully transformed Fujian's economic structure into an outward looking one.

The speed of increase of Taiwanese investment in Fujian had been very impressive. Around 1988 and 1989, 400 Taiwanese companies were approved to invest in Fujian with a total investment

of US\$680 million. Another 700 businesses invested US\$870 million in 1990-1991. In the succeeding years, the growth of Taiwan investment into Fujian was even more substantial: in 1993 alone, 1,010 Taiwan capital-financed businesses were established with an investment of more than US\$1.5 billion. Up to 1995, 4,427 Taiwanese enterprises operated in Fujian with a total approved investment of over US\$6.8 billion. In a more recent account of July 1997 made by Fujian bankers and economic experts, Fujian had attracted more than 4,900 Taiwanese enterprises, and the total realized investment exceeded US\$4.8 billion. Moreover, Taiwan capital had been greatly diversified, ranging from small-scale labour-intensive manufacturing to capital-intensive heavy and high-tech industries. It was claimed that Taiwan capital had further transformed and upgraded Fujian's industrial structure and its course of development (*Taiwan Daily News*, 22 July 1997).

What is further striking in the rapid inflow of Taiwan capital in Fujian can be found in the networks among Taiwanese entrepreneurs and their investment pattern. One of the consequences has been the spatial concentration of Taiwanese investment, starting with one or few companies that apply for permission to develop land and set up plants and then attract chains of other businesses to move in through personal connections or networks. Therefore, a concentration of business in the same sector can be found in one locality.

The other significant characteristics of Taiwan capital in Fujian have been the diversification of investment and the shift from manufacturing to high-tech industries. For example, Formosa Plastics once intended to invest into a large-scale oil refinery plant in the Hai-chan Development Area near Xiamen; although stopped by Taiwan's authorities, it still planned to invest into a power plant in Zhangzhou. A high-tech industrial park near Fuzhou was developed by a Taiwanese personal-computer company and its subsidiaries. Taiwan's Zhonghua Motor Co. also established a joint venture, Dung-Nan Motor Co., with China's Fuzhou Motor Co., a state-owned enterprise in the mid-1990s. A

new automobile industrial zone was further set up by Zhonghua Motor Co. and 27 Taiwanese automobile parts plants.

Taiwanese business also began to invest into real estate and tourism in Fujian in the 1990s. The Meizhou Recreational Economic Area of Putian in 1991 and Fuzhou's Olympic City and Wuyishan Recreational Area in 1993 were examples. In addition to investing into real estate development projects in Fujian, Taiwanese enterprises also participated in local government-sponsored urban renewal construction projects, and one-third of Fuzhou's renewal projects were contracted to Taiwanese firms.

Like Guangdong, Fujian's industrial development has a lot to do with direct foreign investment, of which Taiwan capital has played a critical role. In 1992, among the top five provinces and cities with the greatest inflow of foreign investment, Fujian ranked number two, only after Guangdong, in terms of the average value of foreign investment per capita. The figures were US\$45.7 and \$56.7 per capita, respectively. In 1995, due to the rise of Shanghai, Fujian's foreign investment value per capita dropped to number three with Guangdong as number two, though its foreign investment per capita had, in fact, increased three times at US\$124.4.

Fujian's Social Transformation

Since 1978, South China has also experienced unprecedented changes brought about by the economic reforms. Of course, Fujian is no exception, especially for its locality in the coastal development area and with the impressive industrial changes contributed by the Taiwan capital. Three aspects of social transformation in Fujian are most noticeable.

The first is the change from the single-dimensional vertical integration to the pluralistic horizontal integration affecting the structuring of society. Before 1978, China's society was structured according to a top-down centralized chain of command from the party hierarchy to different *danwei* (work units) and down to the

family and the individual. The *danwei* was the only intermediary organization between the state and the individuals. The individuals were highly dependent on the *danwei* they belonged to, and the *danwei* was totally subordinated to the party-state. The social fabric was completely dominated by the above vertical and hierarchical organizational forces, and no horizontal linkages were allowed among individuals, families or *danwei*.

What has emerged after the 1980s is the new kinds of *danwei* that have no direct command-obedience relations with the party-state hierarchy, such as the foreign capital invested *sanzi* enterprises, the larger private businesses (*siying qiye*), and the smaller self-employed business operators (*getihu*). A significant result has been the rise of a new category of individuals who have little direct power relations with the old *danwei*, such as private business owners, employers, operators, as well as the employees and labour working for foreign and private enterprises.

By 1996, about 760,000 individuals employed in those *sanzi* enterprises accounted for 21.6% of Fujian's total enterprise employees and 5% of total working individuals. Also, there were 686,000 self-employed business operators accounting for 4.5% of Fujian's total working population. In other words, about 1.5 million working individuals (less than 10%) in Fujian were currently not controlled by old *danwei* (*Fujian Statistical Yearbook*, 1997). The relative autonomy enjoyed by the above mentioned new organizations and individuals was much greater than before.

The pluralistic organizations have also extended the horizon of the "intermediary" structures of Fujian society between the party-state and the families and individuals. What further signifies the social transformation taking place in Fujian and many other coastal provinces is the rise of many new functional specific associations (*xiehui*) constituted of those increasingly "autonomous" social organizations or individuals. They include the Self-Employed Labour Association (*Geti laodongzhe xiehui*), the Private Enterprise Association (*Siying qiye xiehui*), the Enterprise Owners' Civic Association (*Qiyejia gonghui*) and the Local Federation of Industry and Commerce (*Gongshanglian*). All these have ex-

panded horizontal linkages and alliances among different societal units and individuals (Wang et al., 1993; Unger, 1996). Overall, the expansion of the intermediary structures has relaxed the commanding control of the party-state and even challenged for the first time the base of the tight vertical integration.

The second aspect of social transformation is found in the shift in the societal character of Fujian from relative isolation to an integration with the outside world under the globalization process. Such globalization was started by the economic forces of foreign investment, then it penetrated many other social and cultural realms in Fujian society. The gap between Fujian and the rest of the world is gradually narrowing. Among the foreign capital, Taiwan and Hong Kong direct investment, accompanied by entrepreneurs and managerial know-how, has played an even more accelerating role in bringing about fundamental social and cultural changes.

The third transformation is a combination of the above two aspects which awaits closer observation, that is, the consequential political change from authoritarianism to democracy. The rise of more and more "autonomous," horizontal, "intermediary" social groups and organizations has induced the economic growth and the emerging open character of the society in closer contact with the outside world under global democratization. It is only natural to foresee the possible transformation of Fujian's political life. Such social change should then raise critical issues, such as to what extent the state-society relations have also been fundamentally changed and whether or not civil society exists in today's Fujian.

The preliminary assessments of many observers have suggested that, in comparison with the two other Chinese societies in Taiwan and Hong Kong, a free and autonomous civil society as such does not exist in today's Fujian. But, this does not mean that the conditions for creating an array of more or less autonomous civil society institutions are, in no way, likely to be found in a Fujian that is currently undergoing major transformation. The economic reforms have undoubtedly resulted in the creation of a

new market system and the strengthening of many new and semi-autonomous social groups and institutions with a reduced pervasive state influence. It may not be unsound to assert that some conditions for the making of civil society institutions in Fujian have emerged in a nascent form. The prospective agents for making such nascent civil society possible are the free assembly of horizontal associations among emerging private enterprises, the intellectuals and the students.

In short, macro economic reform policies since the 1980s have already provided a political and economic space for the nascent civil society elements in Fujian to develop and to expand. The increasingly pluralistic ideas and the mushrooming of a variety of forms of autonomous and semi-autonomous grassroots social and economic groups in Fujian's various prosperous cities and townships could be capable of continuing to provide the basis for the development of many regional-sector-based civil society forces. And, such nascent civil society formation in Fujian has, in one way or another, a lot to do with the capital globalization forces that have directly accelerated Fujian's economic reform.

However, one should be aware of the fact that the civil society or social force phenomenon is still very much in a weak and even fragile position. And its political future is still heavily dependent on the tolerance of the regime in Beijing. Its institutionalization with some legal protection also remains problematic. But, as long as the open-door reforms are to be continued and the cleavage between the political centre and the economic regions and local governance widen, the prospective civil society forces are likely to strengthen and consolidate in various selected regions and localities such as Fujian (Goodman and Segal, 1994).

Assessing the Nascent Civil Society in Fujian

Fujian is thus far qualified to be a rapidly developing and prosperous province located at China's gate to the outside world. The following preliminary assessments of the potential for developing

a nascent civil society in Fujian focus on two related aspects. First, the relative autonomy of two prospective civil society constituents, i.e., private business and the intellectuals, and their relations with the state, will be examined. The underlying assumption is that the emerging horizontal social groups — private business and its associations and the intellectuals — are in a better position to develop into civil social forces *vis-à-vis* the state. The limited role of the Taiwan capital in its relations with these two possible civil society constituents also will be examined.

Secondly, two other related contexts in which the development of civil society is shaped, i.e., the rising autonomy of the local government in facing the central government and the increasing unequal development and class conflicts, will also be discussed. The issue to be examined is that, under the above specific contexts, the possible development of Fujian's civil society would inevitably be affected. Similarly, the extent to which the Taiwan capital has contributed to the above two aspects of the emerging social and political change will then be assessed.

Private Business and the Emergence of Civil Society

One of the most noticeable structural changes in China after 18 years of economic reform has been the rebirth of the "private" business sector. In 1953, right after the communist takeover, there were still 8.98 million employees in the private sector. But, by 1956, the private business sector had been politically eliminated to a great extent as the figure had dropped to only 160,000 employees. The private business class was therefore eliminated during the era of communist consolidation. The private merchants and the business class became the targets of severe attacks in various communist-initiated mass movements.

The open-door economic policy since 1980 has made the re-emergence of private business inevitable; it has even become the prime force behind China's capitalist transformation. Taking the small self-employed business operators (*getihu*), defined as the business unit hiring fewer than eight workers, the larger private

business (*siying qiye*) defined as the business unit hiring eight employees or more, and the joint-venture business (*sanzi qiye*) together to constitute China's current private sector, the percentage of their industrial output to the overall national products has been increasing year by year, from 0.5% in 1980, increasing to 3.1% in 1985, and up to 10% in 1990. The importance of private business in Fujian's economy is even greater. The relative contribution of the private sector to Fujian's overall industrial output since 1980 has been very impressive: it contributed only 0.03% in 1980, but in 1985 it increased to 8.1%, to 24.9% in 1990, and even jumped to more than 50% in 1995. If considering the non-state sector as a whole (that includes VTEs), then the private and semi-private business sector's contribution to Fujian's industrial products in 1995 could be as high as 83%.

Compared to China's overall level, Fujian is undoubtedly one of the few provinces where private business has been playing a vital role under economic and societal changes. The reemergence of the private business in Fujian in a sense indicates one significant transformation of Fujian's social structures, that is, the rise of new classes that are not directly dominated by the socialist state. Two such new classes are in formation, the working class in the private business sector and the small and large private business owners. Among the two emerging classes, the business-owner class is of particular significance to the possible formation of Fujian's civil society. How to identify those mushrooming private business owners in class terms is still not an easy task. But, these newly emergent private business owners, who are both products and movers of the state's changing economic policies, do offer some class traits similar to the middle class' in the enterprise sector as characterized in the middle class literature.

First, they are no longer under the "absolute" economic control and political command of the communist state in Beijing. They do enjoy the relative autonomy provided by the rise of the market forces since China adopted the market economy for its national development path in the 1980s. Secondly, they have begun to think of their own "class interests" by demanding and

negotiating with different layers of state bureaucracy and even have succeeded in opening up new political channels to voice their interests. The various business associations at both the national and local levels have been considered as legitimate bodies in the eyes of the state officials. The private businessmen and their representatives do have access to different levels of policy making process. The Chinese state has publicly stated the use of those business associations as "bridges" between state and society. In short, the significance of the rise of the private businessmen and their respective associations cannot be undermined in any serious assessment of the potentials for the making of civil society in China.

Some Chinese and foreign observers have contended that the failure of the 1989 pro-democracy student movement was largely due to the lack of backup from the weak private business and the inadequate influence of the middle class in China (Su, Mai and Xiao, 1992; Cabestan, 1991). The democratic role of the rising business class in China's future course of political change has been explicitly suggested. Though the political role of the rising business class as such is not the immediate concern here, the social and political inclination of the private businessmen in relation to China's current political development deserves careful attention and clarification. In the midst of the pro-democracy movement event in 1989, Wank interviewed Xiamen businessmen as to how they viewed the student protests in Beijing and in Xiamen University. To Wank's surprise, most of his business respondents revealed unease toward the students' movement. Only two of the 29 entrepreneurs with whom he spoke admitted having taken any supportive action. Their common reaction to the students' movement was that the students demanded too much and too quickly; businessmen supported political change in an orderly reform (*gaige*) rather than one forced by popular pressure and through a potentially chaotic transformation (*gaizao*). They worried that the students' protest would result in a state crackdown that would disrupt their bureaucratic connections that ensured their protection and profits.

This was particularly true of those entrepreneurs owning larger private firms. They even suspected the anti-corruption and anti-nepotism platform advocated by the student activists. They argued that anti-corruption measures would not in the end affect the largest transgressors and the entrepreneurial offspring of the high-level power élite, but would only fall the hardest on businessmen at the local level, like themselves, who lacked high-level patrons to shield them (Wank, 1995). The Xiamen business people's conservative political attitude toward the pro-democracy movement led by students cautions that the rising middle class in Fujian may not be the ideal agent for China's future democratic reform and for the forging of a viable societal force *vis-à-vis* state power.

The assertion of a Xiamen's business political mentality made by Wank has its insightful value. But, the conservatism expressed by the entrepreneurs at the time of political chaos and uncertainty can also be interpreted as an act of self-protection and a common behavioural pattern for any business to play safe and not to express direct political view in public. The inner motivation behind the overtly expressed conservatism should be considered as well, provided that the private business is still at its formative phase. It would be unrealistic to expect any political activism or radicalism openly expressed by the infant business class in China. That might also explain why in the same study Wank found that the Xiamen entrepreneurs had shown a weak attachment to the Civic Association of Private Industry and Commerce (*Xiamen shi siying gong shang gonghui*) and its political fate. The real issue lies in the changing and uncertain business and state (bureaucratic power) relations. The alliance of the private business class with the state is very much viewed as necessary to protect its existence and even to promote its collective interests.

The new business class' alliance with the local state and bureaucratic power can be seen as a pragmatic political tactic of survival and self-protection, considering the fact that in the past the state bureaucracy had completely controlled the economy. The autonomous space that the private business has enjoyed for

its further development was "given" and "handed down" by the state, and the private business has to know its political limit at the present. Such kind of businessmen political survival pragmatism cannot be simply dismissed all together. In other words, the private business class in Fujian cannot afford adopting the "detachment" or "avoidance" approach in dealing with the state bureaucracy for its development; the only viable approach is to develop an "alliance" with the state, especially the local state. Whether or not such mutual penetration and mutual support strategy is a conscious collusion between private business and the state as termed by Solinger (1992), or merely a reflection of "communist neo-traditionalism" as pointed out by Walder (1986), remains to be examined. But, it is true that the expansion of private business and the market economy and its relative autonomy cannot be taken so far as to maintain that it has already empowered civil society at the expense of the state or that it is a definite sign of the institutionalized civil society force (Wank, 1995; Rosenbaum, 1992).

Another line to analyse the rise of private business and its representative associations relates to the emergence of a new kind of "corporatism." The state has recognized the new business class as a social force and has employed institutional arrangements to bring the new business associations to form under the rubric of corporatism, so that the state will not quickly lose control of the business class. The essence of such corporatist structure is that the state still holds the power to rule and to approve which interest association is to be established. From time to time, tension occurs between the state bureaucracy and the business associations when the latter move one step further to "avoid" state oversight. Indeed, the All-China Federation of Industry and Commerce has taken as deliberate strategy to establish other "independent" associations under its umbrella in order to remove them from direct state intervention.

In Fujian and Guangdong, the Federation has established local Chambers of Commerce (*shang hui*), a way to secure greater independence from the central and local state for themselves and

for their constituency (Unger and Chan, 1995; Unger, 1996). The state is not unaware of the intention behind the move made by the business class. And, when the business association, like the Federation, moves too far and too obviously to remove itself from the state's oversight, the state puts a brake on the forming of new local associations. The corporatist rule spells out that only one association can be recognized as representing a given social sector in one administrative unit, a common practice that Taiwan had witnessed under its past authoritarian rule. That was exactly what Wank discovered in Xiamen, when the Federation's local Chamber of Commerce further sponsored the founding of a new local association for private entrepreneurs, the Xiamen Civic Association of Private Industry and Commerce (*Siying gong shang gonghui*). The city bureaucracy moved to suppress the Civic Association. The forming of the new association for Xiamen's private entrepreneurs had been viewed as a direct challenge to the City Bureau of Industry and Commerce since the Bureau had already established the Self-Employed Labour's Association (*Geti laodongzhe xiehui*) under its supervision. The suppression by the Xiamen city bureaucracy illustrates exactly the kind of tension existing between the business class and the state, as mentioned above.

However, the story did not end with the state suppression. The corresponding moves made by the Xiamen Chamber of Commerce were of more significance to the current assessment of the business class as a potential strategic base for developing autonomous civil society institutions in Fujian. After a decision from the central state supported the city Bureau to cease the operation of the new Civic Association, the Xiamen Chamber of Commerce then moved to accept private firms as its constituency into various new sector-specific trade associations (*tongye hui*) also organized by the local Chamber (Wank, 1995). What was being witnessed was that both the state and the private business class and its civil society associations were actively engaged in the inevitable tension management under the emerging "new corporatism."

On the one hand, the state used the corporatist structures in place to monitor the private business class by establishing certain designated business associations, such as the above mentioned Self-Employed Labour's Association, under its tutelage. Nevitt also found in Tianjin that this local state bureaucracy-backed small entrepreneurs' association had been firmly under the thumb of the local state. It had been more interested in controlling the small business class than helping them pursue their economic interests, much less their political interests (Nevitt, 1996).

On the other hand, such new "corporatist mode" also provided more open social and political space for the private business class to develop into other more autonomous civil society constituencies as far as it did not contest the imposing of the corporatist rule. The Federation and its local Chambers had exactly done that by going around the rule, yet still expanding their constituencies. In contrast to the exclusion of the farmers and the non-state-sector industrial workers from access to the emerging corporatist structures, the private business class holds a much better strategic position in the formation of a nascent civil society in Fujian.

What role has the Taiwan capital played in the formation of the nascent corporatist civil society in Fujian? Though Taiwanese business was active and even successful in developing an alliance with Fujian's local state and its officials (Hsing, 1996), and, to a great extent, also helped Fujian local state gain greater autonomy *vis-à-vis* Beijing's central government, they did not get involved in any substantial way in the organization and activities of those horizontal enterprise associations in negotiation with the local state. The Taiwanese capital in Fujian has been more or less acting as the "outsider" to many of the local Chambers of Commerce. The political sensitivity faced by many Taiwanese business in Fujian is certainly the major consideration for them to keep out of all possible troubles. To Taiwanese business investors, to protect one's own business by private effort and through interpersonal connection without engaging in any collective action seems to be the best and safest survival strategy (National Federation of Industries, ROC, 1997). The relations with the local private business

class and small self-employed operators have been quite limited to economic and business affairs. Therefore, while the Taiwan capital has been a part of Fujian's corporatist rule, there is a missing link between Taiwan capital and the collective bargaining effort made by the local Fujian business class with the local state.

The Intellectuals, the New Middle Class and the Emergence of Civil Society

In two interesting studies, the social and political attitudes of different classes or occupations were analysed. From a national sample, Feng (1995) compared the level of economic and political satisfaction among workers, small entrepreneurs, the business managerial class and professionals. It was found that, among the four classes, the small entrepreneurs expressed the highest satisfaction with the current economic and political conditions, followed by the workers. The managerial class and professionals in both private business and public sector revealed the highest sentiments of discontent, particularly the professional class; the professionals interviewed openly expressed their discontent toward the political (27%) and economic *status quo* (44%). Also, according to educational differences, the higher educated groups (high school, college and above) were inclined to reveal their dissatisfaction. In this study, the term "intellectual" was not used, but the managerial and professional classes can be viewed as representing the intellectuals or the new middle class who hold white-collar managerial and professional jobs and have higher education backgrounds. The findings depict intellectuals as more inclined to openly express their views as they become dissatisfied with the current developments of the society. By comparison, small entrepreneurs can be seen as the beneficiaries of the ongoing economic transformation, and they uphold a higher degree of conservatism.

Min's study in Beijing further illustrates the contrast between the "maintaining the *status quo*" mentality and the "opt for change" attitude held by the small business class, workers, farmers and the intellectuals. The intellectuals, though they admitted

the current political situation to be stable, were most inclined to request reform of the political system and openly demand democracy for China, and they advocated that the government should not interfere with private life. They were also, among the four classes under investigation, most likely to contest the view that there was no need to change life under the current conditions (Min, 1989). Min's finding concerning the liberal attitudes of the intellectuals was further confirmed by Chu (1993) in his research on the attitudes toward the government held by different education groups. Chu concluded that the higher the education, the more demand there was for public participation in political and decision-making processes. The higher educated groups also revealed the need to limit the private business and for economic liberalization to be managed as well.

The intellectuals or the new middle class, as summarized from the above two studies, are more inclined to express higher level of political liberalism in that the state is viewed to be held accountable and democratic reform is demanded. But, at the same time, the intellectuals and the new middle class are more concerned with the social consequences of the rapid growth of the private economy. Such anxiety was also reflected in their attitude that the private business needs to be limited.

The existing political and economic attitudinal inconsistency between the intellectuals and the growing small business can easily turn into a social base of class conflict. It is the class conflict between the new middle class (represented by the managerial and professional strata) and the old middle class (represented by the small entrepreneurs and small employers). As Fujian has developed into an economy with many vibrant small entrepreneurs and sizable private business owners, the possibility of witnessing a growing class conflict is not ungrounded.

Moreover, the inherent political liberalism held by the intellectuals and the new middle class does have significant implication for forging a potential civil society force in Fujian in the years to come. Though the new middle class in Fujian as a whole is not expected to develop any expressive pro-democracy civic organi-

zation in demanding overt political change, it is possible that the intellectuals and new middle class could exert their individual influence to bring about from below gradual change in their workplace and the community. Such gradual institutional change potentials might sprout in the existing various social organizations standing between the family and the state where the intellectuals and new middle class hold management positions.

In other words, the potentials for the intellectuals and the new middle class to initiate civil society formation are to be examined in the existing and newly formed intermediary structures like schools, religious organizations, the media, welfare and charitable organizations, women's groups, consumer and environmental organizations and other cultural institutions. It will be gradual, because the central and local state alike is still in place in many of the so-called non-governmental social organizations listed above, as those intermediary institutions have limited economic resources at the present, and they cannot act in the way the business class has chosen for their corporatist associations to gain more autonomy in one way or another.

Finally, such potentials to forge a viable civil society force will take a slow and long process as the size of the new middle class in today's Fujian is still not significant in comparison with the small business owners, workers and farmers. In 1994, in Fujian, there were 450,000 professionals in the state-run enterprises, accounting only for 1.4% of the total population; 11,000 research and development personnel in the government, only accounting for 0.034% of Fujian's population; and only 8,000 teachers and professors employed in the higher educational institutions, about 0.026% of Fujian's overall society. It is not only the relative small size of these white-collar professionals in Fujian that will delay the social transformation needed for the creation of a civil society force; the long lasting discrimination against the "brain" in favour of the "physical" (the upside-down of the brain and body, *nau ti dao gua*) is another detrimental factor that will constrain the social and political power of the intellectuals and the new middle class.

The Taiwanese businessmen in Fujian, along with many other Taiwan investors in the rest of China, hold a general view that China's social and political conditions would maintain the *status quo*. Among the Taiwanese investors interviewed, more than 70% expressed such expectation. It is interesting to point out that, while only 10% feared that the political situation might turn more instable, more than 20% worried that the society might become more chaotic in the near future (National Federation of Industries, 1997). With such concern and worry, most of the Taiwanese business owners in Fujian have been very cautious when dealing with management-labour problems, as they tend to be conservative. According to a survey in Xiamen, the Taiwanese business was criticized from time to time by the local people for having caused many labour disputes over long working hours, bad working environment, inadequate welfare facilities and provision, unreasonable salary differentials and bonuses, undelivered salaries to workers, unsatisfactory managerial style, control over unions, etc. (Wu, 1996).

Conservative in dealing with their own internal management-labour issues, Taiwanese are even more hesitant to express views on Fujian's social reform issues. They are not in any position to encourage or assist the local intellectuals and new middle class to gain more autonomy *vis-à-vis* the state. There is no clear evidence that the Taiwan capital in Fujian has ever made conscious attempt to develop direct or close contact with Fujian's various intellectuals, professionals and other intermediary institutions.

The Rising Local State Power and the Nascent Civil Society

Following Guangdong and a few other pioneering and outward-looking provinces, Fujian in the 1990s has actively begun to enlist investment from Taiwan and other foreign capital. From the provincial level down to municipalities, counties, townships and villages, all local government bureaucracies have been active in providing special incentives to investors from abroad, especially

from Taiwan. Xiamen and Fuzhou have improved their port facilities and opened dozens of "development zones" to woo Taiwanese investors. Some of these were approved by the central government, but others were simply the local governments' own decisions. Unlike Guangdong's linkage to Hong Kong, Fujian's local governments did not maintain an office in Taiwan to provide assistance to Taiwanese investors in their areas due to the existing political tension across the Straits. But, the various local state bureaucracies have indeed extended their administrative power in relation to the central government because of their extensive economic ties with Taiwan investment. Many Fujian officials have openly admitted that Taiwanese investment is indispensable to the success of Fujian's economy. It is not an exaggeration to say that the external economic ties with Taiwan have accounted for the growing autonomy of the local state power, an unprecedented new political phenomenon.

Meanwhile, the economic decentralization policy also weakens the macrocontrol power of the central government over the provinces. This has been accompanied by the increase of fiscal conflict and debates over specific development projects. Though Fujian has not been much of a target for attack from the conservatives in the central government on ideological ground, several incidents of conflicts have occurred when the central state has considered Fujian's local economic development to be "overheated" and some decisions "illegal."

As Long (1994) has documented, Fujian was a target of criticism from the central state in its campaign to close down unauthorized development zones in July-September 1993. That was part of the central state's effort to cool down Fujian's "dangerously overheated economy," attacking irresponsible bank lending or inflated property market from which Fujian was suffering. Such "semi-austerity" policy was received with complaints and denials from the local officials in Xiamen and Fuzhou and the private business community. They argued that rapid growth in Fujian was led by increases in export and foreign investment, which should be allowed, and denied that the alleged "overheating" was a problem

in their prosperous cities. The reform initiative made by Quanzhou municipal government to save 41 nearly bankrupt state enterprises by bringing in Hong Kong business groups' investment also aroused the anger of the central government. The central state officials accused Quanzhou of selling the state enterprises too cheaply and even laying off numerous employees and workers. The Quanzhou officials defended their policy on the ground of economic necessity.

Another conflict between the central and local states was caused by the announcement in December 1993 by the central government to increase Fujian's share of the total national tax revenue from 38% to 60% over a period of several years. Although the actual impact of such new fiscal policy reform was not felt because the time-frame of implementation was not precisely determined and a proposal for restructuring the whole tax system was being examined, the tension between Fujian and Beijing is expected to continue, and the conflict is likely to be a prolonged one. Long (1994) has correctly pointed out the continuing policy tension between Fujian and Beijing will be an almost structural one, since Fujian sees many opportunities for desirable rapid growth, while Beijing wants to moderate growth nationally and is extremely concerned about stability.

The social base of the local state's increasing autonomy *vis-à-vis* the central state has a lot to do with the emerging market force generated by and booming in various developing localities. The economic reforms have indeed created new opportunities and incentives for the local bureaucracy to increase local autonomy and to develop local resources to ensure that end. As analysed above, the private business has ascended to develop a critical developmental coalition with the local state. The local state has even exploited and taken advantage of the rising private business interests and turned the new situation into fulfil its own institutional needs. The local state has actually served as a new patron to those private businesses and their associations. The power of the local bureaucracy is buttressed by the emergence of private business at a time when the central state control recedes.

Wank (1995) has discussed the point whether, through discretionary control over regulatory levers and resource allocation, local officials can realize an income from private enterprises so as to reduce their dependence on the central state. It is particularly the case for Fujian, since Fujian was assigned by Beijing the special mission to engage in unified front activity toward Taiwan. Fujian was then given special privileges and decentralized executive decision power in order to flexibly fulfil its designated task to attract Taiwan capital. For example, Fujian gained its power to legislate from the central government, and, in 1994, the Xiamen Special Economic Zone was granted independent power to rule on special laws concerning economic and trade affairs in relation to Taiwanese investment. The Taiwanese businesspeople in Xiamen are even given political rights to take part in politics, to elect and to be elected into the People's Congress.

How should we analyse the increasing local state power in the context of current economic transformation and the future prospect for civil society in Fujian? So far, private business and its business associations are the only possible social entities that could be evolving into what could be identified as part of a civil society (Nevitt, 1996); the intellectuals and the new middle class do not appear to possess such institutional capacity. It is also evident that the emerging developmental alliance between business and the local state has, in a great extent, contributed to the increasing autonomy of the local state *vis-à-vis* the central state. Furthermore, such an alliance of the local state and certain business associations may also protect and enhance the collective interests of the actors involved in facing the central state's intervention. It does not mean that other social sectors or classes outside the interest block would benefit as well (Pfitner, 1995), nor does it entail the increasing autonomy of civil society *vis-à-vis* the state (Wank, 1995).

The observation made by Nevitt (1996) and Chamberlain (1994) about the alliance of business associations and the local state and its implication for the prospect of civil society is quite instructive. Both authors have contested the applicability of the

Western conception of the antagonistic relationship between civil society and the state to a Chinese reality that is still undergoing change. To modify Nevitt and Chamberlain, the general proposition could be rephrased to hypothesize that in today's Fujian context a civil society may not develop separate from and in opposition to the "local state" but rather in the niches and space that the "central state" has unintentionally left open. And, it will grow in response to opportunities deliberately engineered or accidentally created in the already opened space by the alliance between the private business and the "local state."

Still, in the foreseeable future, such a civil society force may make demands upon the "local state," not necessarily to undermine or weaken it, but to constrain its conduct in some circumstances and, even, to endorse and support it in others. It is therefore plausible to witness that, in Fujian, a prospective civil society and the local state may develop in a "symbiotic tension" involving "mutual exploitation and support" (Nevitt, 1996). And, the Taiwan capital, all things considered, indeed has been already involved in such a newly emerging political economic structure in Fujian.

Increasing Social Inequality and the Development of Civil Society

It is more and more evident that, under the economic transformation and increasing prosperity of Fujian, even farmers wish to leave the farming sector and work for the private small enterprises. In a survey conducted in Shanghai, 54% of the farmers interviewed expressed their intention to work in *geti* enterprises, and 41% confessed that their ideal occupation was to become a private business owner (Ding, 1994). The 1994 Gini coefficient for China's income inequality was 0.37, much greater than the 0.19 of 1986. The income gap has been widening over the years of economic reforms in Chinese society. The income inequality for the countryside is much more acute, the Gini coefficient being 0.41. In

other words, the social inequality in the countryside has been more serious than the inequality in the townships and cities.

The social inequality among different income households and between rural and urban households has become an increasingly serious social problem for China. Fujian's situation is quite similar to that in the rest of China. The year of 1992 witnessed the beginning of a deteriorating trend in the gap between the rich and the poor in the townships and cities. In 1992 the increase rate of the discrepancy between the highest 1/7 income households and the poorest 1/7 was 26.8%, using 1991 as a base. In 1994 the increase rate jumped to 31.9%. If one looks at the income gap in absolute terms, it is yet more alarming. In 1995 the average household's income for the richest 1/7 was 8,986 yuan, while the poorest household had only 2,641 yuan; the gap was 6,345, almost double the figure in 1992 (3,231 yuan).

In other words, in the prosperous townships and cities, the income inequality between the poor and the rich has been increasing along with the rise of the market economy. When turning to the countryside scene, the prospect is worse. A surprising contrast is found among the five top provinces attracting the largest foreign investment. Fujian, ranked at the bottom in social welfare provisions to the farming population is outperformed by other coastal prosperous provinces, such as Jiangsu, Liaoning, Shandong and Guangdong. The average rural social welfare fund available to each farming population was only 0.49 yuan in 1993, and 0.74 yuan in 1995. Guangdong ranked the highest in this regard, the per capita fund for its farmers being 4.31 yuan in 1993 and 9.51 yuan in 1995. The national average was even greater than in Fujian for both 1993 and 1995, the figures being 2.69 yuan and 4.04 yuan, respectively.

Regardless of what reasons might be behind such low rural social welfare funds available to the farmers, the contrast between the rapid industrialization and the poor performance of social welfare for the farmers is a clear indication of the worsening social inequality in Fujian. The pro-industrial ideology of Fujian's current economic development path has already witnessed the social

consequences of creating such rural-urban cleavage and income gap. Considering that the poor farmers and the lower-income industrial workers cannot organize into any visible civil society force to exert political pressure on the state and that an alliance is unlikely between the two underprivileged classes and the private business and the new middle class, the worsening social inequality might present a structural obstacle to the forming of a healthy civil society in Fujian in the future. In this regard, the Taiwan capital, along with other foreign investment, could be somehow indirectly attributable to the worsening social inequality and potential social conflict in Fujian under the given pro-industrial policy upheld by Fujian's provincial state.

Conclusion

The economic and social transformation in Fujian since the late 1980s has been very impressive. The reform initiative from the central state set the tone for Fujian to enter the era of market economy and industrial growth. The ethnic Chinese investment has been the most crucial agent in bringing about structural changes. The Taiwanese capital was and still is the major driving force behind Fujian's economic transformation. According to a study of Taiwanese investors in Xiamen, Wu estimated that the average number of workers employed in Taiwanese-invested firms was 152 (Wu, 1996). By the end of 1995, there were 4,472 Taiwanese business establishments in the province; that means about more than 600,000 work opportunities had been created by the direct investment by Taiwanese business, a clear indication of the economic impact of the Taiwan factor on Fujian's development. In this regard, the Taiwan capital has been quite crucial to the making of Fujian's economic success.

The existence of Taiwanese factories and firms and the frequent social contact between Taiwanese visitors and the Fujianese residents would also have had a great impact on social and cultural life. In 1993, an incredible 3.48 million cross-Straits trips by

Taiwanese were recorded, and among them one-third went to Xiamen. Taiwanese visitors were more visible than residents from Hong Kong and Macau. Due to this high intensity of social contacts between Taiwanese and Fujian residents, popular culture from Taiwan was widespread in every corner of Fujian's townships and cities. Pop songs, fiction, MTV, videos and commercials of Taiwanese consumer goods and products were rapidly entering Fujian's cultural market. In many of Fujian's streets, shops, restaurants, cinemas and MTVs were named after the places in Taiwan. That even forced the Fujian authorities to ban the use of Taiwanese names for the commercial establishments. To many residents of Fujian, Taiwan lifestyles might represent a model of the modernized version of Fujian's future, as nearly 70% of the Taiwanese are of Fujian origin.

There were also negative sides of the influx of the Taiwanese elements as perceived by many Fujian residents. Wu's study also detected that 50% of the Xiamen residents interviewed were dissatisfied with the image that Taiwanese business owners had presented to them, higher than the positive responses. The Taiwanese businessmen themselves also acknowledged their negative image, 49% confessing that they were not satisfied with their own social image (Wu, 1996). A similar survey conducted in four major cities in China on the youth's perception of Taiwanese businessmen and visitors also found that while the Taiwanese were perceived to be rich, open and industrious, they were also sneaky, back-door operators and, sometimes, mean to other people. Therefore, the social and cultural image of Taiwan as represented mostly by the businesspeople and the casual tourists has been a mixed one (Kuo, 1995).

The social and political transformations of Taiwan as manifested in the democratization and the rise of civil society in changing the state and society relations have not been adequately and correctly appreciated by the ordinary people of Fujian. And, therefore, the Taiwan factor as demonstrated partially and even distortedly by only the presence of Taiwanese capital and its popular culture has not directly contributed to the formation and

development of Fujian's civil society. Nevertheless, the Taiwan experience as perceived and acknowledged by the intellectuals who have contacts with information from Taiwan and have even followed the democratic progress of Taiwan might be, in the longer terms, considered to be something valuable for Fujian's intellectuals to learn in their participation in various civil society activities.

In conclusion, at present, the prospect of civil society in Fujian remains to be examined in the context of the nature and configurations of the local state power and the possible alliance of the formative civil forces inside Fujian. The "Taiwan factor," as represented mostly by the Taiwanese capital, though being indispensable to Fujian's ascent to southern China's edge, has a limited role to play in further facilitating the rise of the civil society in Fujian in the near future.

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Social Transformation, Nascent Civil Society and the Taiwanese Capital in Fujian

Abstract

This paper starts with the description of four distinctive characteristics of Fujian's economic development since the 1980s and highlights the importance of foreign investments, within which the ethnic Chinese capital from Southeast Asia, Hong Kong, Macau and Taiwan have played a crucial role in facilitating Fujian's three aspects of unprecedented social transformation.

The rise of more and more "autonomous" groups and horizontal "intermediary" social organizations induced by the economic growth and the emerging open character of Fujian society leads to the examination of critical issues, such as to what extent the state-society relations have been fundamentally changed and whether or not the civil society has emerged in Fujian. This paper then assesses two prospective civil society constituents, i.e., the private business and the intellectuals (and new middle class); follows an analysis of the two other related social and political contexts in which the development of the nascent civil society is being shaped, i.e., the rising autonomy of the local government and the increasingly unequal development and class conflicts.

In the course of the above assessment of Fujian's nascent civil society, the extent to which the Taiwanese capital has contributed is further examined.

福建的社會轉型、 初生民間社會與台灣資本

蕭新煌

（中文摘要）

本文以八十年代以來福建快速經濟發展所呈現的四個特色做為分析切入點，指出來自東南亞、香港、澳門和台灣的投資扮演著相當重要的催生角色。經濟成長帶來三項前所未有的社會轉型亦日益明顯，本文也逐一加以討論。

本文特別重視的課題是，當愈來愈多具有較多自主性的、水平式的中間社會團體和組織出現之後，是否意謂著在福建，國家和社會的關係已有了根本的改變，以及所謂的民間社會也已經具有了若干雛型的發展態勢。在本文中，私營企業和知識分子（新中產階級）被視為是此一初生民間社會的兩個潛在構成分子；同時上揚的地方政府自主性和擴大的不均衡城鄉發展和階級矛盾則是另外兩個足以影響和限制民間社會發展的外在社會脈絡。

在分析福建初生民間社會的可能發展及其限制的同時，本文對在福建的台灣資本與當地民間社會的萌芽有何直接和間接的關係也做了若干初步的評估。