

CHAPTER 1

INTRODUCTION: FROM THE MIDDLE KINGDOM TO A GLOBAL POWER

There is an old Chinese saying that three men of three generations, son, father, and grandfather were walking on a path, and all saw a flag waving. The son remarked, “A flag waving.” The father said, “No, it is wind blowing.” But the grandfather declared, “It’s your heart moving.” The wisdom in the saying is that we tend to view a natural or social phenomenon either from a substantial or a relational perspective. When you look at things substantially, you tend to focus on static rather than dynamic conditions, as in how the son saw the flag waving (Emirbayer, 1997). When you take a relational perspective, you may not only detect the nature of a phenomenon, but also its external facets embedded in a broader relational context (Diani & McAdam, 2003 p.126).

The dichotomous relationship between these two ways one may perceive the experience of life is ever more relevant today. “The key question confronting sociologists in the present day is not ‘material versus ideal,’ ‘structure versus agency,’ ‘individual versus society,’ or any of the other dualisms so often noted; rather, it is the choice between substantialism and relationalism” (Emirbayer, p. 282).

Social scientists have devoted a great deal of attention to understanding China’s fundamental transformation over the past three decades. In terms of speed and scale, China’s transformation is

historically unprecedented. From the relational perspective which characterizes this book, the macro structure and pattern of China's transformation can be explained as embedded in massive micro-situations and transactions between terms or units that are preeminently dynamic in nature, as unfolding and ongoing processes rather than as static ties among inert substances (Emirbayer, 1997 p.289). Therefore social patterns, institutions, and organizations are only abstractions drawn from the behavior of individuals and summaries of the distribution of different micro-behaviors in time and space (Collins, 1981 p.989). In another words, those micro-situational and individual experiences can be seen in everyday life, routine, or attitudes. This social structure refers to peoples' routine behavior in particular places, using particular physical objects, and communicating the use of the same symbolic expressions repeatedly with certain other people (Collins, 1981). The scope and strength of human interaction and transaction around the globe have increased steadily over the past several centuries and accelerated over the last three decades, leading to an increase in the formalization and institutionalization of transnational practices and global connections (Pietrzyk, 2001).

From a micro perspective, individual people-based global connections are dependent upon one's personal place in the broad temporal and physical space of global-local transactions and flows (Castells, 1997). Studies of global ethnography show how certain social actors are able to take advantage of the destabilization of sociospatial hierarchies centered on the nation-state to build new translocal and transnational connections (Gille & Riain, 2002). Therefore, the power geometry of space-time compression comprises globalizing processes that prescribe how different social groups, and different individuals, are placed in very distinct ways in relation to

these transactional flows and interconnections (Massey, 1994). Thus, relational reasoning will see the global-local transactions or interactions as taking on a salient dimension in that it reveals both a mechanism of social change and the link between macro transformation and micro interaction. Therefore, briefly speaking, individual transnational actions and global connections produce an aggregated powerful force (the wind) making local societal transformation in terms of its scale and deepness (the flag waving).

China's Transformation: A Global Relational Perspective

The year 2012, when this book goes to press, marks the culmination of China's historic transformation over more than 30 years; it is a transformation of historically unprecedented scale, speed, and complexity. The China of 2012 and that of 1980 are worlds apart. Those young people who grew up through the Cultural Revolution could never have dreamed of seeing and experiencing the kind of dramatic changes that have taken place in China within the span of just one generation. What is most striking about China's transformation is how fast, wide, and deep it has been. Even those who have lived there or those of us who have returned from abroad frequently have a hard time keeping up with the dizzy pace at which the new has replaced the old, making it even more difficult for the outside world to grasp China's transformation. What is also distinctive about China's transformation is its tremendous economic and social unevenness across the vast national space. When we attempt to investigate the scale, speed, and disparity of China's transformation all at once, we confront the ultimate analytical challenge of making sense of both the conditions and the consequences of this transformation. As sociologists trying to understand China's transformation, we face the added methodological challenge of

differentiating between the conditions and the consequences that straddle both the macro-micro and internal-external divides.

The puzzling and thought provoking transitions of Chinese society can be traced back to a survey conducted twenty years ago regarding attitudes and value changes among differing age groups in Shanghai, China called the Generation Gap: The Background of Transition Period 1990-1994 (Sun, 1997). The survey was conducted in the early 1990s when Chinese society had already begun to undergo rapid social transition. The resulting study argued that the Chinese can be grouped into four generations in relation to four major social movements in China after 1949: “the Great Leap Forward,” “the Cultural Revolution,” “the beginning of economic reform,” and “the societal transition.” These four historical movements all exerted dramatic impact on their generations. As young people grew up in each distinctive historical and cultural environment, their formative socialization was different from that of people from the previous historical and cultural environment. Younger and older generations expressed different values and attitudes toward life goals and meanings (Sun & Wang, 2010 p.68). The empirical data analyses show that there are significant value differences across those generations in China. Dramatic historical and social changes, including the shift from a planned economy to a market-oriented economy have forced Chinese values to change. This change is most apparent in the opening policy that has exposed Chinese society to global cultural norms and values, causing a significant impact on changing values in China.

On the macro level, China was experiencing a shift from a planned economic system to a market-oriented system; however, all macro-conditions have their effects by impinging upon actors' situational motivations (Collins, 1981 p.990). In recent decades, China's drive for economic development has led to an effective coalition between the political and economic elites. Since the new generation has a broader outlook, both in terms of education and life experience, it is not expected to adhere strongly to ideological formulas, and is more readily prepared to break with the past and seek new ways to solve rising problems (Fewsmith, 2002 p. 30).

The current Chinese leader, Hu, who spent much of his adult life in inland China, brings a fresh mentality to the question of development, and so is well suited as this generation's leader to address the variety of social needs and necessary steps for continued growth. The new generation of leaders like Hu is more likely to be more innovative than the previous generations as they establish both procedural norms and a sense of justice (Fewsmith, 2002 p.34).

Among scholars from various disciplines, there has been a growing interest toward studying generational groups in China. Cheng and Dai (1995) concluded that the intergenerational mobility pattern has reflected the changing state policies in economic development. Li (2008) studied the emerging "fifth generation" of Chinese political leaders and demonstrated both the intergenerational shared characteristics and the intragenerational diversities among those leaders. By investigating 774 Chinese and 784 US managers and professionals, Egri and Ralston (2004) found that the three new Chinese generations since 1949 were significantly more open to change

and self-enhancement and less conservative and self-transcendent than the Republican Era generation (Sun & Wang, 2010 p.67).

While there is nothing novel about explaining national and local social change with external or global factors, it is not entirely clear whether and how global forces, as they “touchdown” on and then penetrate local society, would either facilitate or forestall certain tendencies and possibilities in the formation of new structures and behaviors that are already set in motion by internal modernizing dynamics. China’s transformation presents an excellent opportunity for rethinking the modernization debate in relation to the globalization discourse and demonstrating the relational effect of global dynamics at the local level that can generate insights on globally induced local change. In this book, we use China’s transformation to steer a new analytical course that straddles the older literature on social change and newer literature on micro globalization. Instead of doing so by taking the more familiar macro approach, we adopt a full micro focus on how the Chinese transnational actions and global connections have produced strong forces that push local society to transforming itself. In other words, by using ethnographic methods, historical analyses, documentary evidences, surveys, and existing statistics, this book tells a “microscopic” story about Chinese globalization. We have coined the term global-I-zation to imply both individual people-based globalization and the global socialization process, of which more explanation will be given in Chapters 2 and 3. Our hope is that this will contribute to a better bottom-up understanding of macro pattern and structure being formed in China.

The Hermit Middle Kingdom and Its Opening

For much of her long and largely closed history, China prided herself on being the middle kingdom, occupying both the symbolic and the real center of the world. Despite an advanced civilization lasting over 4,000 years, during which China had periodic external contacts, some quite extensive and far-reaching, China did not choose to open her door widely to the outside world until 1979. This was accomplished through developing a variety of global linkages ranging from letting in massive FDI to sending out huge numbers of students abroad. If we trace China's opening over the last 30 years, we can mark it as an incremental widening and deepening of transnational practices and global connections. The 2008 Beijing Olympics, especially the grand opening ceremony, may symbolize the zenith of China's opening to the fullest span of "global connections." Most Chinese not only see the Olympics as an important world event for their country, they also feel a personal connection to the Games. For Chinese, it is a dream come true, a dream that lasted 100 years, and was unfulfilled until now. Most importantly, these global connections, as they have carried outside influence all the way down from macroeconomic restructuring to individual lifestyle shift, have played a critical role in reshaping China and the Chinese at their core.

China is called Zhōngguó in Mandarin Chinese. The first character zhōng means "central" or "middle," while guó means "kingdom." The term can be literally translated into English as "Middle Kingdom" or "Central Kingdom."¹ The general concept of the term "zhōngguó" originates from the belief the Zhou Dynasty is the "center of civilization" or "center of the world." What has this notion meant to China's perception and handling of her position relative to

other countries in the world over a long history? The consensus view among Chinese historians is that this notion kept China looking inward instead of outward, remaining more or less insulated. Following the logic of this prevalent interpretation, it may be easy to draw the obvious conclusion that social change (and continuity) in China, both short-term or long-haul, was induced much more by domestic sources and conditions than by external stimuli and forces. Historically accurate or not, which lies beyond the central temporal framework of this book (see the end of this chapter), the premise that China as a hermit middle kingdom sets up the fundamental historical backdrop against which this book explores the strong global impact on macro-social change over the past three decades.

Looking over centuries instead of decades, the long history of China as the middle kingdom was characterized by sustained isolation from the world. One period of exception might be the Tang Dynasty (616-907), a golden age of China's cosmopolitan culture and geographic outreach. Another era of "opening and connections" in China occurred from the 1840s through the 1930s. While the Tang Dynasty "opening" was largely a matter of imperial decision, post-Opium War China was forced to open and connect to the powerful Western powers. After 1949, China again went into self-imposed isolation in the name of independence and self-sufficiency. In the 1950s, China's international contact was confined largely to close ties to and dependence on the former Soviet Union. Chinese leaders dictated that everything that could be borrowed must be borrowed from the former Soviet Union, including important values and institutions as well as science and technology. In spite of this new era of isolation, China and the former Soviet Union struck

extensive educational and intellectual as well as military and economic connections of a kind unprecedented in Chinese history (Cohen, 2003).

The Korean War and resulting conflict between the United States and China imposed more isolation on China (Lagasse, 2000), which was compounded by the strong Soviet ties severely eroding by the early 1960s. Although China developed some economic ties with Japan and Western Europe, they were restricted to very limited trade and mostly channeled through Hong Kong. China's connections with the non-Communist Third World were heavily political and ideological, even though they involved providing some developmental assistance to poor countries. Given China's chosen policy to align with Communist bloc nations and the non-Communist Third World, her connections with the non-Communist developed world were reduced to a minimum. Underscoring the isolationist policy was Chinese leaders' desire to limit foreign influence on the average Chinese citizen, especially from major powers, whether Communist or non-Communist (Barnett, 1981). Although it is difficult to compare the degree of insulation between the distant dynastic times and the more modern Chinese history, the period of the Cultural Revolution (1966-1976) marked the most recent high point of China's inward orientation.

With the powerful national policy restricting foreign contacts, little outside influence was able to touch the average Chinese citizen. In the 1970s Chinese residents were prohibited from close contact or conversation with the limited number of foreign tourists. In the 1980s, it was in this area of human interaction that policy changes began to exert the external individual-level

contacts that effect on social change. Among the new tourism-related actions, China simplified visa and frontier formalities for overseas tourists, introduced a star-rating classification for its hotels based on international standards, set up tourism offices in major markets abroad to provide necessary and up-to-date information on the country, and participated regularly in major world tourism exhibitions (Lew & Yu, 1995). Consequently, the international tourist market expanded significantly. During the entire 1980s, Japan and the U.S. were the only countries that sent 100,000 tourists to China each year. The number of such countries rose to five in 1991 and to twelve in 1992. During 1978-1988, Air China's international routes grew from a handful to connections between forty-six cities in thirty-three countries worldwide, bringing to China large numbers of foreign tourists before any international airlines were allowed to fly to China (Lew & Yu, 1995 p.7). Later, when Chinese tourists were permitted to visit foreign countries, a two-way flow of people between China and the rest of the world was unleashed, and even greater global connections were soon realized (Li, Feb. 10, 2011). A micro analysis of transnational practices will be a focus of later chapters.

When China first opened to foreign investors in 1979 there were virtually no facilities in Beijing for the foreign business population, other than a few large and rambling hotels, some originally built for Soviet advisers during the 1950s and others for the first wave of Japanese businessmen in the 1970s. Foreigners were allowed to live and conduct business only in those hotels or in facilities designated for the diplomatic community. As tourist hotels were erected during the 1980s, foreign businesses began to rent rooms in them for offices and for employee housing. In the late 1980s, however, hotel facilities for foreigners increased rapidly, some containing offices

and apartments in addition to standard rooms. By the 1990s, gated luxury condos and mansions built for Western expatriates (and wealthy locals who could afford them) appeared on the urban landscape of Beijing and Shanghai (Wu & Webber, 2004). As these premier Chinese cities became increasingly similar in form and functions to cosmopolitan centers elsewhere in Asia and the developing world (Gaubatz, 1995), they brought about a direct and intensive interface between global lifestyles and local imitations and adoptions, which in turn has accelerated both spatial and social transformations that will be examined in later chapters.

Stepping Out of the Forbidden City

While the opening up in the early 1980s pushed the isolated middle kingdom and its insular connotations back into history, China still has not broken free from the lingering shadow of the Forbidden City as a symbol of traditional Chinese values dominating the newly developing global influence. This value underscores the Chinese view that the forced “opening” of China by the Western colonial powers in the 1840s was humiliating and traumatic. The Chinese had regarded these powers as culturally inferior even though they were more advanced scientifically, technologically, and militarily (Elleman & Kotkin, 2010). A century and a half later, the Western colonizing influence contributed to the erosion of the traditional Chinese political and social systems. For the first time, the Chinese had to confront the reality of the modern international system. From that point on, China has been trying to wrestle with a fundamental question: how and to what degree should China connect to the world economy?

Figure 1-1: The Palace of Heavenly Purity in the Forbidden City being Opened for Tourists

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The answer to the question may reside deeply in the back palaces of the Forbidden City. The Forbidden City was constructed in accordance with ancient rules of spatial design which had first been used between 206 BCE and 220 CE, during the Han dynasty, in building the city of Chang'an (present day Xi'an). Among other things, these rules specified that the principal buildings had to be aligned along a straight axis, from north to south, flanked by a symmetrical arrangement of minor structures on parallel axes (Antoniou, 2001). The Forbidden City was the Chinese imperious palace from the mid-Ming Dynasty to the end of the Qing Dynasty. Located in the center of Beijing, for almost five centuries the Forbidden City served as the home of the Emperor and his household, and the ceremonial and political center of the imperial government. As the name implies, the Forbidden City was off-limits to most people (*Dispatch*, July 29, 2000). Symbolically, the Forbidden City not only stands for China's historically rooted sense of cultural superiority and political power but also as her contemporary bulwark that helps keep the global forces at bay.

When we characterize China's opening as "stepping out of the Forbidden City," we should go much beyond its symbolic and geographic significance to examine the broader micro-level mechanism that can explain the outcomes of the centrally decided "stepping out." Once China's new leaders decided to pursue modernization and global integration, they began to move China

away from central planning, state ownership, and egalitarian distribution to rapid market-oriented economic growth. However, such important macro institutional change did not happen overnight, it was grounded in a repetition of micro-experiences that make up social structures, such that interactions and their accompanying cognitions rest upon noncognitive bases (Collins, 1981 p.985) producing the mechanism by which conditions, composed of certain arrangements of micro-situations, motivate human actors to behave in certain ways (Collins, 1981 p.989).

Figure 1-2: The Giant Retailer of Electronics, Best Buy, Located in the CBD in the South of Shanghai

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In focusing on the more micro analytical terrain, we cannot ignore the bearing of the earlier and broader context of transnational actions and worldwide connections in ancient China. In fact, by going back to China's major historical events and links with the outside world, we find many that are relevant as micro-mechanisms to present day Chinese transnational practices and global connections. It is worth taking a brief look at such a legacy.

From the Silk Road Travelers to Overseas Returnees

From its ancient origin, through its climax during the Tang Dynasty, until its slow subsequent decline, the Silk Road played a unique role in trade, religious, cultural, and political relations between China and foreign lands near and far. More pertinent to the focus of this book, the Silk

Road forged a variety of connections between China and other nations through group and individual travels.

The Silk Road is a series of trade and cultural transmission routes that were central to cultural interaction through regions of the Asian continent connecting East and West by linking traders, merchants, pilgrims, monks, soldiers, nomads and urban dwellers from China to the Mediterranean Sea during various periods of time (Eisseeff, 2001; Kleeman & Barrett, 2005). An alternative view saw the Silk Road as a trading connection between Chang'an (present day Xi'an) in China, with Asia Minor and the Mediterranean extending over 8,000 km (5,000 miles) on land and sea. Along with ceramics, silk was the pivotal export of China to the west and a crucial link between Chinese civilization Egypt, Mesopotamia, Persia, and Rome (Eliseeff, 2000). China's silk export, while facing some competition, stimulated the cultivation of silkworms and production of the fiber in the oasis towns of the Silk Road, Persia, and the cities of the Middle East (Chanda, 2007; Lu, 2002). The Silk Road also facilitated the earlier transnational movement of technologies and the arts including music between the Chinese/Asian world and Europe (Toto, Oct. 20, 2001).

When the Silk Road became the main trade route linking China to Central Asia and beyond, travel was limited to camels and horses. Although a primitive mode of transport, it did not prohibit a fairly extensive and frequent scope of movement of people and commerce along the Silk Road. This human transnational activity, more than commercial transactions, created and stretched the interactions across borders between people of the settled and mobile communities.

Although it took much longer for these interactions to materialize than today, the scope and frequency of the Silk Road travel were significant at that time, and did more than official government-level contact among people to induce social change. Fast forward in time, people-based global connections in China have increased dramatically in recent decades through commercial jet travel and use of the Internet. While China has introduced more state-level exchanges with much broader and stronger relational implications than the Silk Road days, it is again the micro-level human contacts that foster normative and behavioral changes calling for a more systematic and focused probe. In this sense, the Silk Road is a precursor to China's contemporary global connections that has gone much beyond trade to knit people together and thus produced real changes in them.

One event enhancing Chinese global connections, on which this book will dwell in a later chapter, concerns the growing waves of foreign students. China received its first batch of 33 foreign students from Eastern Europe in 1950. More than half a century later, people who have once studied in China are now scattered over more than one hundred countries around the world (China.org.cn, March 19, 2004). In 2003, some 77,715 foreign students from 175 countries (excluding the students from Taiwan and the Hong Kong and Macao special administrative regions) were studying in 353 universities and other educational institutions throughout China's provinces, autonomous regions, and municipalities. The Ministry of Education in 2004 began carrying out a plan to attract 120,000 foreign students to China, while further improving the comprehensive medical insurance as well as living and study conditions for students from abroad. Since the China Scholarship Council (CSC) was established in 1996, the number of

foreign students studying in China funded by the Chinese government Scholarship Programs has gradually increased from 4,000 a year to more than 20,000 in 2010.

Statistics from CSC show that 190,000 overseas students from 188 countries and regions came to China to study in 2010, almost five times that of 1997. Of those overseas students, 75.73 percent came from Asia, 11.67 percent from Europe, 9.37 percent from the Americas, 1.95 percent from Africa, and another 1.28 percent from the rest of the world (BizChina, June 17, 2006). China's central government provided 800 million yuan (\$123.9 million) in scholarships to international students in 2010, and local governments offered about 110 million yuan in scholarships. The scholarships benefited 22,390 international students, which is 22.7 percent more than the previous year (China Daily, July 22, 2011). China is expected to welcome 500,000 overseas students by 2020 (Wang, July 29, 2008).

China's successive exchange of students with foreign countries has for over a hundred years been bi-directional, albeit without symmetrical numbers. The 1840s saw the first generation of Chinese students going to study in the United States. Among them was educational pioneer Yung Wing, who attended Monson Academy (later Wilbraham & Monson Academy) in Springfield, Massachusetts and went on to Yale University. After graduation, Yung became his Majesty's Envoy Extraordinary and Minister Plenipotentiary in Washington, DC, and a leader in the Chinese Educational Mission reform movement. He is buried at a public cemetery near Trinity College in Hartford, Connecticut (Culin, 1887; Ye, 2001; Zweig, Chen, & Rosen, 1995). Subsequent generations of Chinese students followed Yung's footsteps by studying in the United

States and Europe. For example, former top Chinese leaders like Zhou Enlai and Deng Xiaoping were students in the 1920s (Benton & Pieke, 1997; Ye, 2001).

Most students ended up staying overseas. The small number of those who returned in the early 1950s with the ideal purpose of serving the newly liberalized China ended up suffering from political persecution and even worse personal consequences during the Cultural Revolution. Along the tortured and mercurial path followed by Chinese students pursuing knowledge in the West over the past century, the newest and largest ever wave of scholars has blazed a new trail not only in terms of their huge numbers going out but also in terms of the rising number returning to China. While the outgoing flow is still larger than those returning, the Chinese returnees collectively have spun a web of transnational actions and people-based global connections that make an increasing and beneficial difference to China's position and advancement in the world.

While a more detailed analysis of Chinese returnees will be presented in a later chapter, it is sufficient here to acknowledge the general profile of the broad variety of students and professionals who have returned to China after receiving their degrees in the West, especially the United States. The very early returnees during the 1980s were students and scholars officially sent and sponsored by the Chinese government who were obligated to come back upon completing their studies or scholarly visits. The 1990s saw a trickling of Chinese returnees who had received their degrees and obtained some work experience without official government support. The trickle turned into a small tidal wave during the new century when a growing

number of more accomplished and experienced Chinese professionals began to “come home” to pursue both academic and business careers in their home country.

Statistics show that from 1978 to the end of 2009, the number of students studying abroad had reached about 1.6 million, among whom nearly 500,000 chose to restart their career after returning to China by 2009. The number of overseas-returned Chinese exceeded 100,000 for the first time in 2009. About 81 percent of the researchers in the Chinese Academy of Sciences, 54 percent of the academics in the Chinese Academy of Engineering and 72 percent of the chief scientists in “863 programs”² studied abroad and returned home to make great contributions in their fields (Lin, Sept. 20, 2010).

For the past decade, the All-China Federation of Returned Overseas Chinese and the Beijing Federation of Chinese Returnees have been holding many activities for talented people to better serve the country. In cooperation with provincial federations, the national federation has helped more than 400 overseas scholars conduct research and set up more than 600 high-tech projects for programs such as the 2008 Beijing Olympic Games, the go-west campaign and the building of a new socialist countryside. It has also helped initiate more than 100 cooperation projects (Lin, Sept. 20, 2010). Returnees Wu Jinglian, Lin Yifu (the current chief economist of the World Bank), and Fan Gang appeared in the list of “China’s most respected economists,” while more than 20 returnees have become “China’s most influential public intellectuals” (Yang & Tan, 2006; Zhou, 2008; Zweig et al., 1995). Among the 2006 State Natural Science Award, State Technological Invention Award, and the National Science and Technology Progress Award

winners, 36.6 percent were returnees; of the National Natural Science Award winners, 66.7 percent were the returnees, while 40 percent of the State Technological Invention Award winners were returnees.

Yiwu: A Sea of Merchants' Transnational Actions and Connections

While an extended analytical study of the global megacity of Shanghai will come later, an initial look at the relatively small city of Yiwu in Zhejiang province can help to further dissect Chinese transnational actions and global connections like the above mentioned. With a reputation as “A Sea of Commodities” and “A Paradise for Shoppers,” Yiwu features the largest market of consumer goods in the world, covering a total business area of 2.6 million square kilometers with approximately 58,000 booths and 200,000 people operating and doing business that features 320,000 kinds of goods in 1,502 categories of 34 industries.³ Over 90 percent of the business transactions in Yiwu are for foreign trade, with products going to 206 countries and regions in over 1,000 standard containers every day. Yiwu has become China's premier international circulation and information center of consumer goods and the primary export platform for light manufactured products.

Figure 1-3: Christmas Items for Sale at Yiwu Market

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There is a famous saying that if you want to visit all the booths in Yiwu's market and stay three minutes at each for eight hours a day, it will take you at least a year. To businesspeople, as the saying continues, the Yiwu market is full of gold mines, and there are opportunities for everyone to get rich. In the first half of 2007, the city saw over 800 million US dollars in trade volume. Traders congregate at Yiwu from around the world, with the registered foreigners having reached 130,000 in 2006, with over 10,000 foreigners becoming long-term local residents in the city. In terms of the density of foreign population, this small city might arguably rank the top in China. One may wonder what makes this small city so attractive to foreign traders (Crienglish.com, Dec. 28, 2007). Located in the center of Zhejiang Province, Yiwu covers a total area of 1,105 square kilometers. It has seven boroughs and six towns under its jurisdiction, with a total population of 1.6 million, including 680,000 local population with *hukou*, 750,000 non-native population, and about 200,000 migrants. Yiwu boasts several geographic advantages: it faces the Pacific, neighbored by Guangdong and Fujian to the south, Shanghai to the north, and Ningbo--the second largest eastern port--to the east. Yiwu is only 300 kilometers away from Shanghai and 120 kilometers from Hangzhou, the capital city of Zhejiang Province.

With the approval of the State Council, sponsored by National Ministry of Commerce, the People's Government of Zhejiang Province, China Council for Promoting International Trade (CCPIT), Yiwu has successfully held China Yiwu International Commodities Fairs (Yiwu Fair for short) ten times in a row. In 2004, Yiwu Fair hosted 3,000 booths and attracted 1,700 firms and 82,667 professional businesspeople from 142 countries and regions. At the Annual Conference of China's Conference and Exhibition Industry, Yiwu was awarded the honors as the

convention and exhibition city with the most potential and among China's Top 10 Exhibition Cities with Most Glamour in 2004 (Dwnnews.com, January 15, 2007).

Yiwu is rich with stories of foreigners' transnational practices and the making of personal global connections within the local society. For instance, after graduating as an international student from Afghanistan in Beijing, Azimi came to Yiwu to start his own business. Like other foreign businesspeople in the city, he owns a trading company and speaks fluent Chinese. Reflecting on his quick business success, Azimi remarked, "When my cousin told me there was a city in China called Yiwu, which sounds like YOU, I had no idea where it was." During his first visit in Yiwu in 2001, Azimi saw the early phase of the small commodity market, which impressed him a lot. After he finished his studies, he decided to start his business career in Yiwu, and the fast development of the city has brought big profits for him. At the beginning, Azimi planned to stay in Yiwu for just a year in order to earn some extra money before continuing his studies. However, he had to change his plan. "Now I decided to continue my stay in Yiwu, because my business is going well, which I did not expect." Now Azimi's company sells various products for daily use to many countries, including the U.S. Like many other foreign businesspeople in the city, Azimi now sees Yiwu as where his life and career are (Crienglish.com, Dec. 28, 2007).

In another personal story of business venture, Terry Harley of Britain explains why he came here. "I saw it on TV in England on a news program that showed Europeans were going for business in Yiwu, so I decided to come, I am happy that I came." Terry represents many foreigners who have realized their business dreams in Yiwu as echoed in their voices: "We usually do (business

in) jewelries and accessories; the reason that we came to Yiwu varies.” “The business I am here for is for gifts, for trademarks back in New Zealand.” “My business is artificial fibers; Yiwu is a special place where you can buy everything, everything in one place.” (Crienglish.com, Dec. 28, 2007)

While foreign dwellers are living and doing business in China, they bring opportunity and bridge their home country with the local society. The booming of Yiwu reflects micro level of transnational actions and a microcosm for Chinese global connections that carry a huge volume of “small commodities,” producing a strong international trading power. There are many other cities like Yiwu in Zhejiang province and beyond that host these intensified clusters of individual manufacturing and trading that bring global business, local residents, and migrants together. In forming and sustaining these transnational actions, global-local connections, and trade networks, foreigners have become localized residents, while indigenous entrepreneurs have become an inherent part of the global economy. Such micro-level globalization indeed exemplifies that the current social world is a bundle of individual chains of interactional experience, crisscrossing each other in space as they flow along in time (Collins, 1981 p.998) which seems to be the essential elements of Chinese global-I-zation, the main theme of this book.

Organization of the Book

“Chinese Globalization” uses a micro perspective with relational reasoning to observe Chinese transnational actions and global connections that produce powerful force inducing local transformation. More precisely, by applying ethnographic methods, historical documents, and

existing statistics, this book presents a tale of what may be characterized as the micro globalization in China, and moreover, how the Chinese have been globalizing. Chinese global-I-zation is the central thrust and thread of the book (the concept global-I-zation will be discussed in Chapters 2 and 3). Individual Chinese citizens are portrayed as both transnational actors and human links of global connections. In taking this approach, modes of global connections and types of local transformations will be introduced in later chapters to understand the driving force of transnational actions and social consequences of global connections in Chinese society.

In recognizing the multifaceted relationship among transnational actions, global connections and local transformation, Chapter 1 sets the scene and range of Chinese global connections in light of a broad overview of cross-border human contacts through cultural and technological advances and transactions. Chapter 2 presents a theoretical discussion on globalization by differentiating the macro versus the micro perspective. While the former illuminates the aggregation of cross-border trade, investment, financial transactions, commodity chains, and migration flows as defining characteristics and processes of contemporary globalization (Held, 1999; McGrew & Lewis, 1992; Sheppard, 2002), the latter highlights people-based global connections as the central mechanism binding and bridging relations across national boundaries and induces value, attitude and behavioral change locally. Glocalization and the author coined concept “global-I-zation” will be presented. From the micro perspective on globalization, one can see that transnational connections as salient features of everyday life in China have generated a significant micro-situation and micro-foundation for its macro level social transformation, which has lend themselves to a systematic empirical analysis. Such micro-foundation, more than just

sharing TV programs and chasing world brand products such as Nike shoes, is a global connection binding people over both short and long social and spatial distances. Whether for a short term or for a long run, it has the potential of triggering cultural adaptation, social integration, and universal identification.

Chapter 3 focuses on how global connections as micro-experiences produce a strong impact on local societies and communities, which in turn transform the macro social structure. Global-individual nexus as a new global-local nexus will be discussed, illustrating some cases of transnational actions to convince readers of the relationship between connections and consequences. Local transformation indicates a change in the macro-pattern and aggregate changes embedded in altering individual values and behaviors in micro-situations. As an analytical frame, a simple typology of global connections is presented to guide the analyses in later chapters of this book and further explore how and why local transformation occurs as a function of intensified transnational actions and global connections, both as a necessary condition and a sufficient condition.

To put the micro analysis of Chinese globalization in context, Chapter 4 offers a grounded historical perspective on how these transnational actions and connections developed and evolved over time. After a brief sketching of China's earlier contacts with the West, China's modernization path will be traced from the end of 19th century to the opening and reform era that began around 1979. Treaty port and comprador, missionaries with its transnational

connections, and the boom of studying abroad as the micro channels of transnational actions will be highlighted.

Chapter 5 begins the empirical analysis of Chinese transnational actions and global connections from macro to micro. Ethnographic data and documents on the municipal, organizational, and group scales to individual level global connections such as oversea study, cross-national marriage, doing business abroad, overseas travel, and surfing foreign websites will be analyzed. This chapter follows four modes of personal global connections as a typology introduced in previous chapter with rich sources of data and cases being presented for understanding the variety of global connections and their multifaceted effects on everyday life in local society.

Chapter 6 details the evidence showing how transnational actions, global connections and local transformations have brought together the material vs. mental and external vs. internal dimensions being examined and evaluated. The material provided allows the reader to organize the ethnographic investigation, existing statistics and survey data to portray the multifaceted nature of local transformations including cultural landscape, consumption, lifestyle, and value orientations. This chapter also uses more systematic data to convince readers that transnational actions and global connections do matter to the macro outcomes of local social transformation.

Chapter 7 brings the argument together by delving into a set of detailed cases studies based on ethnographical data and documents with qualitative research methods to show how transnational

actions and global connections induce change in many facets of local society. These cases will provide richer and broader evidence to support the argument that people-based global connections are a powerful drive for social transformation with strong macro implications and consequences.

The basic premise of this book is that the literature on globalization tends to be dominated by macro-level studies of trade flows and cultural diffuse. This book aims to redress this deficiency by pushing a micro-level relational approach to examining how different types of people-based global connections in China influence individual values, attitude and behaviors that make up the crucial outcomes of local transformation. Chapter 8 arrives at a more general conclusion about the powerful impact of transnational actions and global connections on aggregated social outcomes. Further speculations examining if and how transnational actions and global connections could foster an emerging global civil community featuring a new balance of a global social identity and hybrid local values and behaviors.

¹ Sources using the term "Middle Kingdom" include:

Rossabi, Morris, ed. *China among Equals: The Middle Kingdom and Its Neighbors, 10th-14th Centuries*. Berkeley: University of California Press, 1983.

Williams, S. Wells. *The Middle Kingdom: A Survey of the Geography, Government, Literature, Social Life, Arts, and History of the Chinese Empire and Its Inhabitants*. Rev. ed. New York: Scribner, 1983.

Wilson, James Harrison. *China: travels and investigations in the "Middle Kingdom." A study of its civilization and possibilities; with a glance at Japan*. New York, Appleton, 1887.

Zhang, Yongjin. *China in the International System, 1918-20: The Middle Kingdom at the Periphery*. New York: St. Martin's, 1991.

² The 863 programs or State High-Tech Development Plan is a program funded and administered by the government of the People's Republic of China intended to stimulate the development of advanced technologies in a wide range of fields for the purpose of rendering China independent of financial obligations for foreign technologies.

³ The statistics published by the United Nations show there are totally 500,000 kinds of goods throughout the world.