Creative Networks in *Guanxi* Land: A Study of Social Networking related to Shanghai Expo 2010

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A thesis submitted in partial fulfillment of the requirements of Nottingham Trent University for the degree of Doctor of Philosophy

September 2007

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Acknowledgements

With grateful thanks to my supervisors, Andreas Wittel, Joost Van Loon, Richard Johnson and Eleonore Kofman, who helped me to achieve this research and whose insightful comments on my rough drafts have upgraded the thesis significantly. They kept me on track, helped me stay focused and patiently digested my somehow chaotic writing and wild ideas. Many thanks to internal examiner John Tomlinson and external examiner Justin O'Connor at the University of Leeds who provided insightful comments during my viva that clarified some implicit sections of my thesis. Ko-Ching Tung, Tao Zhang, Ling Ling Mao, Sokho Choe, Jerry Liu, Jack Hua, Joseph Pridmore, Norhafezah, Sonia Melo, Mike Featherstone and Tomoko Tamari at Nottingham Trent University, Shih-Yun Cheng at Goldsmiths College, Parvati Raghuram at Open University, Shi-Diing Liu in Macao, Byung Cheol at the University of Nottingham, and Jian-San Feng at the University of Chenchi in Taiwan, encouraged me during my study in the UK. I particularly want to thank a great number of mediators who helped with my fieldwork in China. They inspired me and taught me how to *la guanxi* in China. Finally, I feel truly humbled to have my parents and Chueh-Chi who always supported me to fulfill my dream. Without them, I would not have written this thesis.

Abstract

Entering the twentieth-first century, post-Mao China continues its considerable transformation. The central theme of this research lies in the examination of social networking through a case study of Shanghai Expo 2010. It is an analysis of the forms of networking in the formation of Shanghai as a global city. The overall question is: To what extent will China be able to enter the global network economy whilst maintaining its emphasis on hierarchical decision-making and central control? This concerns the role of the social in the preparation of Shanghai Expo 2010, with a particular focus on creative networks.

The notion of creative networks, which was a starting point for this thesis, is theoretically understood as creative people who are specialists in rather privileged contexts involved with the new economy. The analysis of creative networks is framed in a dialectic relationship between agents (the researcher) and the structure within which they act. Ultimately, however, this thesis problematises the notion of creative networks as they are generally understood in Western urban cultures, providing a reflexive perspective with a focus on people and subjectivities, practices of networking, and socially embeddedness.

In addition to an analysis of documents and histories, the main methodology is ethnographic. The aim was to gain access to the creative networks related to Expo 2010. But this proved extremely difficult.

Due to access problems, I aim to develop an argument about two rather different networking logics: on the one hand the Western oriented "creative networks" and, on the other hand, the specific Chinese *guanxi*. Creative networks show a more open social system comprised of open, inclusive, reflexive and fluid networks. *Guanxi*

represents a closed social system that is conditioned by traditionally hierarchical networks of family and the state. The research ultimately demonstrates how these two types of networking work differently.

Introduction

This research is about an investigation into social networking through a case study of Shanghai Expo 2010. It concerns the role of the social in the preparation of Shanghai Expo 2010 to the time of writing (2007), with a particular focus on creative networks. The research is informed by an overall question: To what extent will post-Mao China be able to enter the global network economy whilst maintaining its emphasis on hierarchical decision-making and central control?

I should clarify that whilst a more accurate title might be "The Search for Creative Networks in *Guanxi* Land[1]", I have chosen to title this thesis "Creative Networks in *Guanxi* Land" as it engages with the concept and usage of the term "creative networks" even if the search itself was ultimately less successful than initially envisaged. In fact, one should bear in mind that the term "creative networks" is perhaps a phenomenon of Western urban cultures, which was something in my mind, something I was looking for in Shanghai, but did not really find. This means that my empirical material will not be able to say much about creative networks, but will ultimately aim to pursue different forms of social networking. Although I did not achieve the results I initially expected, my research can contribute to wider knowledge and pose significant questions for societies and cultures. With this in mind, I want to explain here the context and rationale, research design and structure of the thesis.

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[1] The term *Land* refers to the Mainland China, which can be understood as a geopolitical area currently administered by the People's Republic of China (PRC). Also, the land implies the "soil" in Chinese rural society in which people's social networks and social relations are linked to family-oriented ties and native associations. In *From the Soil: The Foundations of Chinese Society* (*Xiangtu Zhongguo*), for example, Fei Xiaotong (1992/1947) emphasises the strong bond between peasants and their land.

Context and Rationale

Since Deng Xiaoping launched market reforms in 1978, China has undergone a fundamental transformation and become a major economic powerhouse in the world. After the early 1990s, China's economic trajectory showed a new order (Wang, 2003). The state acted more like a manager instead of a planner in launching more entrepreneurial and foreign-oriented economic policies. China embraced different sectors of the so-called new economy in developing tourism, creative industries, and ICTs. Entering the twenty-first century, China is due to host a number of mega-projects in big cities such as Shanghai Expo 2010 that introduces debates on the extent of transparency and openness in terms of communications, human rights, freedom of the press, and cultural innovation. Indeed, China remains an authoritarian country led by a single state-party, the CCP (Chinese Communist Party) despite market reforms. Under the close guidance of the CCP, the Chinese leadership liberalises the economy but still controls nearly all strategic aspects of the economy and the society, such as media, religion, land, the military, and natural resources.

Urban China underwent booming industrial expansion, construction and commercial activities through the decentralisation of state power. Chinese authorities have relaxed regulations such as rural-urban human movement, foreign investment, and fiscal and administrative power since the 1980s. Big cities can gain more capital from local taxes and rents instead of redistribution of national revenues. They can lease land to private entrepreneurs for commercial use and bank loans. Local governments can finance all manner of infrastructure, building and industrial projects. The context of relaxing centralised control breaks regulatory boundaries that have made big cities such as Shanghai a key point of glowing rural-urban and transnational flows of people along with capital (Wu and Yusuf, 2002).

Thus, there are powerful changes in the internal and external environment in

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relation to China's market reforms, especially after the early 1990s. China seems to adopt a new rationality of rule within the advanced countries – neo-liberalism (Harvey, 2005). For example, the state draws on an entrepreneurial approach in promoting competition between regions and cities. Cities represent active players in the international arena that appears to bypass state institutions along the way. Designated an Open Coastal City in 1984, Shanghai started to receive foreign capital but did not match southern China until key preferential policies were followed in the early 1990s. However, after the early 1990s, Deng urged the local government to speed up the development of Shanghai along with the national dominance of the Shanghai faction (ex-Mayor Jiang Zemin became president of China in 1993) over the Chinese CCP as a whole. Since then, Shanghai had been favoured by the central government, and seen as the dragonhead of the national economy. A variety of ambitious projects, spectacular high-rise buildings, and special economic zones have been launched and implemented by local political-economic elites as well as by state-supported and foreign institutions to verify Shanghai as a global city (Wu, 2000). These achievements are to be celebrated in Expo 2010.

Following the context above, the central issue I want to deal with is to answer a leading question: how does China enter the global network economy while maintaining its emphasis on hierarchical decision-making and central control? This can be followed by a question. By what process has China achieved a globally powerful position within the global economy without having to relinquish its strict regulation and hold over its citizens and society? Basically, the leading question is based on the assumption that economic globalisation will to some extent undermine the sovereign state and state bureaucracy. I wonder how the state restructures the government in an entrepreneurial way and promotes more actors to follow the economic logic. At the same time, I am interested in the way in which the state

maintains its ability to maintain some degree of control over its external environment and to impose its will on society. The research therefore aims to explore whether contemporary China, which sees the economic realm as the major imperative, does not lose state control. This is translated into the following aims or objectives.

First, I aim to explore the way in which China's current social system can be characterised as a network society. The term network society was coined by Manuel Castells (1996) who describes a more open social system in the global economy. Since market reforms, China's organisational forms and social structures have become increasingly linked by networks, especially with the advent of Information and Communication Technologies ("ICTs" hereafter). But China's trajectory towards the network society will be analysed with a focus on residual forms of clans and institutions, with a relevance to the family system and the CCP. Besides, the other objective of the research is to understand the contemporary development under way in Shanghai towards a global city. By global cities, Western scholars such as Saskia Sassen (1991) refer to features of strategically important locales, such as international affairs, transnational business and people, and transportation systems. This shows how global cities have more autonomy from central control. Shanghai's development will be analysed with a focus on tensions between the global and the local, the local and the national. In the case of this thesis, for example, tensions emerged between local government and the state in recruiting transnational and local urban planners for Shanghai Expo 2010.

These two objectives will be further examined through the case study of Shanghai Expo 2010. Thus, a more specific question should be: if Shanghai is to become a global city and if Expo 2010 is to contribute to that, how does China's entry into globalisation affect the structure of state control? Expo (also known as World Fair and World's Fair), a global exposition since the mid-19th century to showcase

national pride and the imperial possessions of the Western countries, has cultural, economic, and political influences that parallel two other world mega-projects: the World Cup and the Olympic Games. Expo is involved with not only the host country, but also a great numbers of participants around the world. The research will examine Shanghai Expo 2010 with a focus on the ongoing process of organisation, which includes local and transnational actors. This will also show the scope of cultural innovation produced by the organisation.

Furthermore, the research will explore what is the role of the social[2] within Shanghai Expo 2010. I aim to explore the intricacies of how social networks operate

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2 The term social here refers to social networking, social relations, sociality, and organisation between people. It can also be seen as a process to associate with others and to form social groups. The emphasis on the "social" suggests that the verb or noun to which it is applied is relationships communicative, cooperative, and moderated by contact with human beings. Also, larger society has played some role in defining the social. In *The Forms of Capital* (1986), Pierre Bourdieu defines the term social capital, which is the aggregate of the actual or potential resources that are linked to possession of a durable network of more or less institutionalised relationships of mutual acquaintance and recognition. Likewise, in *Reassembling the Social*, Bruno Latour (2005) defines the social not as a static configuration but as an aggregation of actors and objects. The social is not something a priori but something that is 'constructed' from the connections actors establish between people and objects, which redefine and reshape the social according to a situation. Thus, Latour's definition is concerned with the process, which is deployed around shared stakes that organise the network. However, my definition of the social is constructed from the connections between people with a single centre or stable set of relations. By emphasising the social I suggest a timely approach to examine the inherently social nature of (Chinese) market. This approach reflects important changes in contemporary economic life (Thrift and Olds, 1996). This follows some classic works (e.g., Michael Polanyi) that consider the social nature, such as the strength of ethnic ties, the importance of the construction of trust, as not only embedding but also is intertwined with economic activities. Thus, market is by no means just a neutral arean in which pure exchange takes place, but an arena with complex moral and institutional orders regulating the conduct of exchange and what is defined as exchange. To show the social nature evident in the markets, as Thrift and Olds (p. 314-5) suggest, one can explore the mediated nature of the mediation of markets from three aspects: (1) social structure (usually identified through networks), (2) the cultural (shared meanings), and (3) finally the legal-political arenas (e.g., property rights, governance structure and transactional rules).

in the preparation process of Shanghai Expo 2010. In the process of globalisation around urban areas, existing scholarly works assumes that there is room for agency to grow. Ong (1999) claims human relationships, culture and politics are essential factors in the process of globalisation. A similar approach (Hannerz, 1996; Allen, Massey and Pile, 1994) shows the important role played by transnational social networks in shaping global cities. More specifically, I propose "creative networks" as a starting point for understanding social networking in the formation of Shanghai as a global city. The notion of creative networks is theoretically understood as creative people who are specialised in specific sectors of the new economy. According to scholarly debates on the new economy and organisational analysis (Lash and Urry, 1994; Harvey, 1989; Zukin, 1995; King, 1995; Castells, 1996; Scott, 1997), for example, city development concerns not only political and economic actors, but also creative people in specific fields that include architecture, advertising, fashion, media, creative industries, and ICTs. This suggests the "cultural turn" in cities in which economic and organisational life have become "culturalised". In my thesis, for example, creative networks are assumed to have the increased influence in contemporary cities due to their profession in advertising, design and marketing. In this context, for example, Lash and Urry (1994) argue for a need to focus on the role of the "cultural intermediary" whose role it is to negotiate, as advocates, a stronger presence for radical and democratic values in the new terrain of arts, culture and business. Finally, I raise the following questions within my thesis: What is the role of creative networks in Shanghai Expo 2010? If there is hierarchical control, in what way is cultural innovation produced by creative networks?

Thus, the analysis of creative networks does not reduce political economy issues to impersonal macro-sociological and economical data, but integrates the realm of political economy with the realm of the social and the cultural. It follows Hardt and

Negri's (2000) idea of the need to develop a "political economy from below" to relate issues of political economy to the fields of subjectivity and of social relations. However, the notion of creative networks is generally understood within Western urban cultures. Given that my research is set in a different socio-cultural context from the West, creative networks should be framed in a dialectic relation between agents (the researcher) and the structure within which they act, with a particular focus on people and subjectivities, practices of networking, and social embeddedness.

Research Design

In order to answer the questions posed, I draw on two methods for this research. The first is an analysis of historical works and official documents in order to examine societal, cultural, organisational, and institutional transformations in relation to China, Shanghai and the Expo. In examining the organisation of Expo 2010, for example, exploring the official website and local media such as the *Shanghai Daily* enables me to understand how the Chinese government promotes and organises the processes of the bid for and facilitation of Expo 2010. However, my main method is based on an ethnographic approach to studying social networking. This will show my methodological reflections on the details of my fieldwork.

Network is not only the object of analysis, but also a method of analysis and research. "Doing" networking is an essential part of researching social networking. It is a truly reflexive methodology. I focus on practices of networking in several different locales – UK, Shanghai and Taiwan. I look at how "I" engage with practices of networking in the field. I reflect on my own social positions, structures, and the process of networking, and finally give a sense of the process of networking. The specificity of my method is a combined use of face-to-face meetings and email exchanges. I reflect on my personal position in the development of this research

project. I review my Chinese-related background (a Taiwanese or so-called "overseas Chinese") and my social position (a research student) within contemporary China. This shows my socio-cultural embeddedness within my family, overseas Chinese society, and the Taiwanese state. For example, my historical knowledge of the "motherland" came partly from a patriotic education imposed by Taiwanese authority (Kuomintang, i.e. the Nationalist Party) during my childhood. I lacked a concrete relationship to China as I had never been there and none of my family members can provide pedigree of a clan in relation to China.

Due to access difficulties encountered during the process of networking, however, this ethnographic study proved, in its first form, to be extremely difficult. Because I could not gain access to any part of the networks related to Shanghai Expo 2010, I was forced to change my objectives by shifting my focus from the role of creative networks to difficulties of access. This raises a number of issues about forms of networking. I aim for a theoretical appreciation and an empirical investigation of a specific form of networking in China, *guanxi*. The objective here is to carve out features of *guanxi*. One of the sub-questions will be: how do localised social networks called *guanxi* affect how hierarchies operate? Also, what is the difference between *guanxi* and Western-oriented networking?

Given the access problems, I have omitted some of my original objectives. For example, I did not come across any figures involved in Shanghai Expo 2010 in relation to creative networks. The thesis will ultimately not aim to investigate whether creative networks were involved with Shanghai Expo 2010, and what was their role in facilitating Shanghai as a global city. However, the thesis will contribute to wider knowledge for academic and policy debates about forms of networking, global cities and China's role in globalisation in particular. In other words, my thesis transformed as a result of the research but it opened up questions that have a wider social and

cultural significance than I first anticipated. In this way, my thesis has wider

implications for media, cultural and social studies by engaging with and revealing

issues relating to networking, globalisation, societies and culture.

Thesis Structure

The thesis is organised in three parts. The first part is concerned with theory; the

second part is about an analysis of historical and official documents; and the third part

concerns my fieldwork. Each part is characterised by different methods that are

closely related to the arguments in the whole thesis.

Part One begins with a theoretical appreciation of creative networks from

Western intellectual works. *Chapter 1* refers to the definition of creative networks. I

focus on creative people in the new economy, the different forms of networks, and

network theory with respect to creative networks. Western theories are reconsidered

through a reflexive perspective with a focus on people and subjectivities, practices of

networking and social embeddedness.

Part Two is based on the analysis of historical and documentary work. In

Chapter 2, the contemporary developments of China's becoming a network society is

historically analysed. The network society marks universal elements of market

capitalism in the Western developed countries. However, this chapter shows how

China has followed different routes towards a network society, depending on residual

cultural forms such as family-based clan and Communist state-institutions.

Chapter 3 is a description and analysis of the process of Shanghai's

(re)emergence as a global city in the post-colonial context. The focus on the

development of Shanghai today is framed with a focus on its past as a global city

under foreign colonial powers. Colonial history reveals a humiliating history of

national identity. But this colonial era also represents how vital Shanghai is to the

development of China in economic and cultural aspects. Thus, the chapter

demonstrates that Old Shanghai offers lessons and a platform for current economic,

political and cultural developments.

Chapter 4 examines the formation of the organisation of Expo 2010 to date. This

research is to examine an event that has not yet taken place and which the

organisation of the event is still very much in progress. By this I mean one should

focus on the process of the preparation instead of the finished product such as

pavilions. The examination of the preparation is a basis for me to envisage anything

taking place in the next 3 years. In addition to an historical perspective, the study of

the organisation of Expo depends on official perspectives to examine the origins and

the process of China's hosting Shanghai Expo 2010. This also concerns issues of

urban regeneration in Shanghai, nation building, and political economy between local

government and the state.

Part Three details the research and analysis of my fieldwork and reveals the

learning process in discovering a form of sociality, *guanxi*. *Chapter 5* is my story of

carrying out fieldwork. This is an intensive discussion of the process of networking in

search of creative networks, which, together with sections of *Part Two*, can also be

seen as a chapter on methodology. The chronological account of my networking will

show the difficulties of gaining access. The chapter is essentially a testimony of

non-Chinese people who experience the process of and limits of carrying out

ethnographic work in China. This shows what role is played by the social in the

top-down organisation of Shanghai Expo 2010, with a particular focus on notions

such as secrecy, risk, fear and surveillance.

Chapter 6 is an analysis of *guanxi*. In addition to a theoretical examination of

guanxi, the chapter describes and analyses the process of and limits of ethnography in

China as a result of *guanxi*. With detailed observations on my research material

during the fieldwork, this chapter is essentially an attempt to carve out some important elements of *guanxi*, such as mediators, trust and gift. All these elements will show how *guanxi* is different from Western networking.

Ultimately, this thesis is an exploration of forms of networking. While it initially set out to demonstrate how social networks were constructed and utilised in the conception and organisation of Expo 2010, it went on to become a study in the trials and tribulations of ethnographic work but that also had implications for the study of the new economy, Chinese culture and society, globalisation, and global cities.

Chapter 1 Conceptualising Creative Networks: Towards a Reflexive Perspective

In this chapter, I aim to introduce the term "creative networks" by examining contemporary intellectual debates in two main ways, and consider its relevance for cities. Firstly, creative networks are privileged creative professionals who are also aware of the creative process. For example, Richard Florida's 2002 thesis – *The Rise of the Creative Class* – addresses creative individuals who have the ability to engage in the new or cultural economy. Secondly, one can simply understand creative networks as a specific organisational form in the global network society. A central reference point is Manuel Castells' 1996 thesis: *The Rise of the Network Society*. Castells offers a social analysis of networks as a global, informational organisational form of modern life. As the dynamic Net (Internet) appears in mass media, policy, and people's social life as well as academic theories, the network is increasingly seen as an overarching cultural form to reconstruct physical space. This networked organisation shows a binary network logic – inclusion/exclusion – whereby creative practitioners can collaborate in order to serve the network for a particular task (e.g., Shanghai Expo 2010), and others who are disconnected from the network. This network logic also shows how creative people connect and communicate with each other on the basis of social sharing.

Considering a reflexive perspective, I point out the limitations of the preliminary definition of creative networks. I aim to show how the study of networking should be framed as situationally specific and locally determined. One should focus on the dynamic relation between actions of agents and the structure of the situations in which they act. In doing so, I introduce three key arguments within my thesis. First, I argue

for an examination of people and their subjectivities. That concerns people and the making of various subjects. Second, I argue that the dominant theoretical construct should be tested by everyday practices of people's networking. Finally, I argue for a consideration of "social-embeddedness"; one needs to consider the dynamics of how social networks are deployed and how networks are embedded in other socio-cultural contexts.

Thus, the chapter consists of two parts. Part One is an overall review of literature and theory to provide a preliminary definition of creative networks. In the second part, I bring out the main arguments firstly in relation to people and subjectivities; second, to practices of networking; and third, to social-embeddedness.

On Creative Networks

Creativity

According to Raymond Williams (1976), creativity has historical roots in the European Renaissance and includes human knowledge and the ability to understand life and nature. Such a definition highlights the old modernist idea of a man-made future that focuses on the power of people to rule nature and society. However, Williams' definition is too broad to imply creativity exists regardless of occupation, age, sex, race, class, or geography.

In the case of this thesis, however, the concept of creative networks describes those privileged individuals who have a specialisation that sets them apart from the mass population. Thus, one can consider a definition of creativity in terms of a variety of professions in relation to "arts" (for example, literature, architecture, music, painting and design). This definition by arts-oriented professions had been widely accepted since the arts were not apparently confined to the exclusive use of elites and nobles in the European traditional high arts. Particularly, arts can be extended to

indicate properties or characteristics of anyone who can represent cultural forms and ways of thinking regardless of their backgrounds. This is related to the role of creativity in early modern Europe and movements of the fundamental changes in the nature of society and politics, such as "Romanticism", "Detraditionalisation" (Heelas, Lash and Morris, 1996) and "Individualisation" (Beck and Beck-Gernsheim, 2002).

One should understand creativity as a form of "artistic" sensibility and practice associated with an operation of breaking the rules. From the 1960s, individualism has represented the transformation of consumption practices. Creativity refers to an emphasis on a new way of living or work outside the confines of the old value system (the bureaucratic system, for example). There is a brief description of those who "think outside the box" or "come from left field" – which links to the aesthetic of the "revaluation of all values," "the shock of the new" and "the agonistic struggle with the existing order, which characterises the modernist and avant-garde traditions" (O'Connor and Gu, 2006, p. 273). In what follows, creativity can be further explored according to three aspects: creative workers and industries; creative class; and creative cities.

1. Creative Workers and Industries

In Western Europe and North America, there was a cultural and economic "sea-change" of the 1970s in terms of the so-called "Flexible Accumulation" and "Post-Fordism" (Harvey, 1989; Lash and Urry, 1994; Amin, 1994). Instead of mass producing standardised goods in huge, vertically integrated global firms, flexible specialisation represented new forms of organising the division of labour. Small batch production emerged in interlinked, specialised small firms, flexible in organisation, work process and output. The construction of personal identities of the consumers became an important goal for businesses. The advanced ICTs enabled markets and

producers to have more flexible production and closer coordination in targeting new market niches.

The production of culture and the impact of the arts have assumed centre-stage in economic, social and cultural policy. This suggests a shift from an emphasis on economic constraints and determinations associated with versions of political economy, towards a concern with how culture shapes the economy (Negus, 2002). In the empirical understanding of everyday life, society and economy is undergoing a "cultural turn" (Lash and Urry, 1994; Ray and Sayer, 1999; du Gay and Pryke, 2002). The creative industries and creative economy agenda became popular themes for local, regional and global urban competition particularly around the 1980s and 1990s.

In this broad context, the perspective of creativity is concerned with talent and expertise within the leading edges sectors such as high-technology industries, neo-artisan, business and financial services, cultural-products industries (Scott, 2006). Bourdieu (1984) describes "cultural intermediaries" – creative workers through the use of advertising imagery, marketing and promotional techniques – who largely depend on symbolic production to link to a potential consumer by seeking to forge a sense of identification. They are what Richard Barbrook terms the makers of the future (2006) involve the emerging few rather than the majority.

In *Creative Industries*, John Hartley (2005) describes emerging production sectors in which the creative arts (individual talent) are combined with large-scale cultural industries. In cultural production related to emerging industries, for example, the fashion industry (McRobbie, 1998) – the emerging work of the so-called "creative" – is different from the manufacturing process. The new sectors are different from that of the "cultural industries" due to a break from past expectation of work. Also, a traditional distinction between mass and elite, art and entertainment, and culture and market is becoming increasingly blurred. O'Connor (2007, p. 29)

highlights the rise of small and medium-sized enterprises (SMEs) and freelancers as an extremely significant part of overall employment. The SMEs phenomenon is expressed in highly networked sub-sectors (music, performance, TV, etc.) that are operated as "clusters".

According to such a "cultural turn," I here explore definitions of "the creative" by underpinning the points around how creative workers and creative industries have been taken up into the creative economy debate. In 1998, for example, a landmark case was expressed by the Department for Culture, Media and Sport (DCMS) under the British Labour government, which presented the *Creative Industries Mapping Document* in identifying the creative industries as a critical area of economic growth as well as social inclusion. This brought about the creative economic debate in Britain and further influenced other national and international agencies in South America and Asia such as South Korea, China, and Taiwan (Wang, 2004; O'Connor, 2007). To celebrate the political hype around "Cool Britannia" from the 1997 general election, the DCMS under New Labour renamed the cultural industries as "creative industries". The creative industries policy reflected "visions of a new economic order centred on more fluid patterns of work and career; a life course demanding more individual responsibility in exchange for autonomy, an economy based not on cut throat competition but on the more open collaborations of projects and networks, rewards for individual creativity and innovation away from the fixed hierarchies of class and corporation" (O'Connor, 2007, p. 42).

Through this document, creativity can be understood as intrinsic to work and performance towards the creative economy. Statistical evidence shows the economic contribution of diverse creative sectors in relation to cultural and new communications technologies practices: advertising; architecture; arts and antique markets; crafts; design; designer fashion; film, video and photography; software,

computer games and electronic publishing; music and visual and performing arts; writing and publishing; television and radio. Like the analysis of the cultural intermediaries (Negus, 2002), the creative industries agenda has been introduced in a way that privileges a particular cluster of occupations. This elitist perspective to privilege the selected workers engaged in symbolic activities is different from the notion of culture as a "whole way of life" (Williams). From a production viewpoint, therefore, creativity is not considered as a general condition for anyone (that is, Williams' definition) but as a unique and individual quality for those who have talent and expertise to work for these sub-sectors. However, Justin O'Connor (2007) highlights this rebranding of the creative industries rather than "cultural" industries lacks clarity in terms of specificity and distinctiveness. The DCMS's mapping document added new sub-sectors such as design, fashion and software to traditional cultural industries sectors. There is no guideline to differentiate the "creative" knowledge or information involved in science and research and development (R&D), business-to-business services and creative industries.

Nevertheless, this DCMS' document shows a different account of the "cultural industries", especially "Culture Industry" theory within the Frankfurt School. For example, from the 1940s onwards, Theodor Adorno (1991) argued that the masses were controlled under capitalism as popular culture became completely absorbed by the economy. Creative workers were undermined and the link between art as commodity and as an autonomous form did not exist. Given a line between the more difficult high arts (such as, classical music and painting) and mass-produced, popular culture (such as, film, radio, newspapers and jazz), consumers or audience were provided with false needs instead of "true" needs such as freedom, creativity, or genuine happiness. There were also no creative workers as Adorno was concerned with the organisation of cultural commodity on a mass industrial scale in which the

independent artist gave way to the cultural factory (O'Connor, 2007).

From the late 1970s and 1980s onwards, however, there has been a new context or "cultural turn" from the Culture Industry to cultural industries policy (Hesmondhalgh, 2007; O'Connor, 2007). In the production of culture, there was more empirically based understanding of the complex structure and variable dynamics at work (O'Connor, 2007). More attention has been paid to new areas, such as new cultural products as the work of a creative individual, audience response and demand for cultural products, multiple kinds of cultural commodities and, most importantly, the status of creative labour. In this sense, unlike the past negative account of the Cultural Industry as mass deception (as was the case with the Frankfurt School), the new perception of the cultural industries is approached in more neutral sociological terms as the production and circulation of symbolic forms of texts. In some countries such as France, the value of the cultural industries was addressed through the protection policy of the vast majority of cultural products (O'Connor, 2007, p. 22).

Also, the new creative industries policy was claimed to bring cultural provision accessible to the many, not just the few. According to Chris Smith, the first Secretary of State for the DCMS, the role of the creative industries can bring a civilising influence and contribute to the quality of life. Unlike the cultural industries that were neglected in national cultural and economy policy, the British creative industries policy represented the possibilities of oppositional popular culture towards the market and entrepreneurialism. This tendency was related to the strategy of the Greater London Council in the early 1980s. For example, Nicholas Garnham (1990) indicates how the market and art became increasingly linked insofar as public policy must consider the market as a relative efficient way of allocating resources and reflecting choice. Ultimately, this showed a new kind of democratic cultural policy with a more active and democratic involvement in cultural policy-making and cultural production.

In a revealing study, Garnham (2005) explains the advent of the new economy as a key context to explain why the DCMS wanted to use the term "creative" industries. What has been stressed as the distinction of the creative sub-sectors is their exploitation of intellectual property rights (IPR). For example, the implication of the creative lies in "those industries which have their origin in individual creativity, skill and talent and which have a potential for wealth and job creation through the generation and exploitation of intellectual property" (DCMS 2001, p. 04). Through this pragmatic move of the Labour government strengthening IPR regulations, creative workers and industries are positioned at the heart of economic competition as cultural goods are kept as commodities (Garnham, 2005; O'Connor, 2007). To some extent, this definition of the creative industries indicates a difference between new creative industries and traditional cultural policy due to a market-driven solution of the limitations on profitability in the cultural industries. The creative industries policy concerns a tendency that cultural goods would become public goods. .

In examining those creative workers, however, one needs to ask how the exploitation of the IPR refers to the potential of exchange value through human creative knowledge and skills. In this sense, the conditions and experience of creative labour under intellectual regimes should be examined (Rossiter, 2006). Rossiter argues that the government policy does not recognise an individual's IPR. In fact, creative workers were alienated from their intellectual property as the exploitation of IPR is always an exploitation of people (ibid., p. 145). In examining the British creative industries policy, agenda such as economic competitiveness, urban regeneration and to social policy were considered by the New Labour to bring wider social and economic effects after 1997. This marked a difference from the Conservatives in delivering wider social and economic objectives. Oakley (2007, p. 206) suggests that this policy aimed to facilitate the growth of a "creative economy"

based on some conditions, such as the openness to sub-cultural identity, new forms of collaboration and low capital entry. However, this policy was criticised for being more about politics than evidence (O'Connor, 2007, p. 45). In this sense, there is a tension and power relationship between creative workers and their employers.

By tension, I also refer to the spheres of culture as something beyond the purely instrumental. In addition to an emphasis on creative work with more "flexible," "horizontal" and "fluid" modes of production (McRobbie, 2002), there is a value of culture that remains fundamental within popular culture. The creative production comes from below. One can consider a tendency in popular culture as a result of the importance of advanced ICTs. In *Creative Industries* (Hartley, 2005), essays from Lawrence Lessig (2001) and Geert Lovink (2003) grasp an emerging creative world. For example, there is a new model of networked, citizen-led innovation, emphasising the process of creative participation. This viewpoint is shared by other thinkers for the new, creative economy (Kelly, 1998; Benkler, 2006) who argue for the concept of "Open Source" to describe the end users online with more power to provide creativity and innovation. From a popular culture perspective, creativity here is not just for the talented few, but a dynamic being picked up and pursued by people and groups in a range of contexts. The focus is not only on the creative workers, but also creative production that arises out of amateur and alternative space (the "third" space beyond industry and government). Like the earlier view of creativity of Raymond Williams, culture as "ordinary" or a whole way of life, the emerging perspective to this creative world depends on everyday cultural practices.

In examining the creative industries policy in the UK, however, there is an aspiration rather than a reality for a new creative world. What is lacking are discussions of contradictions and tensions between different actors, geographic areas and different agendas (Oakley, 2006, p. 262). In many cases, there were no conditions

that were needed to support the growth of localised creative economies, such as high

levels of human capital, a developed consumer market for local creative products,

institutional understanding and collaboration. In an empirical analysis of the creative

workers, as shown in the following quote, McRobbie (2002) focuses on new ways of

working and social relations as well as old working patterns associated with art

worlds, such as vertical, hierarchical dimensions within the creative economy.

McRobbie unravels various contradictions and tensions that underpin labour practices

within the creative industries.[3]

> Individualisation is not about individuals *per se*, as about new, more fluid, less
>
> permanent social relations seemingly marked by choice or options. However, this
>
> convergence has to be understood as one of contestation and antagonism (McRobbie,

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[3] That tensions and contradiction can also be understood in other empirical studies. Despite attempts to support small and micro businesses in the British creative industries, the traditional patterns of uneven development were not reversed (Oakley, 2006). Although the advent of the ICTs might reduce the barriers to entry in the creative industries sectors, one would hardly enter the sectors due to a lack of social connections (Oakley, 2006). The social relations of cultural productions concern not only traditional ways of communication (face-to-face, for example) but also new possibilities created by the ICTs (Pratt, 2004, p. 122; Negus, 2002, p. 512). In the British music industry, for example, creative workers have used their access to the industries to maintain – a small, relatively elite educated, middle-class, white male faction – a series of rather more traditional and enduring boundaries, social divisions and hierarchies (Negus, 2002, p. 512-3). Moreover, the optimistic claims to more open circumstances to diverse talent were not evident in the employment of black and ethnic minorities (Oakley, 2006). Local creatives and other lower paid workers have been forced to leave the cities as the policy promoting the "creative class" (Florida, 2002) actually increased inner-city property prices. Furthermore, the liberal tendency to view the creativity was reduced as the early development on the Internet has been in the hand of the old business or politics structure (Lovink, 2003; Castells, 2007). There have been more tensions between a set of policies for global media business and the support for small firms in local economic development (Hesmondhalgh and Pratt, 2005). There is an alignment (Cunningham, 2002) between small business enterprise cultures, non-commercial sectors, state subsidised culture (such as public service broadcasting), and participatory culture.

2002, p. 518).

This description of McRobbie above is useful for me to consider the perspective to look at the social networks of creative workers. On the one hand, this refers to opportunities for creative participation – creativity or innovation from the ground up. More attention should be paid to a more inclusive, empowered world in which individuals, small business and those users of the new media are empowered by digital reproduction and communication. However, on the other hand, this concerns the dynamic relations between the commercial and non-commercial, between production and consumption.

As Granham (2000, p. 16) suggests, the growth of a cluster of "cultural industries" has widened the distance between producers and consumers. To gain a fuller understanding of the consequences of the working practices depends on a thorough political economic and anthropological analysis of the power relations involved in production and consumption. Moreover, one should focus on the full range of conditions of conditions and practices of creative workers. For example, Nixon (1997) argues for a need to look at a "differentiated picture" of cultural intermediaries in terms of education background, gender and race. Negus (2002) further elaborates this argument by raising more specific questions of the extent of openness within the creative industries. In an empirical study of creative workers in the British music industry, Negus considers strategies of inclusion and exclusion by asking who is admitted or excluded, how this occurs and how it might vary across different arts and media industries (Negus, 2002, p. 511). Here one should think about the link that binds creative workers to established institutionalised structures of production. One does not need to broaden the category of creative workers to include other workers and activities, but needs to pay more attention to the way in which diverse workers are integrated into and operate in the creative industries.

2. The Creative Class

Due to a fundamental demand in creative work in the past few decades, Florida pays a great deal of attention to emerging labour by showing the defining feature of economic life as a result of human creativity. Specifically, he defines the creative class as the driving force to give rise to "new technologies, new industries, new wealth and all other good economic things" (Florida, 2002 p. 21). Based on an observation of influence and rapid growth of a new social class in the US and other advanced societies (e.g., about 30% of the US labour workforce), the creative class is described as the new no-collar workforce evolving from neither the blue-collar (working class) nor white-collar environment (service class). They constitute two distinct groups of expertise. First, there is only a small minority of the ruling class at the creative core (e.g., architecture, academia, arts, design, entertainment, and media). Second, there is an overwhelming majority of "creative professionals" (e.g., management, business and financial operations, legal work).

In the first place, I accept Florida's perspective of a new economic class by narrowing the range of creative people. His comment on the reproduction of socioeconomic inequality enables me to identify a certain range of groups and individuals whose profession rule the new economy and are distinct from those who work in the service industries. For example, Florida addresses a tendency of the creative class to exhibit at the upper end of the society, as opposed to the uncreative class of service workers trapped by low-end jobs and poor income (Florida, 2002, p. 322).

Nevertheless, I would highlight a disadvantage of Florida's description of the "power" of the creatives. I emphasise that power of new agents should not be taken for granted. Florida uncritically emphasises the way in which the creative class gains

greater liberties and lifestyles. For example, the "no-collar" workplace highlights a stimulating environment in which creatives tend to "set their own hours, dressed in relaxed and casual clothes" (2002 p. 12-3). Indeed, since the 1990s, the increasing power of the creative class (their privileged position and achievements) has reflected the social fluidity and cultural distinctiveness of the employees. However, Florida neglects important elements of the wider society on which the creative class might rely. In a general context of production within flexible capitalism, Florida is inclined to revel in the freedom of the creative class in their flexible approach to the economy. Florida describes some cases to show the changing patterns of work and employment as a result of creativity. For example, a Korean girl living in New York wanted to work in a nail salon, but had resistance from her family because the traditional notion of hair salon work is typically blue collar and lower wages. However, creative work or employment such as a nail salon job is increasingly seen as a creative environment. Florida assumed that two thirds of the US population will be elevated into the creative class in the context of the creative economy. There is a utopian sense in the creative and "created" economy to satisfy the needs and demands of a generation such as young women. In fact, the labour of creative work does not evade the working time of 9-5, the constraints of institutional processes, and traditional attachments to family and community. More importantly, Florida does not have the class sense as he pays far less attention to the divisions of labour (contracted-out, temporary economy) within which creative work and employment practices are embedded. His second element of the creative class, for example, is problematic as it conflates professional or managerial functions with creative "labours". This suggests the means of production are communally owned, and consequently there are no classes.

Indeed, the absence of class is the main problem with Florida's theory. It mirrors a Marxist perspective of class, which treats all humans as consciously "self-creative".

In a classic comparison between an architect and a bee, for example, Karl Marx explains how the labour of humans is different from nature (1867): What distinguishes the worst architect from the best bees lies in the architect's creativity ("raises his structure in imagination before he erects it in reality") before executing the task (e.g., building the house). For Marx, capital can rob labour of its creativity in routinising work, or in the minute divisions of labour in the context of an industrial age. As a result, Marx and Florida both believe in creativity or "live labour" as a human essence and believe it can be shaped or even jeopardised by social relations. In this sense, Florida's lack of class divisions lies in his underestimation of other means of production apart from creatives.

3. Creative Cities

After examining Richard Florida's theory on "creative class", I here further consider his argument for the quality of life, tolerance of creative feel of a city. In addition to creative class, the discussion of creative workers and industries above is closely related to the development of contemporary cities. In examining the cultural role of the cities of the world, for example, Ulf Hannerz (1996) identifies "an undoubtedly considerably smaller number of people" (Hannerz, 1996 p. 130). They are elites engaging in the transnational flow of culture and, more importantly, networking and making "ties of varied kinds with people" (ibid, p. 131). In academic scholarship around the cultural/creative industries (Hartley, 2005; Scott, 2000; O'Connor, 2007), regional clusters and embedded networks are taken up in the policy discourse on creative industries groups and individuals that bring new opportunities not only for global economy enterprises and markets (the games industry) but also locally based culture and enterprise (fashion design in Italy). Thus, the focus on creativity is closely related to close connection between the clustering of creative industries and urban

development, namely the emerging discourse, creative cities.

Living in the US, Florida is also known for using his concept of the creative class to support a major shift away from traditionally industry-based economies that has changed the appearance of cities. The creative class gravitates towards "plug and play" communities, where social entry barriers are low, heterogeneity is actively embraced, loose ties prevail, where there are lots of other creatives to mingle with, and where they can "validate their identities" (Florida, 2002, p. 304):

> In addition to being fairly compensated for the work we do and the skills we bring, we want the ability to learn and grow, shape the content of our work, control our own schedules and express our identities through work. And companies of all types, including large established ones, are adapting to this change by striving to create new workplaces that are more amenable to creative work. In this, they have no choice: Either they will create these kinds of environments or they will wither and die (Florida, 2002, p. 13).

According to Florida's comment, there is doubtless a premise for creative cities: the creative class drives economic growth. Based on this premise, Florida provides a formula to secure the power of the creatives by establishing more tolerant and open spaces within the city: namely a "creative city". In building creative environments within urban areas, however, a number of problems are raised: Under what political economic conditions are the creatives so powerful? Are they employed? Are they assigned by the government, a particular company, or other interest groups or individuals? These questions highlight my doubt of an unruly image of the creative class. As I mentioned earlier, Florida's thesis is problematic because the power of the creative class is taken for granted as replacing traditional hierarchical systems of control. They tend to work more independently and find it much harder to cope with

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incompetent managers and bully bosses. The creative class could be global elites having more autonomy to live and work within their national or local space. However I am not convinced by Florida's sceptical viewpoint about the old value system based on the regulations of the nation state and market. Florida asserts that driving forces are the new form of self-management, peer-recognition and pressure and intrinsic forms of motivation: the so-called "soft control" (2002, p. 12). On the contrary, traditional forms of control, such as corporations or unions or class-aligned political parties, are viewed as "obsolete".

In Florida's idea of building creative cities, his emphasis of the social aspect and creative sectors of cities—a creative milieu— is analytically limited to attract a greater number of creative workers and diverse communities of entrepreneurs, academics, and tourists. To some extent, the introduction of creative people does not guarantee the creativity of cities. Paradoxically, the creative class might, in turn, "smother the fragile ecology of creativity itself" (Peck, 2005, p. 746). The creative class in gentrifying neighbourhoods might generate inflationary housing-market pressures affecting diversity.

To go beyond this, I stress that Florida's script of urban creativity is nothing new, but is partly a reworking of intellectual scholarship on the urban entrepreneurialism of de-industrialised cities in the 1980s and 1990s. For cities competing on a global and national level, there is an emphasis on the mobilisation of new regimes of local governance around the aggressive pursuit of growth-focused development agendas. Localities pay greater attention to attracting economic enterprises and potential tourists that in turn secure inward capital investment, the creation of local jobs, and local economic regeneration (Kearns and Philo, 1993). Creative cities show that local strategies "could never stand still, but always had to be on the lookout for the next big thing" (Peck, 2005, p. 762). Creativity has been seen as a crucial means of facilitating

the "symbolic economy" of urban redevelopment since the 1970s (Zukin, 2001). The symbolic economy of cities thus becomes a global phenomenon in attracting global capital in trade and investment flows. In a key thesis on urban regeneration, *Creative Cities*, Charles Landry and Franco Bianchini (1995) demonstrate how the creative cities agenda is at work to deal with the problems of global cities in transition. The creative cities discourse becomes strategically important to the inter-urban competition as the cities would be shaped as "a base for knowledge-intensive firms and institutions, such as universities, research centres or the cultural industries" (Landry and Bianchini, 1995, p. 12). The creative cities perspective was an intrinsic part of what O'Connor (2007) suggests as "rediscovery" of the city in the 1980s and 1990s.

The creative cities policy is concerned more with the dimension of aesthetics (Harvey, 1989; Landry and Bianchini, 1995) than the traditional emphasis on physical dimension such as natural resources, location or past reputation. This difference concerns the cultural turn and new economy in cities' production system (Castells, 1996; Zukin, 1982). David Harvey suggests this tendency is found in terms of cities and consumer society: "the city has to appear as an innovative, exciting, creative and safe place to live or visit, to play and consume in," as festivals, spectacle and display, cultural events and the arts were increasingly appropriated as "symbols of [a] dynamic community" (1989, p. 9). Cities are places reconstructed and sold not as centres of production but of consumption (Featherstone, 1991). There are cultural products, artefacts, entertainments, buildings and creative industries (O'Connor and Wynne, 1996; Zukin, 1991).

In the process of urban regeneration, cities were identified as sites in which the new economy has increasingly influence on the local through the creation of attractive images and projects (King, 1995; Zukin, 1995). In this context, Florida is perhaps too

one-sided in placing all the emphasis on only the creative class. In the symbolic

economy (Zukin, 1995), creative cities not only need cultural symbols but also depend

on entrepreneurial capital. Creatives are by no means framed outside their

national/local space. Given that culture has a direct impact on the value of urban real

estate (1995), the urbanity of city life is a crucial resource for all kinds of cultural

activities. The following quotation from Zukin represents a viewpoint of creativity

and its relevance to cities. It provides a more adequate picture in terms of actors who

collaborate to facilitate the symbolic capital of the city:

> Building a (world) city depends on how people combine the traditional economic
>
> factors of land, labour, and capital. But it also depends on how they manipulate
>
> symbolic languages of exclusion and entitlement.…Modern cities also own their
>
> existence to…symbolic economy devised by "place entrepreneurs", officials and
>
> investors whose ability to deal with the symbols of growth yields "real" results in real
>
> estate development, new business, and jobs…Related to this entrepreneurial activity
>
> is a…traditional symbolic economy of the city advocates and business elites who,
>
> through a combination of philanthropy, civic pride, and desire to establish their
>
> identity as a patrician class, build the majestic art museums, parks, and architectural
>
> complexes that represent a world-class city. (Zukin, 1995, p. 7-8)

This moves beyond the argument of creative class (Florida, 2002) with a focus on a

collaboration of different actors of the urban cultural milieu. However, Zukin has

presented a negative interpretation of contemporary urbanism and the role of cultural

entrepreneurs and intermediaries within it. In other analyses of the cultural/creative

industries, the notions of "clusters" and "networks" become significant analytical

terms. In cultural/creative industries scholarship, scholars pay more attention to the

relation between the urbanity and cultural production. They closely explore the role of the urban milieu, networks and clusters and the comparative advantage of place (Scott, 2000; O'Connor, 2007; O'Connor and Wynne, 1996; Wittel, 2001) in relation to creative industries agenda and urban regeneration. The line between the cultural and the economic, subsidised and non-subsidised, and cultural entrepreneurs and businesses becomes blurred (O'Connor and Wynee, 1996). One can further reconsider this debate beyond Florida and Zukin by making reference to Landry and Bianchini (1995) who stress that the discourse of creative cities is related to the solution of urban problems in the global economy.

In labour markets, for example, social fragmentation is emphasised as one of the key problems in contemporary cities. In terms of developing creative cities, one should not only focus on those highly paid managers, technologists and professionals in the global space of flows (Castells, 1996), but also those low paid, less-skilled labour women and ethnic minorities. In terms of urban regeneration, the emphasis is not only on how a city is shaped but also what could improve people's lived experience of cities. Thus, creative cities need to be understood as a discourse to solve problems.

> We know that more sustainable environments will not be created if we only look at the environmental dimension; we also have to address how people mix and connect, their motivations and whether they take responsibility and "own" where they live and change their lifestyles appropriately. To make cities respond to change we need to assess how "feel", ambience, atmosphere and "soft" infrastructure are created, something which requires different skills from those of planners brought up to think in terms of physical solution (Landry and Bianchini 1995, p. 13-4).

In such a statement related to creative cities, Landry and Bianchini emphasise the establishment of a creative milieu, such as networks. They argue that some physical solutions such as developing a road or telecom network, are not helpful enough to create innovative milieus; cities require subtler solutions. Bringing institutions like universities together with local firms would enable cities to encourage people and firms to interact and participate. Increasing a sense of place and mutual responsibilities in communities and neighbourhoods might also help to solve crime. This perspective of the creative cities examines solutions between inspiration and the dark side of the cities. The proper focus of the creative cities is to consider problems more holistically. In this, a more recent paper from Allen J. Scott (2006) is useful to sketches out the main economic mechanisms that underlie creative cities.

First, one needs to consider "networks of producers". Networks here refer to groups of interrelated firms in clusters in response to unstable and risky markets. Second, local labour markets developing around networks deserve more attention. They include both low-waged, unskilled and high-way, professional workers who would flexibly supply many sectors in the new economy. In considering the notion of creative cities, the role of the creative class needs to be reconsidered as intersecting traditionally locally based elitists and leadership for city promotion (place entrepreneurs, officials, investors, city advocates and business elites). Finally, Scott (2006) refers to the importance of a "creative field," concerning the structures in cities for more contacts and interchange between networks of the firms and workers. To complement the innovative capacities of these networks, the creative field refers to a framework in which the infrastructural facilities and social overhead capital, such as local schools, universities, research establishments, and design centres, help to unleash diverse innovative energies.

To identify key variables to build viable creative cities in the wider society, one

should go beyond the emphasis on the "creative class" as that would lead to ignore the centrality of crucial questions of the urban creative milieu (O'Connor and Gu, 2006). Given that creative workers are employed in different sectors, one needs to observe the relation between the wider production system on the one side and the urban cultural environment on the other.

The former concerns the local production system or a system of employment, which would articulate the necessary and sufficient conditions under which skilled, qualified, and creative individuals will actually congregate together and remain there over any reasonably extended period of time (Scott, 2006). The urban cultural environment concerns social life in specific urban contexts, including everyday level of civil society, including not international art spaces but record shops, shopping malls, bookstalls, school clubs, art colleges and internet where new cultural ideas, patterns and objects might emerge.

Network

The emphasis on networks enables me to locate my object of research and my method of analysis and research within the theoretical landscape of network theory. In intellectual discussion, "network" has been used as a metaphor to describe how institutions and relationships are ordered. However, the use of the idea of network is inherently ambiguous and confusing. There is a blurred distinction between technological networks, social network entities and networks as a method of uncovering social life (Cavanagh, 2007, p. 26). In particular, the actor-network theory focuses on networks that are composed not only of people and personal connections but also texts, objects and heterogeneous materials (Latour, 2005). One should first note that my focus on networks is concerned with social relations and social networks. In other words, it is concerned with networking based on interpersonal relationships,

connections, and sociality. In my case study, emphasis on the social nature of networks emerges from works related to social network analysts. The social and cultural angle offered through the social network perspective has much to contribute to the study of the global network society which emphasises the technological nature of networks. To review the theoretical landscape of network theory, I first address three network topologies: star, chain, and all-channel.

1. Network Topologies
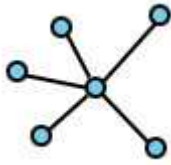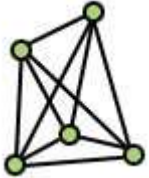
Networks have formal properties of relations and ties. In early mathematical and formal anthropology of networks, for example, there is a tendency in mathematical graph theory to focus on graphs by their nodes connected by links (Cavanagh, 2007, p. 28; Mitchell, 1974; Scott, 1991). According to the three network elements (nodes, links, and mesh), I explore here three different topologies and features of networks.

First is the star-like network constituted by specific nodes. Nodes, a network's first element in relation to the two other elements (links and mesh), serve as "hubs" or key intermediaries of which all members have to go through in order to communicate and coordinate with other "nodes". In star-like networks, hubs have a strategically important function due to their central (but not hierarchical) position and the position of their mediators in relation to the rest of the observable community.

Second is the chain network constituted by a line of separated contacts in which end-to-end communication must travel through the intermediate nodes. The relevant links between the nodes determine what is or is not "bound" within the networks. Also, these links are often marked by their "strength" of association between individuals and groups or the tendency of the majority between different nodes and their ties. In his influential theory "The Strength of Weak Ties," for example, US-based sociologist Mark Granovetter (1973) shows that weak ties such as distant

friends may be more likely to facilitate information spread and possess diversity of knowledge in comparison to the strong ties of family members and close friends. Weak ties are seen as a form of social capital which enables action. To illustrate my description of these three topologies of networks, I here borrow research of John Arquilla & David Ronfeldt who offer a diagram to look at "netwars".

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Figure 1.1 Topologies of Networks

	Star network – disparate actors are tied to a central (though not necessarily hierarchical) node, and all communication travels through that central node.
	Chain network – typified by smuggling networks, where end-to-end exchanges (information, contraband, etc.) must travel back and forth between intermediary nodes.
	All-channel network – every individual actor is able to communicate fully with all other nodes in the network.

Source: Arquilla, J. and D. Ronfeldt (2001)

According to Arquilla and Ronfeldt (2001), the netwar is concerned with an emergent form of low intensity conflict, crime, and activism waged by networked actors such as transnational terrorists, criminal organisations, activist groups and social movements that employ decentralised, flexible network structures. Basically, one can firstly consider such network structure by looking at the first two network topologies that have some common features. Both are often seen in conventional social network

analysis. They show physically centralised, territorially specific social interactions. Moreover, both are concerned with ego-centred networks in which individual components retain their individual pre-existing identity in the nodes rather than in links of the networks as a whole (Cavanagh, 2007). Take the preparation of an academic seminar, for example. A well-known, experienced organiser collects and distributes information between different unknown members who are either in different groups (star) or the same group (link). Networks of either the organiser or each member are bundled in fixed, enclosed spaces. A dialogical process between the organiser and members is unnecessary as the more powerful organisers order and administer the networks themselves. There is usually a centralised actor to deal with issues of resources and relationships. One can consider a methodological limit as the network is necessary to be confined to partial (e.g., ego-centred) networks rather than the total network of a society. In practice, focus is on the selected aspects of the total network for the purpose of analysis (Cavanagh, 2007, p. 29).

As for the third and final topology of networks, "the all-channel network" is becoming a dominant network model due to the emerging architecture of global networks, made increasingly possible with ICTs (e.g., the superior organisational form of the Internet) to supplement the concept of partial networks in social network analysis. Given the real world has been built upon ICTs, connectivity or networking such as practices of "hacker networks" take on the value of creativity through networks. Particularly, Castells applies the "interactive, multinodal logic of the Internet" to conceive of the global network society (2004, p. 42). In his proposition, connectivity and access to networks are essential. When people are able to take advantage of these technologies, there is organisational restructuring based on networking to "ensuring productivity, competitiveness, innovation, creativity, and ultimately, power and power sharing" (2004, p. 42).

Unlike the previous two topologies, the central actors of all-channel network shrink. The structural power of the central actor is reduced, bringing about networks beyond territorial interactions. This suggests the final and most complex element of the network – the "mesh" – which is involved in the overall structure, pattern and shape of the network (Van Loon, 2006). There appears to be a collaborative network in which everybody is connected to everybody else. One can consider *Multitude*, the recent work of Hardt and Negri (2004), in which networks are seen as organisational forms in the loosest sense. Networks are distributed and each unit has his or her autonomy. What is inside a network is indeed "organised, rational and creative" (ibid. 2004, p. 91). Its organisation is based on communication between the parts. In this sense, the network is seen as a whole rather than a part (e.g., the choice is not centralised within a star or a link). Let me apply this new kind of network to the previous example in the preparation of a seminar. Instead of going through the organiser (one or more of the nodes), all participants, who could be new academics, aim to share information with each other. All-channel networks do not have an identifiable centre because of multiple central nodes.

In what follows, one can consider the discussion of all-channel networks in *The Rise of the Network Society* (1996) in which Castells explains connections between economic, social, cultural and political changes in the age of globalisation. This work represents the Western way of thinking in the advent of the contemporary network society in which the concept of creative networks is framed.

2. Manuel Castells: The Network Society

In a famous trilogy on the information age, Castells (1996-8) argues for historical change. Social relations of production today are not found in money (logic of wealth accumulation in Marx's sense), but in information, such as the mass media,

telecommunications, computing and, particularly, the Internet. Castells' central theoretical assumption concerns the rise of the Internet that brings about the dialectical interaction of social relations and technological innovation. Castells uses the notion of network to describe the result of technological innovation, which opens up new possibilities for social actors using them. While he explains that networks are not a new form of social organisation, networks become a key feature of social morphology.

His model is based on the observation of the global social structure and actors as a result of a pervasive use of networked communication media. For example, there are decentralised operations for the most advanced economic sectors, corporations, communities, and social movements. Physical proximity becomes strategically less important for social organisation. This is evident in flexible "organisations" such as transnational enterprises. Castells shows how flexible organisations are characterised as a shift from vertical bureaucracies to the horizontal corporation in global network societies. Members of staff are not assigned and controlled through a stable chain of management. Instead, they are project-oriented to merge into temporary networks. Moreover, this kind of collaborative relationship is theoretically supported to facilitate creativity because actors are allowed to join others in the collective process of learning. He describes some new network enterprise in emerging Chinese mega-cities around Southern China, Korea and Japan. Castells suggests these networked organisations are more flexible than Western corporations in the environment of increased global competition. The network here is used to shed light on open systems evolving from the global economy. The state is either bypassed or rearranged in networks of shared sovereignty formed by national governments, supranational institutions, and co-national institutions such as the European Union. As shown in the quote below, the open system is expressed with a spatial concept (the "space of flows")

to argue that organisations are located in places, but the networked organisational logic is placeless:

> Our societies are constructed around flows: flows of capital, flows of information, flows of technology, flows of organizational interactions, flows of images, sounds and symbols. Flows are not just one element of social organization: they are the expression of the processes dominating our economic, political, and symbolic life. ... Thus, I propose the idea that there is a new spatial form characteristic of social practices that dominate and shape the network society: the space of flows. The space of flows is the material organisation of time-sharing social practices that work through flows. By flows I understand purposeful, repetitive, programmable sequences of exchange and interaction between physically disjointed positions held by social actors. (Castells, 1996, p.412)

For Castells, this space of flows challenges the space of places, including regional communities and nation states. The term "flows" denotes the movement of goods, information, people, objects and services from node to node in a network. The space of flows is supported by three layers of support. The first layer concerns technological infrastructure. Space is articulated through the circuitry of electronic impulses that ends up being boundless due to the real-time circuitry between nodes. The second layer involves places. The topology of the space is formed by two dimensions. One is strategic "nodes" in the network that are centres to direct the many flows with specialised characteristics (e.g., Milan as a central node for "fashion design"). The other is coordination "hubs" in world markets, which serve as switching-points for the transmission of information and knowledge. Finally, the third layer is related to people (i.e., the managerial elites). The space of flows represents the logic of the Internet, which stands for the new organisational formations based on the pervasive

use of networked communication media. Under such conditions of structural change and instability, the tension is about how people build their identities in order to participate in networks.

3. The Global City and Network City

The network can also be identified by its relevance to cities. For example, places, the second element of the space of flows, are proposed by Castells as processes and interaction between cities. There is a link between the network society and the global city. In *The Global City*, Saskia Sassen describes *global cities* are strategic places that concentrate command-and-control functions for the global economy (1991). Likewise, Castells recognises that only a certain number of cities, such as London, with major financial center or headquarters for transnational companies, are at any one time in a position to direct the flows of economic transactions. The "global" status of cities is recognised as a result of network logic between the inclusion and exclusion, centre and periphery. This binary process demonstrates how actors (such as companies, individuals, governments or other social organisations) participate in the network. Each actor needs to contribute to the goals of the network. Otherwise, the ones who have nothing to offer are excluded. In *The End of Millennium* (1998), Castells highlights some disconnected segments such as the collapsed Soviet Union, the stagnating development of "Fourth World" in Africa, Asia and South America are left out of the network society in comparison to the rise of some countries and the people of the Pacific region. However, Castells believes that power is concentrated in the networked space of flows and differs from Sassen who focuses more on those groups who exercise the command and control functions embedded in global cities (Allen, 1999, p. 203). Indeed, what makes a city become a global city depends on what Castells describes as a structural feature of the network society:

…the reconfiguring capacity inscribed in the process of networking allows the programs governing every network to search for valuable additions everywhere and to incorporate them, while bypassing and excluding those territories, activities, and people that have little or no value for the performance of the tasks assigned to the network. (Castells, 2004, p. 23)

This quote shows how the value of a global city depends on a binary logic of inclusion/exclusion in the framework of global network society. Thus, one should appreciate different kinds of networks within cities and beyond their boundaries as a result of specific programs, such as financial networks. In this sense, the global city should be understood as a form of actor collaboration that consists of a given city network (e.g., property interests, renters, utility groups, trade unions, universities, and "local" businesses). It also concerns various actors scattering across the globe (e.g., the epistemic communities, businesses, and knowledge-rich individuals). In the global city, these actors and their activities should have value for the performance of the tasks assigned to the network.

4. Social Sharing

Based on Castells' model of the global network society, one can further consider the relationship between creativity and networks according to a specific practice of networking in the new economy: social sharing. Social sharing involves a broad sense of how people share their information, goods, and social relationships. On the Internet, for example, expensive journals, software, and music are increasingly circulated by people who can use cryptology technology without being tracked. This contemporary networking culture can be understood from an example of the hacker ethic addressed

by Castells. This networking culture of the information age is closely related to the practices of creative networks:

> The free sharing takes place in the information age (and probably in earlier societies). And since innovation is the source of productivity, wealth and power, there is a direct relationship between the power of sharing and the sharing of power. So, networking for the sake of networking, being ready to learn from others and to give them what you have, could be the culture of the network society: a belief in the power of the network, in your empowerment by being open to others, and in the joy of diversity. In the example of hacker networks, networking is practiced on the basis of one common value: the value of creativity, the feeling of self-realisation by the exercise of the capacity of the mind to challenge and invent. So, this is my hypothesis, the culture of the network society is a culture of protocols of communication between all cultures in the world, developed on the basis of a common belief in the power of networking and of the synergy obtained by giving to others and receiving from others. (Castells, 2004, p. 40)

According to Castells' description, sharing as a new form of networking in relation to the new economy is commonly found in urban areas in which Internet users widely engage in a quest for new forms of sociality and a reconfiguration of cultural hierarchies. In a similar way to how Florida describes, these new actors are creative people involved in the provision of symbolic goods and services who operate free from tradition in the post-modern age. They show creative free spirit that is driven by the desire to make money or, more importantly, they believe in the power of the network that is "networking for the sake of networking". Networking becomes a learning process by being open to others, and in the joy of diversity.

Also, sharing reflects some features as a result of a new system of "flexible working". Sennett (2001) argues that there is a lack of fraternity, for temporarily organised task-work puts people under enormous stress. In the new economy, an analysis of the "network sociality" (Wittel, 2001) suggests that a disembedded inter-subjective identity does not depend on an awareness of relations with others. Instead network sociality marks the process of information-processing and exchange. It seems that there are no roles for narrative-oriented relations based on a shared biography (e.g., mutual experience or common history), but primarily on an exchange of data (information) and on "catching up" (Wittel, 2001). In particular, Richard Barbrook's essay, *The Hi-Tech Gift Economy* (1999), emphasises a close relationship between the gift economy and technologies. Barbrook sees the sharing of information over the Internet by arguing that the choice is not the commodity or the gift. In his idea, the same piece of information could exist both as a commodity *and* a gift on the Internet. Sharing demonstrates here that people are empowered by the use of advanced technologies (e.g., Internet) with the basic functions of the computer, such as "copy and paste". The Internet facilitates an open-source social system to circulate free information via e-mails, in newsgroups, within online conferences and through websites. In *The Hacker Ethic and the Spirit of the Information Age* (2001), Castells explains the process of sharing as a decentralised way of networking between all cultures instead of Marx Weber's idea of "The Iron Cage" to pinpoint organisation in a bureaucracy. In this sense, sharing is a product of technology to exchange information that is not usually allowed in traditionally centralised economic models (e.g., advertisement-driven mass markets and large conglomerates). Barbrook (1999) refers to a new form of radical politics from the New Left – "anarcho-communism" – in which individuals could successfully live together without needing either the state or the market. For example, the gift economy is usually marked due to anonymity.

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Editor of *Wired* magazine, Kevin Kelly, has described this as "swarm power":

> The Internet model has many lessons for the new economy but perhaps the most
> important is its embrace of dumb swarm power. The aim of swarm power is superior
> performance in a turbulent environment. When things happen fast and furious, they tend
> to route around central control. By interlinking many simple parts into a loose
> confederation, control devolves from the centre to the lowest or outermost points which
> collectively keep things on course (Kelly, 1998, p. 16).

Kelly's above comment shows how sharing reflects the potential of "network effects" through the interconnectedness between different actors. This shows the power of the collective to challenge control from the centre. According to *New Rules for the New Economy,* Kevin Kelly (1998) asks a powerful question: "What can you give away?" Kelly argues that networking for free represents sharing as the key to wealth. Network economy is based on "Plentitude, not Scarcity". Kelly refers to advanced manufacturing techniques in achieving the art of making copies plentiful. Similar to what Castells highlights as "the direct relationship between the power of sharing and sharing of power" (2004, p. 40), for example, having a computer is worth nothing, but the value of the computer will be increased when users are networked. As such, sharing as a way of networking is based on a hypothesis of the social inclusion of people, communities, economies and countries to expand the original value.

Accordingly, I accept Castells and other Western theorists' research on social sharing. There is a direct relationship between creativity and networks. Castells' model of the global network society based on a strategic side of sharing: the relationship between sharing of power and power of sharing. In the case of sharing online, actors have something in common. They are embedded in the processes of communication, in the electronic hypertext, with the media and the Internet at its core.

However, one should note that sharing is concerned with actors of different kinds, which achieve the specific goals of the network (such as power, wealth and fame). Sharing is based on the binary logic of inclusion/exclusion, the power of the network.

> I have already analysed the power of the networks that make up the network society over human communities of individuals who are *not* integrated into these networks…power operates by exclusion/inclusion. But who has power in the dominant networks?...The very simple answer: each network defines its own power system depending on its programmed goals…In a world of networks, the ability to program/reprogram the network(s) in terms of the goals assigned to the network; and the ability to connect different networks to ensure their cooperation by sharing common goals and increasing resources. I call the holders of the first power position the "programmers," and the holders of the second power position the "switchers."… (Castells, 2004: 32)

Based on this logic, there are forms of domination and determination shaping people's lives against their will in the network society. Castells explains that the ability to exercise control over others depends on the working of two basic mechanisms – programmers and switchers. These two mechanisms operate at the interface between various social actors, defined in terms of their position in the social structure, and in the organisational framework of society. Due to different social positions, they have different abilities to program and connect different networks. Moreover, the key asset in the ability to program or connect each network lies in control of the process of communication. In short, this suggests that social sharing is concerned with the power of the network.

Towards a Reflexive Perspective

I address here a reflexive perspective. By reflexivity I refer to *An Invitation to Reflexive Sociology* in which Bourdieu argues that theoretical viewpoints cannot simply be imputed to people as they do not necessarily think and act like theorists. Bourdieu reflects on an intellectualist bias of social theorists because they entice us to construe the world "as a spectacle, as a set of significations to be interpreted rather than as concrete problems to be solved practically" (Bourdieu and Wacquant, 1992, p. 39). Following Bourdieu, this perspective gives particular attention to my own position of the conditions and structures that are implicitly imbued in my own "practices" within the fields. The concept of practice concerns how I consider situations I am in, and decide how to act and solve problems and frame these situations. Specifically, this reflexive perspective is concerned with my reflection on practices of networking and social sharing.

According to the previous discussion of sharing in the information age, sharing can also be understood from within a framework of personal experience provided by traditional societies. In tribal societies (Mauss, 1954), for example, sharing as a gift concerns how people maintain affections, express desire and show worries. In terms of sharing, people need to consider position-taking and status-seeking behaviour strategies of other social groups. This reveals a moral side of networking: sharing. In *The Theory of Moral Sentiments*, Adam Smith suggests the practice of economy is also the practice of moral judgment and worth. By his reasoning, economic value can never be divorced from moral value. Tracing a very long history, Smith provides a valuable insight into economic life as opposed to the worse effects of pure self-interests. For Smith, there is usually "entanglement in modern society of a moral order of sympathy – participation in the feelings of others – with economic individualism as the driving force of wealth creation" (quoted in Amin and Thrift,

2004). With this in mind, I call for particular attention to be given to three areas with respect to the study of networking. First is the focus on *people and subjectivities*. Second is concerned with people's *practices of networking*. Third concerns *social embeddedness* that shows the structure of the situations whereby people act. The emphasis on social embeddedness demonstrates my argument for a reflexive perspective to integrate an agency perspective (i.e., people and their subjectivities) and a structural perspective. This ultimately refers to a focus on political economy from below.

People and Subjectivities

Networking depends on people and various subjectivities. People consist of different individuals and groups who do not have the same form and relations. Although Castells (1996) touches on people (identity), his notion of the space of flows is to some extent abstract. I wonder what kinds of individual behaviours and actors are applied to his model? Perhaps the concept of "the space of flows" can be analysed with a focus on a goal oriented and exclusionary network of elites. They bypass both culture and place, or the so-called "non-place". Located in the great cities, the professional elite are part of places such as New York. They are grounded in the exclusive circles, living in "gated" communities and isolated from the majority of those around them. They are cosmopolitan elites rather than local people and communities oriented around places. To capture these people and their subjectivities, I consider an alternative approach, *political economy from below* (Negri, 1999; Wittel, 2004). This approach is based on a reflection on the viewpoint of political economy "from above". For example, Negri uses some cases to argue that people and their subjective are integrated into the macroeconomic process that they are virtually invisible. For example, the domestic labor of women and housewives used to be

posed outside of the consideration of the direct or indirect wage of the worker (male, head of family). Value is thus assumed by stripping it from labor of women. Negri (1999) argues that labor-power (or really the use-value of labor-power) is no longer either outside or inside the capitalist organisation of production. While labour-power can be organised in the independence of the family economy or the tradition of gifts, for example, value of family is now immediately mobilised within globalised capitalist control. Negri's approach of political economy from below pays particular attention to value that is formed in the relation of affect. The affects can be considered as *a power to act*. The affects poses action beyond every measure that power does not contain in its own structure, and in the continuous restructurings that it constructs. Moreover, the affects construct subjects' power and desire.

The approach of *political economy from below* is predominantly concerned with a focus on labor-power, which marks the production of subjectivity. This bring in a recognition that political economy gives to the fact that value is now an investment of desire constitutes a real and proper conceptual revolution. This approach of political economy enables me to think about agency that concerns people's different motivations and constraints that change over time and space. The focus of networks is on each one within the network, and on room for agency to grow. One can examine various subjectivities through an analysis of his or her communication, collaboration and affectivity with each other (Hardt and Negri, 2004). However, there is also a need to focus on structures from above (e.g., flows, industries, state, international political economy) as well as people's subjectivity from below or particularities. The focus of people and their subjectivities adds an innovative approach to existing literature on globalisation where the economic (political economy) is usually examined as the only or major imperative. Thus, Castells' "space of flows" needs to be conceptualised rather differently, as Nigel Thrift has suggested:

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…a partial and contingent affair, just like all other human enterprises, which is not

abstract or abstracted but consists of social networks, often of a quite limited size even

though they might span the globe. (Thrift, 1995, p. 34-35).

By focusing on people and their subjectivities, my argument is that the new form of

networking is identified as a result of technologies; people do not reduce their

communication, but are investing more time with interaction within existing patterns

of relations in the public space such as cafes and bars. In addition to the strategic

dimension of people's self-interests, one should focus on non-instrumental or ethical

motives in social and economic reproduction. I emphasise there is a need to focus on

agency or particularities, which include people's shared settings, trust, obligations,

and bonds of kinship, neighbourliness, and place-based interactions.

Practices of Networking

I here stress a need to focus on practices of networking. By practices one can focus on

some "qualitative" features of networking between different people in social

situations. Practices of networking are concerned with details of incommensurate, yet

meaningful relationships. That is about qualitative description in terms of how people

enter and leave a network, or about how people move from the periphery to the core

and back (Howard, 2002, p. 560). For example, one can examine different

relationships and memberships in formal and informal groupings.

In *Distinction*, Bourdieu formulates the relationship between some distinct

concepts: [(habitus) (capital)] + field = practice (Bourdieu 1984, p. 101). Bourdieu

demonstrates the practices (of an actor) within a social context (structure). Importantly,

Bourdieu has described the field as a "network, or configuration of objective relations

between positions" (Bourdieu and Wacquant, 1992, p. 97). The field is like a (ball) game in which people maintain different social positions and different power relationships. In this field, practice is the result of habitus. Habitus suggests people are the "product of history" (Bourdieu and Wacquant, 1992, p. 136). They are combined with resources (capital), being activated by certain structured social conditions (field) in which people are embedded. In terms of networking, people have accumulated different forms of capital (economic, social, cultural, and symbolic) such as social capital through contacts and group memberships to get access to others.

Also, practices of networking can be understood as a theoretical concept – "action-sets" –a generic concept from social anthropologist Adrian Mayer (Mayer, 1966). Action-sets show how different sets of people (nodes) are "mobilised" by an anchor person in a network. Like the snowball sampling of ethnography, action-sets depend on researchers to select information or let individual mediators refer them to other mediators:

> When successive action-sets are centred on similar contexts of activity, personnel and linkages may also be similar…one may discern a number of people who are more often than not members of the action-sets, and others who are involved from time to time. Taken together, these people form a catchment for ego's action-sets, based on this type of context…the word quasi-group…best expresses the sociological implications of this type of collection of people and suggests the qualitative difference between the quasi-group and the group…(Mayer, 1966, p. 115).

Interestingly, the notion of action-sets is related to the concept of the quasi-group. The quasi-group either possess or has a potential to possess a degree of becoming an organisation, but are not, nevertheless, groups. Quasi-groups are formed by

overlapping persons that are involved with the same egocentric collection of persons. This is concerned with practices of certain actors with higher levels of centricity in networks than others. In a similar way to my discussion of network topologies, action-sets emerge from the work of network analysts that shows a different perspective to network. Action-sets are not concerned with "all-channel" networks based on a structure without a centre. The focus of the network here is not on an "interconnected" feature of people in the global network society. Instead, the focus is on the specific links, practices of networking (as concentric and as a result of ego-centric), which enable a consideration of how actors mobilise different connections in order to pursue a project.

Social Embeddedness

"Social embeddedness" describes individuals who are not analytically separated from their situated social structure. Mark Granovetter (1985) describes how social or economic relations between individuals or firms are embedded in actual social networks and do not exist in an abstract idealised market. The study of networking cannot only describe some privileged people without considering their national and social constraints, histories, social relationships, and political economy.

To examine social embedding, I first consider the cultural context, norms and rules that might still be crucial in terms of social embedding. This concerns the daily practices of people throughout history. Second, I focus on the structures of the social setting in which people operate. Let me explain this by revisiting the previous discussion of sharing. Sharing online concerns the generic character of network, openness, that is, in the Western idealised model. Given sharing online can sometimes undermine the authority of the governments and corporations, the state and corporations start to use the Interent to exercise social exclusion, control and

surveillance (Lessig, 2006; Galloway, 2004; Vaidhyanathan, 2004). In *The Wealth of Network*, Benkler (2006) shows how emerging social practices (e.g., *Wikipedia's* sharing and collaboration of peer production) faced continuous frictions between the networked economy and the industrial information economy. There are increased political and judicial pressures in favour of exclusive market models (e.g., proprietary business) instead of inclusive nonmarket production. This is a tendency of the convergence in a new technological framework that corporate media and mainstream politics have invested in this new communication space (Castells, 2007). Also, sharing does not only exist in the Internet, but also a common practice in the academic gift economy. Intellectuals usually distribute free information across the world. That means what makes sharing possible is not only the Internet, but also social institutions that support it. This focus on the structures of social settings can be understood through Bourdieu's theory of practice (1984). Social settings are a larger social formation and power structure affecting people in the networks. In academia, for example, information is shared for credit (i.e., cultural capital). Academics acquire intellectual respect from each other through citations in articles and other forms of public acknowledgement. Thus, they need to take a competitive position and struggle to accumulate different kinds of capital. They need to obtain personal recognition for their individual efforts by openly collaborating and competing with each other through the academic gift economy.

Third, social embeddedness concerns language, political economy, national traditions, the whole construction of national boundaries and identities. In post-Mao urban China, for example, people and the CCP are no longer bound together. The CCP does not have a monopoly on labour, finance, and technology. However, one cannot neglect the state's increasingly delicate role in driving China's opening to the global capital, while taking an inhospitable stance toward flows of ideas associated with

democracy and human rights. This demonstrates that the study of networking online cannot ignore either markets or states. Social sharing online is determined by what types of information we are sharing. In short, one should consider the extent to which this type of sharing is driven by who, and what kind of roles they play.

Conclusion

In conceptualising creative networks, I highlighted those specialising in related contexts of late capitalism and their specific networked organisational form and networking practices (such as sharing). The discussion above emerged from intellectual scholarship on Western urban culture. Given that my research is set in a different socio-cultural context to the West, I considered the possibility of non-Western practices of networking which are crucial for the formulation of the broader approach. Indeed, the global network society is concerned with a Western culture of networking which shows less central control of external government. However, as Castells suggests that this model is only a hypothesis, which requires an empirical analysis. Addressing a phenomenon of "fragmentation," Castells considers specific societies from the perspective of the nation-state and historical identities. This reflection on the variety of societies and actions reinforces Castells' sophisticated social analysis. As shown in the quote below, he argues that what characterises the global network society is the "contraposition" of the logic of the Internet and the affirmation of a multiplicity of local selves.

> A social structure whose infrastructure is based on digital networks is by definition global…However, the network society diffuses selectively throughout the planet, working on the pre-existing sites, organizations, and institutions that still make up most of the material environment of people's lives. The social structure is global, but most human

experience is local, both in territorial and cultural terms…Specific societies, as defined by the current boundaries of nation-states, or by the cultural boundaries of their historical identities, are deeply fragmented by the double logic of inclusion and exclusion in the global networks that structure production, consumption, communication, and power. I propose the hypothesis that this fragmentation is not simply the expression of the time lag required by the gradual incorporation of previous social forms into the dominant logic. (Castells, 2004, p. 22-3)

In *The Network Society: A Cross-Cultural Perspective*, Castells (2004) tries to update his concepts and explain that observation must inform theory, not the other way around. Castells (2004, p. 38) seeks to emphasise that the global network society actually develops in a multiplicity of cultural settings, produced by the differential history of each context.

As shown in my discussion of specific practices of networking – "sharing" – I consider both the strategic and moral side, that is, an approach of political economy *from below*. This suggests that the study of social networking is concerned with a social structure whose infrastructure is not simply based on digital networks, but also social networks and political economy. Moreover, the social structure of China is far from "global" as Castells suggests. Thus, at stake is how to draw on a reflexive perspective in analysing people and subjectivities, practices of networking, and their socially embedding.

Chapter 2 A Historical Analysis of China: Towards a Network Society?

This chapter is about an analysis of China's history. My aim is to explore the following question: In what way(s) has post-Mao China become a "network society"? I want to shows how histories matter in contemporary discussions of the "network society". Historically, China is rooted in three key social systems: a clan: the dominant form in the pre-communist period; an institution: the dominant form in the period of Mao; and a network: the dominant form from the early 1990s to the present. These three social systems concern different political, economic constraints and social relations. The three social systems are different periods that involve different contexts subsumed under "family," "CCP" and "market". I try to connect the past with the present, and vice versa. Thus, the periodisation shows a dynamic interplay between the social systems. The contemporary network I focus on in this chapter can be understood in what Raymond Williams (1976) describes as a dominant form in cultural processes, which enables a distinction to be made between different epochs. Williams argues that there are residual and emergent forms as well as dominant forms carried on from the past to shape the present. In this sense, one can see clans and institutions as cultural forms in different contexts throughout Chinese history in which the current network society is rooted. The chapter examines the "reworking" of each form, which exert influence over the other forms.

China was a relatively closed social system before the twentieth century. Prior to communist China, China was a feudal, agricultural society in which people were

strongly influenced by ancient Chinese philosophy, such as Confucian teachings. A harmonious social order was based around a ruler enjoying the support of loyal subjects who dutifully performed assigned roles. More importantly, this hierarchical order depended on an order of the social; China's political structure, social relationships, and lived life were framed by the family. Despite the colonial period of Western imperialism, the collapse of the Qing Empire and the rise of the Nationalists, clan practice still played a central part in daily life. After Mao's rule of Communist China from 1949, the institution was a new system drawn on by the CCP to frame the whole society. The state under Mao sought to increase central control by breaking down the family system, Confucianism, and Western imperialism. As a result, China was isolated from the outside world and relied heavily on a collective economy on a domestic scale. People were confined to top-down bureaucratic structures with strong commitments to the institutions. In the institutional structure, it seemed that traditional social relationships based on the family system were destroyed as individuals tended to recognise others as "friends or foes". In the class struggle of the Cultural Revolution, a radical Maoist political and social movement (1966-76), even family members would attack each other. To evade the state's control, however, clan practice did not disappear, but became a form of secrecy or "backdoor" and assisted in the smooth running of institutions. Under pressure from the state, people still built informal trustworthy circles on which they could rely. In the final period of *gaige kaifang* or "reforms and opening up," the whole society was deliberately unleashed by the state from an institutional structure towards a market structure. In this new context, different networking practices emerged as a result of China's transformation towards the global network economy. As people gained autonomy and searched for opportunities on their own, China appeared to become a more open system in which the state was deprived of the capacity to exert control. However, this new system

resulted in complications as the constrained family system needed to be reworked in order to fit in with China's existing market process. The state still continued to retain a great deal of control.

This chapter consists of three parts. Part One examines the Chinese feudal society (Qin Dynasty to Republic China), which depended on the family system. Part Two describes a Mao-led closed society in which state institutions took precedence over the role of the family. Part Three illustrates the different networking practices from the first decade of *gaige kaifang* to China's new order after 1992.

Clan

In the approximately two-thousand-year feudal period, the Chinese empire had repeatedly been invaded by nomadic incursions of non-Chinese clans (the so-called "yi"; literally, barbarians or the cattleman). Since the third century B.C., there had been a continuous need to defend Chinese territory, such as the most famous of Qin's legacy of the "Great Wall", which was rebuilt and renovated in order to maintain the centralised power of the Chinese empire. The Great Wall was a symbol of imperial power, seen by Western observers as a "closed-off, earth-bound, backward-looking culture" (Bray, 2005, p. 18). However, it denoted China's imperial force in binding the whole culture, races, or nations together. In this context, I want to show that the large agrarian population existed in various social groups before the development of the states. Basically, the clan here does not refer to the Chinese social structure as a nomadic lifestyle of tribal people. Instead, it showed clan practice involving an emphasis on the family. The family system was morally rooted in Confucian logic that provided a protective umbrella for the scholar-official and their relatives and their whole clan from the unchecked power of the monarch. This emphasis on the family was intensified by Confucian doctrines that valued family over the state, emperor,

Heaven and other sources of authority. Specifically, the Han Dynasty (202 B.C. – 220 A.D.) was inherited from the family tree of "Liu". Han Chinese, a term to show authentic Chinese, designates the Chinese ethnic majority. Here I start with an example of clan practice, which were involved in the access to Chinese imperial bureaucracy.

Gentry as Safety Net

With the end of feudalism, China's long history saw a despotic system based on violence so that obtaining "security" was the emperor's central concern. To administer the country, the emperor relied on the scholar-officials – gentry – who negotiated between the monarchical bureaucracy and the people. More importantly, the gentry could keep a "backdoor" open for their relatives and it provided them with a shield against the emperor's whims (Fei, 1953, p. 26-7). The emergence of gentry counted on the lineage from family and clan.

> …The family as a social mechanism worked in the following manner. Fortunes acquired through the Imperial service were invested in land, a practice that continued well into modern times. A man accumulated this property for the sake of the lineage. In turn any family with aristocratic pretensions had to substantiate them by having a degree holder...he would get an official position and use it to advance the family's material fortunes…and maintained the status of the lineage…the absence of any widespread system of popular education usually required that the student have the support of a wealthy family for the long years of arduous study. Sometimes a wealthy family whose children lacked academic promise would provide for a bright boy from a poor background. (Moore, 1966, p. 165)

As shown in Barrington Moore's historical analysis, *The Decay of Imperial China and the Origins of Communism*, reaching officialdom by sending talented people from the family or clan members for an official examination was seen as a route to gain protection and fortunes for the family. Through the family system's social ties, different classes could be linked together and converted into cultural, political, and economic capital. In turn, that led to a closed circle when one gained an official position through examination giving protection to his family linkage. In this sense, clan practices were embodied in private social realms.

This sheds light on people's strategy for survival under harsh conditions. The state (emperor) provided very few social services, protections, or social security in return for tax collection. The Chinese tended to share mutual trust or reciprocal support with their kinship networks rather than those on the outside. For example, business or property is based on the kinship-led social networks: equal male (son) inheritance (Fukuyama, 1995). Broadly, this tendency was embodied in different social associations around urban areas during the late-imperial era. *Baojia*[4], for instance, was a collective responsibility system of neighbourhood household registration that depended on each household to keep an eye on crimes committed by its members. This system in local policing affairs showed the "native-place" association as a common way of identifying insiders (urban residents) from outsiders (sojourner) (Skinner, 1977). Indeed, the native-place association in urban areas replicated traditional family and community networks that surrounded rural residents. In fact, this form of social inclusion/exclusion was also the case in the society. In

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[4] *Baojia* was a method of household organisation and control. One hundred households were organized into a *jia*. Ten *jia* made a *bao*. The leaders of the units were charged with maintaining local order, supervising community work, and enforcing tax collection.

China's modern industry during the late-nineteenth century, for example, there has been a rise of "guilds" in which new members need to be formally introduced by existing members for employment (Bray, 2005, p. 41). This demonstrates how the traditional way of social inclusion/exclusion did not cease in the industrialisation process. On the contrary, it was deeply interconnected with Chinese modernity.

Nation-Building

More broadly, the establishment of the Republic of China (1912) appeared to show the introduction of the Western "nation-state" as a model for Chinese modernity in opposition to traditional cultural logic (e.g., Confucianism). In Confucian theory, for example, a person's mode of social interaction is shaped by rituals involving filial piety and respect for superiors and aged. The emperor and bureaucracy depended on this cultural logic to maintain hierarchical power.

Additionally, this transitional moment is reminiscent of a time of racial and cultural exclusivity associated with nationhood (e.g., the Qin dynasty of three century B.C.). In a short-lived Reform Movement of 1898, for example, Liang Qichao (1873-1929) and other influential reformers urged China's intellectuals to carry out political and social reform, including constitutional and democratic government, industrialisation of the economy, the introduction of Western subjects into the educational curriculum, and the end of foot-binding and opium smoking. Specifically, Liang called for new intellectual independence by highlighting that Confucianism limited modernisation and the strengthening of the nation. With such radical political views, there had been an increase in revolutionary thoughts and actions against the late imperial rulers (the Qing dynasty is non-authentic Chinese origin/not-Han but Manchurian; 1644-1912) and foreign invaders. For example, Dr. Sun Yat-sen called for a cooperation of all "Han" people to save the "motherland". This sustained the

relations between nation building and clan practice. In terms of daily life, an internal differentiation of people and nationhood was always informed by tradition.

In the first three decades of building a modern China, however, clan practice had changed slightly. One can consider relationships between clan structure and nationalism, industrialisation and commerce, and rise of the cities. Also, a new class divide took place as a result of social consequences (mobility). Without a stable or legitimate national government, except for provincial-level warlords or party rulers, clan practice continued to be crucial to everyday life. For example, migrants could only hope to "achieve decent employment and a bearable existence if they hailed from homes higher up in the native-place hierarchy, and could draw upon binds on this basis" (Solinger, 1999, p. 32). As a result of Western-informed capitalism, there was a great deal of migration towards more prosperous coastal cities such as Shanghai. In this context, the traditional social insider/outsider not only depended on native-place associations but also on a new class divide (rich/poor). In the native-place associations, for instance, people increasingly appealed to middle- and upper-class businesspeople among migrants but usually closed their doors on the poor (Solinger, 1999, p. 32).

China's social structure, therefore, revealed the centrality of the family system in shaping nationhood and everyday life. Social inclusion and exclusion was largely determined by the distinction principle of the family system rather than that of the state. This was particularly still the case during the early Communist transition. The Chinese were moving toward a new society, continuing to demonstrate a rare concern with events and problems outside their own social web. After the Liberation Revolution of 1949, however, the CCP broke this form of inclusion/exclusion into an institutional form of social structure.

Institution

In the Mao era, China was controlled by the CCP, which managed the political

economy and social relations through a state expansion apparatus. The Communist

leaderships sought to depose the legacy of Westernisation (or Bourgeois

Liberalisation). China became a self-reliant economy isolated from the capitalist

world to stress socialist industrial strategies in inland regions. The state strongly

restrained coastal urbanisation, such as the colonial areas, by limiting the

development of infrastructure, commercial, and entertainment facilities. The socialist

industrial goal also gave rise to collective production. For example, about seventeen

million urban youth were sent to countryside industrial areas (Naughton, 1995, p. 67).

Under the state, the traditional Confucian doctrine was denounced as a backward

legacy of feudal society. As such, the family was taken by the state as an instrument

for collective production and social control. In order to produce the food for city

residents to industrialise and modernise urban China, for example, a *hukou* or

household registration system was launched in the 1950s. Human movement and

labour flows were strictly limited from the countryside to the cities.

Collective Identity and Backdoor

Given that work and life chances were reorganised according to where and to whom

one was born, the traditional hierarchical boundaries of family-based groups were, to

some extent, penetrated, and individuals were incorporated into a new socialist

society. The state enacted its control of public discourses and representation by

resorting to a "comprehensive network" of institutional practices such as meetings,

study groups, personnel organisations, and a pervasive file system (Li, 1993). During

the 1950s, formerly independent organisations (e.g., villages, guilds, enterprises,

political parties) were turned into state-owned production groups, mainly rural

communes (*Gongshe*; large collective farming and production units) and urban work units (*danwei*). In the realm of ideology, education and social organisation, people were dependent on the state's lifelong patronage ("iron rice bowls"), such as universities, hospitals, schools. This patron-client relationship was not only based on narrow "economic-corporate" interests, but also on wider educational, intellectual and moral incentives. Students graduating from the city school, for example, depended on the state's assignment of preferred jobs in the state bureaucracy or in state-owned enterprise. In this sense, most Chinese were restricted to specific locales and workplaces, and their contacts, life, work, and leisure between each other were sharply limited. This shed light on a new form of the process of social inclusion/exclusion that people were collectively organised with little communication between members outside the groups. A key institution in urban areas – the work unit – regulated, restricted, and guaranteed the political economy and social relations and emotions:

> For Chinese, the work unit is crucially important. It is second to none in securing the conditions for the supply of food, clothing, "face" and human relations. When two Chinese "face" each other…If they are "strangers" or if they haven't been formally introduced, most often they will simply ask something like "Which work unit are you from?" (Dutton, 1998, p. 58)

In *Streetlife China* (1998), Michael Dutton refers to the work unit as a generic structure used to examine the process of social inclusion/exclusion or stratification. More importantly, the work unit can more or less be said to be the basis of Chinese existence during the Mao era. For example, it provides information on social status by

which one may judge the extent of propriety toward the other person. The individual was tied to the work unit. In short, the work unit served as one's parent and one's family that had responsibility to its members. The work unit enhanced the group-based organisation of the Chinese society in which most people are directly connected and in which most relations stay within the same set of people (Wellman et al., 2002).

Given this process of institutionalisation, a socialist idealism existed that emphasised "comradeship" (Stockman, 2000, p. 81). In building a new social order, comradeship was an alliance between the state and people concerned with an official principle of organisation on the basis of a universal and egalitarian ethic. It was different from existing distinctions (e.g., circles, interests, and locality of kinships) between insiders and outsiders. Each person was regarded as a fellow comrade who should show his or her strong commitment to "collective goals" (the root meaning of *tongzhi*) (ibid.). Specifically, this new social order could be understood in the Cultural Revolution (1966-1976) in which national identity was normalised by a network of institutional practices. In Mao's class struggles between friends and enemies, political campaigns intensified hatred of traditional cultural mechanisms of social ordering (e.g., Confucianism) and radically challenged existing social relations based on the family system. Due to disciplines and punishments imposed by the state, shifting social relations occurred with an atmosphere of uncertainty, risk and danger (Stockman, 2000).

In this context, traditional social relations did not disappear, but were in fact transformed into a "backdoor". In the work unit, for example, members' informal practices undermined the formal controls by reinvesting "trust" in their particular relationships such as friendship and kinship. For the state, the informal practices of the backdoor were usually seen as pejorative in challenging the power of the official

realms (e.g., governmental officials' illegal connections; Gold, 1985). One can look at the difference between institutional and interpersonal trust.

Towards a Network Society

Clans and institutions are a basis upon which I examine the change of post-Mao China towards a "network" society. Both of which, I suggest, are not exclusive but are dialectic. Networks here are not a hybrid of bureaucracies and markets. Instead, networks are considered as a mechanism for coordinating and allocating resources. According to contemporary organisational theorising, networks are represented as a form of social coordination involving the management of inter-organisational linkages and partnerships (du Gay, 2007, p. 159). They are characterised by high levels of trust between their participants and are regulated by rules of the game negotiated and agreed by those same participants. Theoretically, they are autonomous of the state, but also resistant to government steering. Once China engages more with the global economy, there will be new chances for new networks to grow. In what follows, I shall examine these network phenomena in two phases. First, I am concerned with marketisation from 1978 to 1989. I address two networking practices – cultural business networks and civil networks – that reflected not only forces driven by the market process, but also a reworking of institutional practices and clan practice. Second, I address China's new order from 1992 to the present. The period was marked by the advent of the cultural economy in which networking practices such as cyber networks became increasingly complicated.

Market Reforms

After the Cultural Revolution, there was a legitimacy crisis of the state. A new leadership, Deng Xiaoping (1977-1997), proposed *gaige kaifang* in 1978 to regain popular support. The state decentralised its power to set local governments and people

free from the old institutional structure. Townships or municipal governments gained increased autonomy and more control over the allocation of funds. The state's institutions (rural communes and urban work-units) were abandoned. Education, government, and laws were restructured towards the market process. Instead of fellow comrades, people were seen as the consumers and, more importantly, "*getihu*" (individually run enterprises), who regained some power to be self-employed entrepreneurs.

In examining China's capitalist development during the 1980s, Chinese historian Ray Huang describes ambiguity as the state retained its control over the whole nation and some strategic sectors, such as petroleum, chemical industries, machine-tool production, financial, military, legal system, high technology, information, and communication. Apart from state-owned sectors and enterprises to contribute the majority of the nation's productivity, one can understand this control in terms of state security. Thus, the admission of private capital and borrowing of managerial techniques from economically advanced nations in no way affect China's socialist character (Huang, 1988, p. 255).

Due to such a deliberate stance of the state in reforming China's economy (Castells, 1998), the reform adopted an "uneven" process of development. Only selected actors and sectors of society benefited as a result of the reformed policies. Foreign capital, for example, was only allowed in the opened-up urban areas or provinces like Guangdong during the mid-1980s. Given China's limited opening to the outside world, these opened areas had internal differences. In the 1980s, for example, Guangdong in the Pearl River Delta enjoyed more favourable policies in comparison to other cities such as Shanghai (Naughton, 1995). Also, birth rates (e.g., the "One Child Policy" in the late 1970s), career mobility, or material rewards were, to some extent, under state management. The big family system was broken. While

the agricultural communes ceased, people in rural areas did not have any property but needed to rent land from the communes. Moreover, only small-scale production was permitted for wholly private sectors, such as small shops, food services and retail trade and certain business not profitable under public ownership (Huang, 1988, p. 255). While individuals ventured into the world of commerce, large numbers of urban labourers were still protected by the work units.

1. Cultural Business Networks

Since China ended its international isolation, global flows of trade, investment, technology and the like have steadily increased. China's foreign trade has more than doubled as a proportion of China's GDP from an average of 8.3 percent in the 1970s to 19.8 percent in the 1980s (Mackerras and Bucknal, 2001). This is due to reduced restrictions on foreign investment and altered tax and profit rules. Initial policies such as reducing tax, tariff, cheap labourers and land-leasing for attracting global flows were limited to specific experimentation areas in southern China and coastal cities. In this context, China's link to external forces has shown a model of patron-client exchange relationships to accomplish economic activities (Smart and Smart, 1991). The patron-client model showed China's strategy of opening the way for foreign investment under limited conditions. The external relation in these opened areas, which were distinct from extraterritorial areas opened during the colonised period of the late nineteenth century, was still under the control of the state in order to keep the rest of Chinese territory from foreign influence. This tendency showed networked practices of business in relation to ethnic relationship networks (Chinese investors from overseas such as Hong Kong and Taiwan). In a specific mega-region, Hong Kong-Shenzhen-Guangzhou-Zhuhai-Macau-Pearl River Delta, comprising about 60 million people, had become an economic unit by the early 1990s, constituting one of

the potential global nodes of the twenty-first century (Castells, 1997). It showed a shift in the central government's negative attitude toward the backdoor – clan practices. Instead of feudal or backward traits, clan practice was accepted as facilitating economic growth. To explain emerging cultural business networks in China, Castells highlights a specific context in China to demonstrate how Japanese and Western multinational corporations hesitated in entering the Chinese market in the 1980s. These non-Chinese actors could only exploit the initially opened areas, but did not have free access to China's internal market for importing goods or building their own networks of suppliers and distributors. In comparison, the foreign actors could hardly compete with Chinese business diasporas from Hong Kong and Taiwan that accounted for approximately 70 percent of foreign investment from 1979 to 1992 (Castells, 1998). This example of problems of competitiveness of Japanese, American and European business is evidence of the strength of clan-based network economies.

This fundamental comparison of different sources of foreign investment in China is indicative of the Chinese actors' preference for using some sources with similarity in terms of ethnicity, language and culture. With a cultural root, insider knowledge and personal connections reflected flexible capitalism in the Asian Pacific area as a result of ethnic Chinese "the glow of Chinese fraternity" (Ong, 1999, p. 65). As for non-Chinese actors, they faced high risks in operating business in China unless they could negotiate through their patron – mostly trustworthy people with social capital in the bureaucracy and state enterprises. From a historical perspective, the patron-client relationships have existed in either family-based or institutional social units. Patrons provided clients with crucial social and material guarantees, and received labour, services, and loyalty from clients in return. In this sense, overseas Chinese were incorporated into local networks to form patron-client relationships across the boundaries between state and society (Wank, 1995). In researching Southern China,

Wank shows that a majority of the entrepreneurs counted on start-up capital from their overseas relatives. Although access to foreign capital (overseas Chinese) might reduce dependence on the bureaucracy for one resource, Wank stressed that the infusion of overseas capital to expand into business activities required bureaucratic support (1995, p. 181).

This cultural business network shows the importance of a cultural synergy between insiders and outsiders – patron-client – which is "a rich subculture of instrumental-personal ties independent of the party's control" (Walder, 1986, p. 6-7). According to Ong (1999), overseas Chinese business networks have operated on a new international division of labour and enjoyed greater autonomy from state control since the 1970s. In China's market reform, overseas business networks served as the intermediary of the patron-client relations in fostering the flexibility of capital and personnel across political borders. In this sense, they secured the decentralised structure of China's market process during the 1980s and facilitated a distinct form of collaboration, namely "bureaucratic entrepreneurialism". The bureaucratic entrepreneurial actors are neither wholly private operators nor members of the state. Above all, cultural business networks show the "alternative modernity" of China that mixed the rapid economic development with a different type of political organisation. This has broken with Western ideals of the modern market process that always stresses some principles such as transparent capital markets and modern infrastructures and protected copyrights and patents.

2. Civil Networks

The first decade of China's market reform has earned recognition as "the factory of the world". In concrete figures of economic achievement, real gross national product (GNP) per capita nearly doubled. As a result of a wide range of de-collectivised

policies, there was a more fluid and dynamic population in both geographical and occupational terms. After the mid-1980s, for example, people gained more autonomy from the state to carry out social networking in everyday life. As a result of expanding privatised realms, people were not assigned to state-owned institutions (e.g., *danwei*), but could now work on the basis of their own choice and ability. Specifically, people who lived in the new model residential zones, the so-called districts (*xiaoqu*) in urban areas, were not connected to any sort of workplace. In such a social space, everyday social practices became less to do with production units, but instead resembled the Western new middle class complete with security guards of professional property management companies. As shown in the quote below, this new social space reflected an individualised and more complex pattern of social networking:

…the link between work and daily life has been severed…residents within any given *xiaoqu* will come from a range of backgrounds and workplaces. As a result, residential space will no longer be charged with the intense career-focused social networking that was engendered by the *danwei* system (Bray, 2005, p. 177).

As a result of institutional changes that had been occurring over the decade of reform in China, Bray's observation suggests that people had greater power to carry out their daily activities within more privatised social spaces. However, the civil networks revealed an uneven process of market development that was not favoured by all populations. As noted by Wang Hui, a number of individuals, localities and interest groups, "used their power and various other means to manoeuvre products out of the planned system, which brought about inflation and severe disproportion in social allocation" (2003). By contrast, there has been a great deal of disappointment in socialist commitment among those who were not selected or protected. Due to the

introduction of the labour contract system in 1986, for example, the contract system was extended from contracts for individual enterprises to contracts for foreign investments. This ended the existing system of guaranteed lifetime employment in state-owned industries. Put simply, reformed China became a highly unequal society in which emerging voices for transitional justice have been heard from below in the form of students and labour campaigns since the mid-1980s. Students and intellectuals called for political freedom and transparency.

   The globally circulated images of state crackdown – the Tiananmen Demonstration of 1989 – demonstrated a new pattern in China's networked practices derived from the civil society. It was concerned with the rapid growth of urban associations comprised by a multitude of "individualised" subjects in neither the public nor private sectors. As shown in an example of salons below, people hoped for political and economic reform, which took on highly mobile, creative, grass rooting, and culturally-oriented networks. The Tiananmen effect showed the operation of unofficial networking. It demonstrated a departure from political reform towards economic cooperation:

   [Salons] operated through informal connections and meetings and intermittently through formal public events such as conferences and seminars. In the early 1990s, this form of informal association took a less explicitly political form, and operated through an increasing dense system of networks of like-minded people (such as journalists, artists, rock musicians, homosexuals, or martial-arts specialists), often focusing on specific locations such as clubs, karaoke parlours, dance-halls, and bars as well as private homes (White, 1996, p. 213).

White describes a moving picture of networked practices: "salons". Before 1989, the

salons were organised by students and intellectuals at Beijing-based universities that revealed a vibrant civil society instead of political institutions. Initially, these salons appeared to be inclusive organisations, which consisted of a two-tiered movement with an organised student leadership tier and a mass audience (Guthrie, 1995). The student leaders relied on an organisational structure of university organisations and student networks that had emerged since the mid-1980s. Moreover, this organised leadership tier employed cultural symbols and acts to mobilise mass audiences that were beyond the scope of the students' organisational links (Guthrie, 1995). Through technological advances in communications (such as fax and telephone), networked practices largely evolved as information was able to be distributed on a wider scale (Wang, 2003).

However, civil associations in China still needed official registration (e.g., the Women's Federation). Otherwise, they would be considered illegal, secret societies. For example, the spontaneous political and social organisations of 1989 were labelled by the state as "counter-revolutionary rebellion". Due to the fear of punishment, as shown in the following quote, student leaders hesitated to collaborate with other students with whom they were unfamiliar.

> ...many student movement participants were suspicious of other student participants who had previously been active in groups with which they were unfamiliar…Specifically, knowledge of past accusations of movement infiltration by "outside influences" in the Party-controlled media, as well as the Party's discriminatory use of force to quell dissident actions undertaken by certain social groups…made students hesitant to allow non-students into their protest ranks (Wright, 1999, p. 144-5).

In fact, networked practices of 1989 reflected an exclusive mobilisation strategy. This

showed the state's political control insofar as there was a lack of basic trust among movement participants. Members were thus recruited based on both social bonds and previous experience in the same organisation. This emphasised the reworking of clan practices—social ties of trustworthy translators—which enabled participants to evade state surveillance. This process of civil networking provides a basis upon which I consider whether China can enter a global network economy in the 1990s.

New Order

After the brutal repression of 1989, the state faced a legitimacy crisis. Additionally, the collapse of the Soviet Union alarmed China's Communist leaders. In regaining popular support, Deng staged China's capitalist growth in a famous quasi-imperial tour of Southern China in 1992. Deng called for faster economic growth by declaring: "Anyone who does not carry out reform should be forced to step down, no matter who they are". Since then the state has transferred itself from planner to the "manager" of Chinese society. The CCP fell into Deng's line and championed the "socialist market economy". While some strategic realms such as the media were still under state control, the institutional organisations were largely dissolved in favour of commercial enterprise. The whole country has virtually been relaxed to foreign direct investment with a fundamental economic growth of double-digit GDP from 1992 to 1995 and beyond. In addition to manufacturing, new economic activities emerged as a result of the growth of the service sector, the production of culture regained its value, for example advertising, computer and data processing services, personnel supply services, and management and business consulting services. At the 15th Party Congress in 1997, for example, the term "new economy" was first introduced into official policy, placing an emphasis on cultural institutions of higher education, merging industry and state-owned and industry-sponsored science and technological

R&Ds (Wang, 2004, p. 15). In 1998, for example, the Ministry of Culture in Beijing formally established a Cultural Industries Department. This officially acknowledged the place of the cultural industries within national development. Simultaneously, cultural-oriented projects were increasing. A Cultural Industries Research and Innovation Centre has been founded at Shanghai's Jiaotong University in collaboratation with the Chinese Academy of Social Science to launch a series of industry reports reminiscent of the U.K.'s creative industries mapping projects (Keane, 2004, p. 268). By the late 1990s, key players in the state, market, and press had started using the Western common terms in the policy formation, "creative clusters", "creative cities" and "creative industries". Moreover, "mega-events" have been launched in the most affluent cities. After Beijing won the bid in 2001 for hosting the 2008 Olympics, for instance, Shanghai proposed and won a bid for hosting Expo 2010.

Indeed, the new cultural activities of the 1990s reveal a new era of reform through an alternate definition of culture from the period based on a conventional Marxist term. From 1949 to the early 1990s, culture was considered the superstructure reflecting the base or the economic reality (Keane, 2004, p. 267). After the early 1990s, however, culture was "no longer packaged as a Marxist category, as a superstructure that reflects or disguises the economic activities of society" (Wang, 2001, p. 83). Instead, culture parted from "ideology" and was turned into "capital" itself, to become the cultural economy.

Broadly, this severance of cultural ideology shows how the state learnt from the lesson of the Tiananmen Massacre of 1989. The state sought to provide people (customers) with more choice by separating entertainment and leisure from traditional cultural forms (e.g., news, culture content and national security issues). After China entered into the World Trade Organisation in 2001, for example, retail and distribution

in media and cultural industries were allowed to open, such as publishing, audiovisual production, film distribution, and information transmission (Wang, 2004). By 2005, China had nearly as many Chinese broadband users as in the U.S, and about four million blogs and one hundred million Chinese people using Internet accounts (Goldsmith and Wu, 2006, p. 89). In preparation for the 2008 Olympics, the Beijing municipal government relaxed age-old restrictions on foreign reporters allowing them greater freedom to travel and report.

In the context of China's new order, I want to explore networked practices in relation to the cultural economy, which includes two aspects. In the first place, I refer to a phenomenon of networks characterised by the new autonomy unleashed from the state for new actors: cyber networks. In the second aspect, I focus on the collusive aspects between the state and new actors in the cultural economy.

1. Cyber Networks and Big Brother

The networked practices of Falun Gong evolved in the early 1990s and expanded to comprise 70 million adherents who inherited traditionally Daoist and Buddhist teachings (Lin, 2001). Despite a violent crackdown and increased surveillance levels by the end of the 1990s, Falun Gong and other dissent groups have demonstrated the centrality of Web-based high-tech strategies for text distribution, recruitment, and information-sharing strategies. Using an e-mail system as a means of organisation, they were what Patricia M. Thornton (2004) termed as the new Chinese "cybersects". In Lin Nan's explanation, this signals a new era in the construction and development of social capital (2001, p. 226-7). In comparison to previous network practices such as the event of 1989, for example, the new practices of Falun Gong involved much broader participation in terms of age, social and occupational strata and locations. To some extent, they represented what Castells describes as social relationships that

become increasingly mediated and facilitated by electronic communication (1996).

Indeed, China's distributed information systems have gained prominence and

importance since the mid-1990s. Like communication systems around global ICTs,

China's Internet users flourished and began to share information on the basis of

peer-to-peer (P2P)[5] systems. With the help of ICTs, however, the peer-to-peer model

has extended from private spheres (e.g., gossip) to become a dominant form in areas

of economy and social relations, including social movements. In the Chinese context,

as the quote below illustrates, individualised subjectivities are highlighted because

technologies initially deprived the state of the capacity to exert control:

> No longer is social capital constrained by time or space; cybernetworks open up the
>
> possibility of global reaches in social capital. Social ties can now transcend geopolitical
>
> boundaries, and exchanges can occur as fast and as willingly as the actors care to
>
> participate (Lin, 2001, p. 227).

Lin's observation demonstrates a feature of cyber networks that goes beyond localised,

time-constrained social connections. In comparison to traditional media under

hierarchical control, individualised subjectivities are empowered by the Internet for

staging international media campaigns and high-profile episodes of protest. In term of

information sharing, one can consider a similarity between the civil networks of 1989

and cyber networks of the 1990s. Both forms of social networking tend to evade state

control.

Since the late 1990s, however, the state has developed a new strategy in

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[5] Vaidhyanathan (2004, p. xvi) considers the P2P peer model as both an ancient and emergent form of
social networking and information sharing. For example, communities of punk rock fans have showed
a traditional way of peer-to-peer sharing via home-replicated cassette tapes.

developing the network economy by collaborating with global capitalist players such as Cisco, Microsoft, and Yahoo to build a system in which all people online could be monitored (Zhao and Schiller, 2001; Wang, 2004). These leading information giants enabled the state to run a sophisticated program of internal information control —known as "China's Golden Shield"—which was established under the Ministry of Public Security. It is a contemporary phenomenon of "invisible censorship" by Big Brother that is hard to detect and prove:

> Whether in China or Chicago, we're now living in a world where access to information is partly controlled by private corporations, whose wish to "comply with local regulation" may involve many layers of hidden decision-making about what we can see, read and hear. Lack of transparency in the process by which search results are produced means that we don't tend to see messages saying "You have been banned by the government from visiting this site" or "Someone will sue us if we let you see this". Instead we get "host not found" or no error message at all, just a timed-out connection or a crash we might attribute to some other cause (Kunzru, 2007, p. 262).

In this sense, cyber networks do not necessarily take on the theoretical property of the Internet such as the anonymity and ability to avoid censorship. On the contrary, the quote above showed a rather conspiratorial argument arose from some empirical observations. For example, politically sensitive titles and messages like "freedom," "democracy," "independence for Taiwan," or "Falun Gong" are not allowed on the Internet in China. In early 2000, Internet cafés were required to erase messages and, more radically, delete users from the Internet in China when they spread or browse those sensitive information. Otherwise, they would be banned from the Internet. From 2000, there has been a concentrated effort on "cleaning up" the Internet. Thousands of

Internet cafés have been closed and Web-surfers have had to register with their national ID card before logging onto the Internet (Goldsmith and Wu, 2006, p. 97). Therefore, cyber networks have been subject to a great firewall by means of a database-driven remote surveillance system.

On closer examination, a recent example of Google represents the extent to which the most powerful network company might evolve in China's market. Google is the biggest media company based in the US to represent the network logic in the world. Google, the most powerful Internet search engine, is internationally recognised for its gateway role through which people can gain access to Web sites, emails, chat rooms, blogs, books, and even satellite maps. Having announced the company principle, "Don't be evil", Google have often sided with Web-surfers over the authorities. In the US, Google has resisted the Department of Justice's request for disclosing a person's searching habits. Nevertheless, Google has given in its network logic to the state logic in the Chinese context. Paying the price for doing business in China, Google like other rivals such as Yahoo and Microsoft or other creative-related industries (e.g., AOL Time Warner) has agreed to exclude controversial topics:

While removing search results is inconsistent with Google's mission, providing no information is more consistent with our mission (A statement by Google, BBC News, 25 Jan, 2006).

In this official announcement, Google emphasises its dilemma between China's fast-growing market and the company's principles. Google explains that it would play a more useful role in China by participating than by boycotting it. Such a compromise has been criticised, along with Yahoo, regarding the "routine ideological capitulation" (Gutmann, 2003). Moreover, Western information or media companies are criticised

for representing the logic of capital on the basis of a simplistic Western cultural

modernisation argument (O'Connor and Gu, 2006, p. 277; Wang, 2004). Such

companies propose a liberal assumption that opening the market to foreign cultural

industries, cultural transmission, or financial linkages will bring with it a wider

relaxation of control. In fact, the real problem is not only these global capitalists, but

also capital itself (Wang, 2004, p. 14). The global companies coming to China aim to

make money, not to emancipate the minds of the locals.

2. Collusive Aspects and Networks

In the reform era, this collusive aspect sheds light on the importance of "synergy". In

this context, by synergy I refer to a form of social collaboration in which two or more

actors acting together between bureaucracy and market, the local and the global, and

so on. This new form of organisation is drawn on by the government to solve an

innovation deficit in China. Jing Wang (2004) describes a phenomenon of "asset

hybridisation" that has cracked open a forbidden territory in the information

technologies. To improve previous functions and products within institutions that

were systemically replicated and inefficient, the state opened up research and

developments of national universities such as Beijing University to establish links

with industry partners and to list them on China's stock market. Also, the

organisational structure of institutions was under transformation towards big cultural

"industries". Keane labels this model "conglomerate formation," which he sees as a

deliberate attempt to refashion the Chinese bureaucratic network into a new

quasi-oligopoly informed by global business trends (Keane, 2004, p. 271). In addition

to innovation, such a synergy can be explored according to two aspects.

First, the synergy takes on the institutionalised nature of

bureaucratic-entrepreneurialism during the reform era. This showed the institutional

alternatives generated by neither pure market economic nor pure state sectors. It showed how market-oriented actors took advantage of institutional structures that China adopted under Mao. In Western observation, this represents an evolving social process of corporatism ("the net result", Goodman, 2001, p. 250). In this context, networked practices represent the classic logic in doing business in China, such as cultural business networks. The entry of foreign actors always depends on a local patron close to the state's institutions and personal social networks. In state-formed conglomerate formation, for example, there has been a large media and cultural cluster under a new arrangement. Modelled on Rupert Murdoch's BSkyB, China's second largest media conglomeration, Shanghai Media and Group (SMG), was formed in 2000 and consists of 5200 staff members. In the Shanghai Media and Group's conglomeration, state-owned assets are transfused from the public to semi-private in large media and cultural companies. This demonstrates the institutionalised nature of Chinese cultural production and is what Jing Wang (2004) describes as a different kind of animal. China's socioeconomic opportunities are not yet opened up for the organic, bottom-up development of small enterprises. Instead, Chinese cultural production counts on an internal hierarchy in which key actors are semi-official business groups. For example, the institutionalised nature represents the possibility of networked practices that depend on the government taking a leading role in "designating" some areas such as Shanghai or Beijing for cultural production. Given this institutionalised nature, China's innovative prospect largely relies on how regional cultural groupings give play to the creative energy of producers, artists, and particularly entrepreneurs (Keane, 2004, p. 276). This shows a distinction of Chinese cultural production in comparison to creative environments in the West: "flat hierarchy and project-based work patterns and the clustering of autonomous, risk-taking and avant-garde freelance producers who specialise, among other things,

in post-broadcast media content production" (Hartley and Cunningham, 2001).

Second, one should consider the active role of the state. Indeed, the distinction between China and the West underlines transformative possibilities of the state to engage in the realm of cultural economy. One can consider this as a critical shift towards the opening up of the creative economies during the mid-2000s:

> Ten years ago, avant-garde artists were on the fringe of Chinese society. Their works were often banned, exhibitions were shut down and, for most, the sales of their work were barely enough to make ends meet. Today, however, a growing number of artists own villas, foreign cars and apartments (Watts, April 11, 2007).

According to this financial analysis in *The Guardian*, there is a booming market of avant-garde art in China. Due to the freedom of independent artistic expression, creative forms such as art exhibitions and art areas used to be recognised by the state as risky. In addition to anti-bourgeois legacy from the Maoist era, artist production had long been considered propaganda. Such a shift during the mid-2000s demonstrates an active role in increasing state-sponsorships and state-sanctioned areas. In this context, China's development of the cultural economy should not be assumed at any given time. The networked practices should not be simply generalised as less open as a result of the state's intervention. The state's co-opting art might signal its tolerance of specific sectors of the cultural economy.

Conclusion

This chapter historically examining two social systems – clans and institutions – which complicated an "open systems" model of networking in post-Mao China. Similarly to Williams "residual" culture, clans and institutions were effectively

formed in the past, but their values and practices are still active in the cultural process today. They both influence the characteristics of networks in contemporary China, especially in cultural economy.

During the reform era, power shifted from the bureaucratic institutions of the state to new actors (e.g., entrepreneurs). In the 1980s, however, the society did not exclusively belong to the market. To some extent, the reform is deliberately staged by the state that continued to act as a planner in dealing with newly empowered actors already familiar with them. For example, the new actors adopted an uneven process of development. Due to their tight relationship between bureaucracy and market, there was an emphasis on bureaucratic-entrepreneurialism. In this context, I have analysed how previous social (clans and institutional) systems contradicted the emergence of a new, more open social system network in the market process, such as cultural business networks and civil networks. On the one hand, the emergence of these networked practices showed the "open systems" model of development in China. On the other hand, it demonstrated that marketisation was not the only concern. There was an emphasis instead on the closed side of these networked practices. In business and civil movements, networks represented high levels of trust and cooperation due to the reworking of clans and institutional practices.

China's new order after the early 1990s saw a different image of the state and its role in relation to society. The state sought to mobilise China by introducing new environments for new, global actors to develop a new (cultural) economy. In this context, I discussed the emergence of new networked practices such as cyber networks. Initially, this network of new actors appeared to exhibit more autonomy in their daily life and business, but the state does not disappear from view in the realm of cultural economy. The state continues to exert political power and merely relocates elements of its authority to new actors. In comparison to the highly open, flexible, and

tolerant environments in the West (Florida, 2002; Castells, 1996), China's recent development of its cultural economy such as the Internet or creative industries should be contextualised in favour of a government priority, institutionalisation, and local players.

This distinction of the cultural economy in China has caused suspicion to the extent to which creative or cultural industries will work in China (Wang, 2004). Moreover, China's cultural economy highlights the institutionalised nature that may shape networked practices in the future. The collusive aspects of different networks represent the partnership between new actors and the state. Although it takes on a form of network, the partnership is in fact characterised by a close link to and regulated by the state. In contemporary theories of organisation, the partnership as an organisational form and networked practices brings together two or more actors that are frequently regarded as a form of "network governance" or the notion of "government at a distance" (Rose and Miller, 1992). In the modern liberal mode of government, such an organisation form is characterised by high levels of independence from the state. This suggests that 'individuals can be governed through their freedom to choose' (Rose and Miller, 1992: 201). Political power no longer comes from the rulers, but inheres in the complex and delicate networks which authorities establish and through which they induce individuals and groups to align their comportment and objectives with those of authorities themselves. Thus, political power in consequence is 'beyond the state'. In China, however, "the state" is the central locus of political power. The state and government do not lose their political intervention and control over citizens. In the case of Shanghai Expo 2010, as we will see in the following chapters, the form of the partnerships do not suggest political power comes from diverse sources based in alliances, but still largely monopolised by the CCP. Put simply, networks are largely mobilised and regulated by the state

institutions as part of the rationality of rule. In this sense, networked practices in post-Mao China should not be examined by simply highlighting empowered actors. In the Chinese context, networks are not necessarily autonomous of the state. The effects of new networked practices lie in the new actors' relationship with the state.

Chapter 3 A Historical Analysis of Shanghai: The (Re)emergence of a Global City

Shanghai's role in the regional and global urban-economic systems is in its earliest stages…Several thousand MNCs (Multinational companies)…have operations in Shanghai, including some China business headquarters, but there are no international headquarters in the city. Shanghai served only sixteen airline routes in 1995, compared with ninety-six in Hong Kong and seventy-six in Tokyo. International passengers transfer in Shanghai to domestic routes, but not to other international ones. Shanghai's developing financial and service-sector functions serve the needs of international investors in China, rather than the regional or global marketplace as a whole (Gu and Tang, 2002).

Entering the twenty first century, Shanghai has been recognised by emerging officials and academics as an emerging global city in the ranks of the great urban centres of the world. As suggested by Gu and Tang, two Shanghai-based urban planners, Shanghai's relatively limited regional and global role needs to be improved in order to compete with other traditional global cities such as Hong Kong or Tokyo, both of which have international scope for financial markets and tertiary functions. For example, Hong Kong continues to outstrip Shanghai in certain aspects such as the stock market and capacity to host international projects such as the first Chinese Disneyland.

In this chapter, however, I will show how the historical (re)emergence of Shanghai as a global city depends on its complex politics, local lived spaces, cultural heritage, and historical trajectory. This chapter will examine Shanghai's modern history from the mid-nineteenth century to the present. This chapter explores a

specific history of Shanghai as a global city that largely depends on its relation to China. The concept of a global city[6] describes the extent of the influence of globalisation in Shanghai. I stress the term (re)emergence of Shanghai as a global city as "remaking" Shanghai as a global city has become popular theme since late 1990s. Shanghai's contemporary globally-oriented image is not just a city on the make, but also something more subtle and historically allusive: "the city as a remake" (Abbas, 2002, p. 37-56). One should focus not only on the foreign forces, but also the local and national forces. Since Shanghai became a highly constrained place under the CCP under Mao, the following urban development has been highly strategic in the interest of the state. Shanghai's (re)emergence as a global city is closely related to China, especially Deng's U-turn in the early 1990s. Above all, the history of Shanghai reveals how the globalisation of Shanghai should be framed within a local-national framework. More importantly, it clarifies and expands on the theme of social networking embedded in a specific local cultural development and political economy. Above all, a historical approach provides a contextual basis to explain why different social actors engaging with Shanghai Expo 2010 are actually negotiated through local

6 The intellectual work of the "global city" is advanced by Saskia Sassen (1991) and the UK-based Globalisation and World Cities Study Group and Network (GaWC). First, a global city is seen as a gateway between diverse cultures or actors such as immigrants, international communities or transnational managerial elites (Hannerz 1996). This is indicative of the specific location and spatial characteristics of global cities (Sassen, 1991). Sassen emphasises that a number of specific locations have a historical legacy of development as privileging some cities over others as sites of concentration (1999). Second, the internal structures of individual global cities evade state control as a global city is organised through flows of people, goods, and information (Castells, 1996). Third, a global city has higher level of connectivity between cities, involving transportation systems (international airports), information communications infrastructure (cellular phone services), and greater links with foreign businesses, international events, and world affairs. Finally, a global city is marked by its cultural or creative production and economic transformation from manufacturing to services (Mumford, 1961; Sassen, 1991; Zukin, 1995).

government and the state.

The chapter consists of three parts in chronological order: a treaty port city (1842 – 1945); a lost world (1949 – 1991); and a (re)emerging global city (1992 –). These periods represented a long passage between colonialism, modern state-building, and market reform, involving different levels of influence of globalisation in Shanghai. During the pre-1930s golden period, for example, Shanghai was seen as a foreign anarchic enclave and a global city due to "the world-wide managerial and entrepreneurial class" (Hannerz, 1996, p. 128). As a result of the encounters between the foreign powers, Shanghai underwent distinct political, economic and cultural processes in comparison to a relatively homogeneous peasant cultural tradition on the local level. In this regard, Old Shanghai becomes New Shanghai's counterpart.

A Treaty Port City

Located at the mouth of the Yangtze River, Shanghai was originally a small fishing village, which was ranked only as the seat of a county and was of such little value that Marco Polo did not even notice it (Beauvoir, 1958, p. 439). Shanghai's port function was far behind the southern province, Canton, whether measured in volume of trade or level of engagement with Western business (Wasserstrom, 2003). However, Shanghai's influence increased after becoming a treaty port city in the aftermath of the Opium War (1840-1842). Shanghai's shipping activity was marked by the East India Company as heavier than that of Canton and became China's biggest port by the end of the nineteenth century. In the first decade of the twentieth century, Shanghai reached the status of China's commercial and financial hub, and was seen as the "crown jewel" in an array of thirty-two treaty ports (Friedmann, 2005).

An Enclave and a Gateway

Having risen as a treaty port, Shanghai became a global city and set itself apart from the country's rule. Instead, foreign powers controlled the administration of foreign tariffs that allowed Western merchants to conduct their business away from Chinese administration. China became an enclave for foreigners as each foreign-occupied section provided its specific government, court, laws, police, and urban management. Shanghai's port function increased and, more importantly, its global influence lay in its gateway role for foreign officials, merchants and *taipans* to do business and build their offices, warehouses, and residences along the famous waterfront (i.e., the "Bund"; Bergère, 2004). Since foreign powers exercised legal jurisdiction over their nationals, Shanghai provided fertile ground for vices such as prostitution, gambling, and drugs. Particularly, secret societies such as the Green Gang dominated the local militia and predated the police. There was an absence of strict restrictions such as visas placed on newcomers, hence the resulting wave of European Jewish exiles who escaped from Hitler in the late 1930s. Due to its enclave and gateway role, individual foreigners in Shanghai amounted to 250 in 1854, 700 in 1870, about 2000 at the beginning of the twentieth century, and 10,000 in 1910 (Bergère, 2004, p. 38). In 1910, about 80 percent of Shanghai inhabitants were born somewhere else. During the World Wars, 20,000 Jews chose Shanghai as the "port of last resort" – the only port that would freely accept refugees (Dong, 2001, p. 28).

However, Shanghai was segregated by two separate circuits of commerce. One was a Chinese municipality operated by the Chinese people between Shanghai and its hinterland. The other consisted of two smaller but more prosperous foreign-run districts (the International Settlement and the French Concession) in which foreigners mainly carried out business between Shanghai and its overseas market. The Western merchants usually depended on bilingual middlemen (compradors) to purchase local goods such as tea or silk to export to foreigners. The concession zones represented

highly exclusive characters between Chinese and foreigners, urban residents and rural

Chinese immigrants. Given that Shanghai had a substantial immigrant population, it

differentiated the formation of social categories from that of other Chinese cities

(Honig, 1992). In colonial Shanghai, almost everyone was an upstart in spite of their

local origin (Honig, 1992, p. 134). There were inter-Han divisions embedded in

China's traditional social structure, groups and individuals. Shanghainese people, for

example, were renowned for categorising outsiders by using local dialects. Nationality

was a key category for dominant social groups such as foreigners to exclude Chinese,

as evident in a common sign found in foreign public parks: "No Chinese, No Dogs"

(Beauvoir, 1958, p. 443).

Chinese Modernity

As a treaty port, Shanghai was built upon the entrepreneurial development of Chinese

businesses with the outside world. In contrast to the more rigid, official Beijing

culture, Shanghai was marked by the business development of the so-called "*Haipai*

culture". It was a more open culture of Shanghainese who accepted new technology,

concepts, and products from abroad. Shanghai gave rise to Chinese modernity.

In the late nineteenth century, for example, there was the Self-Strengthening

Movement (1860-1894) launched by some regional literati-officials (such as Tseng

Kuo-fan, Li Hung-chang and Liang Qichao) who introduced Western weapons,

practices, and learning, including the *Jiangnan* Arsenal and ship building dockyards

alongside the Huangpu River. This included subsequent measures such as the

establishment of modern schools, a reform of the two-thousand-year-long civil service

examination system, and a reorganisation of the administration system. Western

philosophy and political thought such as socialism were introduced to form

revolutionary thought. In terms of cultural production, Shanghai led the whole

country to accept new ideas, technologies and cultural industries, including film

production, the printing press, book publishing, and advertising (Yang, 1997).

Shanghai was the first location for China's film industry and opened the first movie

theatre in 1906. Many radical writers came to Shanghai and during the 1930s there

was a flourishing school of literature in the city (Gamble, 2003).

Figure 3.1 Nanjing Road in the 1930s
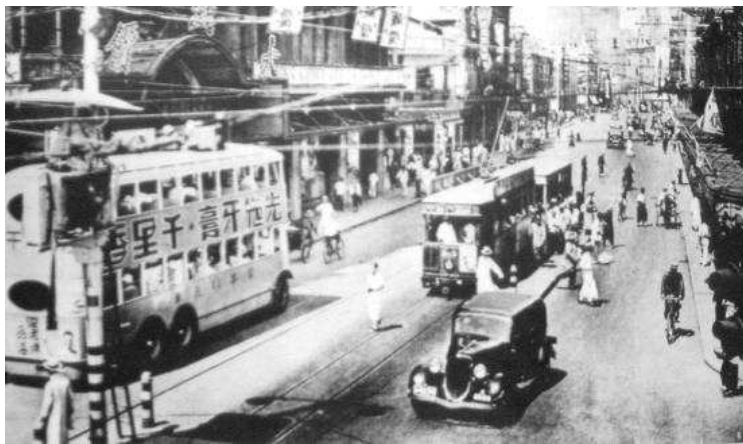
Source: Survey of Shanghai 1840-1940

As shown in a picture above, "Nanjing Road" was the busiest street in the

International Settlement and lined the Bund in the 1920s, in which there were novelty

items, including skyscrapers, trams, Western-style architecture, downtown retail and

department stores. Shanghai's Nanjing Road in the 1930s witnessed Chinese

modernity in Shanghai with modern Chinese banking and finance, manufacturing and

organisation (Murphey, 1953). These Western-oriented modern images of business

and shopping districts presented Shanghai as a model of Chinese modernity to the

whole country (Yeh, 1997, p. 385). In fact, Chinese modernity in Shanghai was

paradoxical. Manchu and imperial rule represented the humiliating history. While the

Manchurian Empire was ruled by Sun Yat-Sen and Nationalists in 1911 during the

Republican Revolution, the new regime of the Nationalists was unable to protect the country from foreign invasion and local warlords. In this context, Shanghai was a conflictual place where visitors were increasingly alarmed by poverty, ignorance, and backwardness. In response to growing nationalism and anti-foreign sentiment, Shanghai's modernisation struggled for independence from foreign domination. This was evident in the first three decades of the twentieth century when Shanghai became a hotbed of intellectual, political, and social movements. The May Fourth Movement (1919-1920) was launched by intellectuals and cultural critics to abandon Confucian tradition and introduce Vernacular Chinese instead of Classical Chinese. Emerging social and cultural movements gave rise to political discussion, including socialism. Importantly, the CCP was founded in the French Concession in 1920 and aided the Chinese workers strike and boycott of Western products.

Ultimately, semi-colonial Shanghai was a tale of two cities (Yeh, 1997, p. 377). On the one hand, Shanghai was a global city due to its gateway role and the absence of central control. Shanghai was the centre of China's awakening to Chinese modernity and provided a relatively autonomous conduit through which not only merchandise was funneled from the outside world, but also revolutionary, modern ideas and practices were circulated and experimented with. On the other hand, Shanghai remained a local Chinese city. Its nationalist and social movements sought to overrule foreign domination. Particularly, continuous revolutionary activities ultimately led to the centralisation of power. The historical importance of Shanghai was embodied in a relentless process of "rebuilding" the Chinese state's power and prestige. In *Policing Shanghai* (1995), Wakeman notes that Nationalists under Chiang Kai-shek[7] had passionately bid to defend Chinese sovereignty over the city in the

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[7] As head of the KMT (Guomindang Party), Chiang failed to gain sovereignty over the Chinese mainland. He later broke with the CCP and then was forced to flee to Taiwan in 1949.

1930s. State power was not rebuilt until the CCP under Mao came to power.

A National Cash Cow

The global image of Shanghai fundamentally changed as the CCP united the nation as a whole in 1949. Under the CCP, however, Shanghai became a lost world to be remembered by citizens, foreigners, and particularly the Shanghainese emigrating to overseas (Bergère, 2004, p. 45). Highlighting Shanghai's new role as a national "cash cow," I explore how Shanghai lost its global influence but became a national economic powerhouse in comparison to other Chinese counterparts.

Maoist Era

> Shanghai is different...It is a gateway to an economically underdeveloped continent, opened toward the Occident, rather than a city which, like New York or London, grew up through the economic development of its own hinterland…the fact that treaty ports like Shanghai had for a long period of a special political position as foreign settlements where Chinese power could not reach was no accident, since economically they were also separate from Chinese economy. On the one hand, they were a gate by means of which foreign goods could come in; on the other, they served as ratholes for dribbling away Chinese wealth… (Fei, 1953, p. 104-105).

Xiaotong Fei criticises Shanghai's gateway role as irrelevant to national development, but sees it as an "economic rathole" for foreigners to exploit the wealth of the whole country. Fei, the foremost Chinese social anthropologist supervised by Malinowski at the London School of Economics in Britain, became an advisor to the Communist government in the early 1950s. His comment on Shanghai's role as a "rathole" is crucial. It marks a difference between Western "global cities" and Shanghai as a

gateway. Shanghai was far from the same as those Western gateway cities as it rose as a result of Western colonialism instead of China's internal development. More importantly, this critique to some extent reflects the ideological implications of the CCP, which deplored Shanghai's past as dangerous.

In this sense, one can understand why Shanghai fundamentally altered, losing its status as a global city during the Maoist era. Before 1949, there were about 200,000 private industrial establishments, but all had disappeared in the 1950s (Rowe, 2004, p. 55). Most foreign firms were forced to move their offices to Hong Kong. Until the 1980s, Shanghai experienced zero population growth, limited social mobility, and its museum-like physical planning and urban infrastructure changed little (Gaubatz, 1995). Shanghai's urban development ceased, and the growth of living standards and consumption were largely constrained (Naughton, 1995, p. 62). In addition, Shanghai's relatively autonomous cultural and artistic spheres such as print, radio and film were largely squeezed by the CCP for patriotic education, propaganda and revolutionary movies (Spence, 1990). In comparison, Beijing was set up by the CCP as the centre of cultural production (Yang, 1997, p. 291).

Ironically, although Shanghai's global links and urban development ceased, its industrial productivity indispensable to the state. In comparison to other Chinese provinces and municipalities, Shanghai became a "cash cow" geared for national revenues (60 percent of its GDP). In doing so, Shanghai maintained its leading status in China's industrialisation of steel, machinery, petrochemicals and electronics. In 1949 alone, Shanghai's factories accounted for one-fifth of China's entire industrial output (Howe, 2004, p. 157).

The Reform Era

Following the Maoist regime, Shanghai's role as national cash cow was evident in its

manufacturing revenues, central to government finance. In 1981 alone, Shanghai's gross tax revenue accounted for nearly 82 percent of the central government (Olds, 2001, p. 176). During the early 1980s, however, Shanghai's development continued to depend on its hundred-year colonial past. Importantly, as suggested by Friedmann (2005), Shanghai's development not only lies in outside forces, but also strongly depends on the internal visions of Chinese leadership, historical trajectories, and other socio-cultural and political variables. In the early 1980s, for example, Shanghai was stigmatised as the base of the notorious Gang of Four during the decade of the Cultural Revolution. In comparison to emerging centres of production such as Shenzhen and Canton which first enjoyed more preferential policies and fewer revenues remitted to Beijing, Shanghai lagged behind (Naughton, 1995, p. 78-9). Nevertheless, Shanghai retained fiscal revenue (about one-third) in the late 1980s. Local government noticed the declining economy and called for more attention to Shanghai's status as the "bridgehead" between China and the global economy.

A (Re)emerging Global City

> One of my biggest mistakes was leaving out Shanghai when we launched the four special economic zones…If Shanghai had been included, the situation with regard to reform and opening in the Yangtze Delta, the entire Yangtze River valley and, indeed, the whole country would be quite different (Deng's talks during the south tour in 1992, Shanghai Star. 2002-11-21).

During the 1990s, Shanghai underwent a fundamental transformation that was reminiscent of its commercial and cosmopolitan tradition. Shanghai's (re)emergence as a global city came from a historical watershed when China paramount leader, Deng

Xiaoping, reversed his stance on Shanghai from the national cash cow to the head of the dragon (China) upon the regional and global economy. In addition, Shanghai's revival was intensified by an emerging Shanghai clique, including ex-president Jiang Zemin and ex-premier Zhu Rongji, who occupied the nexus of power in China.

With the state's designation, Shanghai was one of few places in China allowed for foreign insurers, opening up foreign banks and the stock market. In *The Trading Crowds*, for example, Hertz (1998) provides an ethnographic account of how the state acted as the driving force to urge "the masses" to participate in the Shanghai stock exchange. In 1992 alone, foreign investment in Shanghai was almost equal to that of the 1980s. Shanghai's service sector only accounted for 31 percent of the city's economic output in 1991 but contributed 47.8 percent by the end of 1998 (Yatsko, 2000, p. 254). Above all, Shanghai's development concerns deep state-planning tradition. Shanghai became a role model to which other Chinese cities aspire. In what follows, Shanghai's transformation towards a global city is examined according to two strategies: building a financial, trade, and economic hub and building a cultural (creative) capital.

Strategy 1: Building a Financial, Trade and Economic Hub: Pudong
Pudong used to be poor farmland located on the East coast of the Huangpu River. Since the 1990s, Pudong has been set up as a financial, trade, and economic hub. Pudong represented China's "new order" toward the global economy. It was seen as "a gate to enter China's economy, a golden key to open the Chinese market and a bridge connecting the economy of China to the world" (Shanghai government Web site). From 1990 to 2004, the total investment in Pudong's fixed assets exceeded 530 billion (yuan). In 2003 alone, there was a US$6 billion inflow of foreign investment that accounted for more than a tenth of the country's total (Economist, 2004/01/15). In

2005, the State Council officially requested Pudong as a role model to push the progress of reform countrywide.

With Pudong, Shanghai shows greater connectivity to the outside world with friendly social environment and modern administration system in accord with international practices. Take the 6.1-square-kilometer Waigaoqiao Free Trade Zone (WFTZ), for example. Foreign companies such as micro-electronics and high-tech industries enjoy preferential treatments such as low tariffs, income tax, and a land-using fee. The existing transportation system such as ports and the new Pudong International Airport have been constantly expanded to meet the flows of capital, tourists, and goods. Specifically, Pudong has the only finance and trade zone among China's state-level development zones—Lujiazui Finance and Trade Zone (LFTZ)—which is often compared to New York's Manhattan (see the stamp below).

Figure 3.2 Lujiazui Finance and Trade Zone

Source: China State Post Bureau

Above is a stamp of bird's-eye-view of the well-known LFTZ around the Bund with a title, "Shanghai-Pudong is developing and opening up". To an extent, the LFTZ resembles the identity of Old Shanghai's (Haipai) culture in distinguishing Shanghai as a global city from other Chinese cities with the "newest, fastest, first and biggest"

ways of development. Olds (1995, p. 1737), for example, estimates that about 52,000 households (169,000 local residents) relocated to make way for mega-events and principal actors in Shanghai (e.g., Bill Gates and George W. Bush in the APEC Summit 2001). However, Bund's Western-style edifices of Old Shanghai have been set as the background, highlighting the new landmark of the Pudong-LFTZ as a winner in the new globalisation. This reflects a fact that the Chinese actors such as political leaders rather than foreigners now govern Pudong's new area.

Today, Pudong is an increasingly segregated area in which foreign investors and tourists can enjoy relative free and open social environments. In comparison, there has been a declining sense of place, long-term communities, and existing social space. During the 2001 APEC summit, poor migrant workers and local residential communities were kept far from view when international business and political leaders were in town. Such a form of social segregation also occurred in Western cities in which public space was threatened as a result of growing corporate control and class segregation (Zukin, 1989). The cosmopolitan culture in New Shanghai is reminiscent of the segregation that occurred in Old Shanghai; foreign-run law enforcement agencies once treated Chinese and non-Chinese residents differently. New Shanghai demonstrates institutional exclusion between rich and poor, which differed from the old quasi-colonial model rooted in nationality. The urban segregation today lies in an institutional practice of the Chinese government in response to the global "space of flows" (Castells, 1996). In the LFTZ, for example, growing numbers of expatriates flocked there to serve financial organisations entering the zone from 1993 to 2002, including 56 foreign financial organisations and 43 foreign banks (Shanghai Star. 2004-12-16). To make way for the space of flows, the urban infrastructure has been promoted at all costs. In Pudong, the world's first commercial maglev line started to operate in 2004. This German-made, 19-mile-long

maglev cost 1.2 billion US dollars, but has brought with it strong criticisms of high prices and inconvenience. Like the roller coaster starting from Pudong International Airport, the maglev line is only a 9 minute journey, but its final destination is in fact a "nowhere" away from the city centre of Shanghai. This suggests that the image building of Shanghai does not necessarily involve practical considerations such as commercial benefits, attachment to local communities, or civic convenience.

Strategy 2: Building a Cultural (Creative) Capital

In 1990s urban China, the relationship between politics and culture (art) began to change. The potential of culture as an alternative source of wealth was increasingly embodied in a myriad of cultural strategies such as urban regeneration. Writers, artists and cultural producers effectively carved out a greater scope for their activities (Goodman, 2001, p. 247). The mass media became increasingly independent of the state's subsidies and instead dependent on the market (Yang, 1997). Further cultural transmission is evident in big cities, especially transnational cultural influences such as the film, music and fashion industries in Taiwan and Hong Kong. In the context of Shanghai (re)emerging as a global city, I here address two-related issues—cultural preservation and the creative city—which involve the recent development of heritage industries and cultural (creative) industries.

1. Cultural Preservation

Prior to the early 1990s, there was little interest in old buildings and heritages. Following the mid-1990s, however, cultural preservation became a nationwide trend approved by the state to advance a new development agenda in urban development. Also, Shanghai's cultural preservation and heritage industries are, paradoxically, a globally-present feature of the local, and are a form of cultural/creative work that was

very popular in Western Europe and the US during the 1980s and 1990s.

Figure 3.3 *Yuyuen* Garden

Source: From the author's collection, 2004

As shown in the picture above, 400-year-old *Yuyuen* Garden (the Walled city), which used to be housed in the traditional alley, has already been turned into a flagship spot and global tourist resort with a bustling shopping and entertainment district. The case of *Yuyuen* Garden marked the growing interest in Shanghai's old Chinatown that had been overshadowed by the skyscrapers and refurbished European-style mansions along the Bund. It consists of historical "*shikumen*" buildings built for local people during the colonial era. In Shanghai, at least 250 historical buildings were registered as municipal buildings alongside the mile-long Bund (Wu, 2004). As a result of tourism, this trend shows greater commercial interests in developing the area of Puxi, the main site of almost all of Shanghai's earlier urban development. Some areas of Old Shanghai not only offer tourist potential, but they are also the symbolic capital of China's previous status as a global city. For example, Shanghai Expo 2010's venue crosses both banks of Huangpu River, as shown in the picture below, and includes

Jiangnan Arsenal and the shipyard[8] built in the Qing dynasty.

Figure 3.4 Huangpu in *Bailianjing* (A village to be relocated)

Source: From the author's collection, 2004

The preservation policy reveals a compromise between a feeling of lost local community and urban redevelopment involving different social groups. The development has attracted exiled Shanghainese back to Hong Kong and Taiwan. Half a century later, overseas Diasporas who were fostered by their elders returned to join the booming economy of Shanghai. In addition, local experts and historians in Shanghai-based universities and research institutions and, more importantly, a large portion of Shanghai's population now paid more attention to the surviving architectural relics of the colonial past. Shanghai old houses were increasingly refurbished by rich citizens to promote different symbols of Old Shanghai through posters, photographs, books and calendars and developed estate property for the most fashionable restaurants, pubs, nightclubs, and coffee shops. Unlike Pudong's image-building projects, Shanghainese citizens cannot simply be generalised as

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[8] Opened in 1865, Jiangnan Arsenal began as an ironworks base, with machinery purchased from abroad. It witnessed China's Self-Strengthening Movement based in Shanghai.

victims of globally-oriented projects. They also became active participants in self-creation, consciously aware of how to take advantage of the past to create distinct and hybridised cultures for themselves (Abbas, 2000). This reflects the actor diversity and local subjectivities in developing the physical environment of Old Shanghai as the symbolic capital of future urban development.

However, local people's subjectivities largely hinge on the role the state and local government play and is the scale of the project. In a recent case study on a state-planning project (Xintiandi), Wai (2006) highlights that there is still a lack of dialogue between original residents on the site and developers. As power relations skew towards local planning authorities and property developers rather than the local communities (Wai, 2006), local residents were forced to relocate with little notice or compensation.

In short, cultural preservation suggests something more complex than nostalgia. This growing interest in Shanghai's past highlights not only the state's new policies, but also a popular cultural strategy by the Chinese government in co-opting more actors in urban development. To some extent, it reinforces "the trust of the Shanghainese in the future destiny of their city" (Bergère, 2004, p. 52). Importantly, it has close links with new developments of Shanghai as a creative city.

2. Creative City

In *Building a Global City: Think Shanghai's New Development* (2003), Shanghai Academy of Social Science (SASS), a leading state research institution, asserts that Shanghai's potential as a global city lies in the realisation of a "creative city". A creative city highlights a tempting agenda in restructuring traditional industrial structure towards higher-value services.

In Shanghai, the development of the creative city is evident in the annual

investment in cultural infrastructure, which doubled between 1996 and 2000 in comparison to that during 1990 to 1995 (about $121 million US Dollars; Wu, 2004, p. 168). At least one international cultural festival was organised per year during the 1990s ranging from painting, performing arts, movies, fashion, and television (Yatsko, 2000). With finance and expertise from Hong Kong and Taiwan, Shanghai's motion picture industry and global advising agencies have set out to target emerging wealthy consumers. More importantly, ambitious plans are underway involving creative industries such as design, exhibition, advertising, fashion design, information technologies and consumption design, which have become the official policy in 2005. Shanghai Creative Industries Development Report (2006, p. 63-4) notes that 36 creative industry parks were to be opened by the end of 2005 to cover a land area of 655,000 square meters and consisting of more than 1,000 creative design enterprises. In 2005 alone, the revenues of creative industries in Shanghai reached 198 billion (yuan) and accounted for 6 percent of the city's GDP. In short, practices of creative production in Shanghai emerged outside of a public sector dominated by an ideologically and politically charged "culture". Upon closer examination, the creative industries are closely linked with cultural preservation. Shown in a picture below is a Tate modern-like creative warehouse along the northern bank of Suzhou Creek. This space in Shanghai reflects a globally-present feature of the contemporary, cultural economy that is usually driven by creative design studios, estate developers, and local government.

Figure 3.5 Creative Warehouse along Suzhou Creek

Source: Justin O'Connor; the Web site of "City of Sound"

(http://www.cityofsound.com/).

In reviewing history, however, these recent practices to achieve a "creative" city

ironically reveal a lack of cultural innovation in Shanghai. In *New Shanghai*, Pamela

Yatsko (2000), Shanghai correspondent of the *Far Eastern Economic Review*, refers

to Shanghai's inability to provide artists and intellectuals with conditions conductive

to creativity. In a chapter titled "Search for a Soul," Yatsko points out Shanghai's lost

status as China's most active and influential capital of culture since the Maoist era. In

comparison, Beijing has become the heart of artistic innovation for the country's most

powerful avant-garde and creative artists. While there has been substantial investment

in the hardware of culture during the 1990s, what may have been achieved might be

the form rather than the content. Particularly, one can consider the commercial

segregation within these artist spaces in Shanghai. The development of creative

milieus is rather limited. Wu Zhiqiang, chief designer of Expo 2010, highlights a

phenomenon that artists have been squeezed out of Shanghai's newly created art spaces because soaring rents made them less affordable for clustering, inhabiting and working (*Shanghai Daily*, 25 January, 2007). Also, at the heart of the development of Shanghai's creative (cultural) realm is the networking between different areas, such as bureaucracy, the market and the arts. In Shanghai's creative space, for example, real estate is driven and available to those with money and networking capital (O'Connor and Gu, 2006, p. 281). In essential areas of urban development, the creative realms do not act outside of the state-linked networks, but consist of public/private actors with similar backgrounds and connections. In this case, Shanghai shares a similar scenario with the West, such as the loft living culture generated by artists in 1960s and 1970s in New York (Zukin,1989), in which young artists and designers often became the first victims as the gentrification around the artist areas gave rise to high rents and work rents. In examining work and employment in the UK culture industries, Angela McRobbie (2002) argues that creative work increasingly follows the neo-liberal model, governed by the values of entrepreneurialism, individualization and reliance on commercial sponsorship. As a result, the relatively youthful workforce is replaced by "network sociality", which in turn is influenced by the lingering impact of dance and club culture. Because government encourages the "freedom" allowed by this kind of labour, independent work finds itself squeezed, compromised or brokered by the venture capitalists of culture.

Furthermore, the less open climate for artistic innovation lies in politics. While there was a gradual separation of entertainment and leisure from culture after the Tiananmen Massacre of 1989, the cultural (creative) realm is still under the state's content censorship (Wang, 2003). In reviewing the history of China (see Chapter 2), there are different ideological meanings of creative and cultural. Basically, "cultural" is the term preferred by the state in comparison to "creative" that is increasingly used

by local government. In part, creative is the original English word now associated with Western cutting-edge and risk-laden areas such as advertising, designer fashion, film and video industry, and game development. It underlies the lack of artist innovation of the two-century-long Chinese modernisation associated with some relationship to the West (O'Connor and Gu, 2006, p. 272). For the state, however, the meaning of creative remains sensitive as it is usually associated with a form of "artistic" sensibility and practice associated with a practice of "breaking the rules" (see Chapter 1; O'Connor and Gu, 2006, p. 273). During the mid-1990s, for example, administrative orders rather than the market principle instigated frenzied media conglomeration and some convergence activities (Wang, 2004). Today, the commercialisation of cultural industries (especially television and news media) is still owned by the state. In comparison to a relatively free cultural climate in Old Shanghai, there is a rather limited space for "creativity" to grow due to active state surveillance, such as the censorships of the Internet users.

This lack of cultural innovation is evident in the international consultation process. The international consultation process came from a Western modernisation argument: the opening up of the Chinese market to "link" with the outside world will bring with it a higher status of influence. That has been widely applied in the preparation of the Pudong project and other cultural mega-events such as Expo 2010. Shanghai-based leadership attempted to introduce new, creative ideas from the outside world. They knew that local planners and cultural producers used to follow standardised and inflexible patterns rooted in the pre-reform era where urban planning and innovative ways of thinking were debased. The consultation in fact enables the Chinese government and local planners to remain in control of the development process. The government is always involved in reform and acts like a coordinator in picking and choosing new actors. At crucial points, it emerges as a decision-maker.

Thus, Shanghai's local cultural authorities play a more active and guiding role than those in Beijing in censoring artistic activities such as alternative music, documentaries, film, performing arts, and pop music (Yatsko, 2000). Shanghai's future cultural development might still be influenced by subsidies and cultural institutions from the government and, more importantly, state-directed visions in approving cultural production (Wu, 2004).

Above all, Shanghai represented China's new order in the 1990s through economic and cultural strategies. These two strategies in building Shanghai's new image towards a global city is a significant basis for examining my case study of Expo 2010. Basically, these two strategies are analytically separate but both are in fact interlinked. They demonstrate how Shanghai becomes a gateway for China to accelerate external links and act as a role model for other cities to catch up internal developments. The two strategies also demonstrate a tension between arts and politics. Similarly to Western heritage industries, Shanghai's preservation overlaps the concept of "creative city". Shanghai demonstrates not only how local government could advance creative development, but also how the state could deal with Chinese development to form links with the outside world. The creative realm is still under the state's scrutiny in terms of political and media realms.

Conclusion

The chapter historically examined how Shanghai is (re)emerging as a global city. Shanghai's openness and autonomy of cultural innovation have long been overshadowed by local-national dynamics. This shows that networking depends both on global and local-national forces. In conclusion, I assume that Shanghai's global status will hinge on how future networked practices emerge. Networks here are not links between cities but (social) networking between (human) actors. The network can

be understood as a specific form of social collaboration from political, economic and cultural areas. On a micro-level, this could involve independent firms, artists and local people. On the basis of some conditions (native origin, rich/poor), people did not actually deal confidently and reliably with others regardless of personal affections or interest relations. Shanghai's networking culture of distrust and social exclusion might influence the city into large parts of the world. On a macro level, Shanghai's future development might focus on political and economical tensions between the state, local government and other public-private institutions.

For the purpose of this thesis, I want to explore the role of the social in the (re)emergence of Shanghai as a global city. This is concerned with the way in which the Chinese government organises Shanghai Expo 2010. This involves forms of social collaboration in both public and private realms. One can ask a set of questions regarding whether Shanghai's creative realms such as Expo 2010 can bring with them an innovative milieu. Is there room for creativity to grow? Or, on the other hand, as O'Connor and Gu pessimistically suggest (2006, p. 277)[9], will the creative class turn out to be socially, politically, and culturally conformist?

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[9] O'Connor and Gu (2007) observe that the proliferation of 'cultural districts' in the big Chinese cities brings with it the assumption that such facilities will produce an 'innovative milieu' – yet the 'creative class' may turn out to be as socially and politically conformist as the 'bourgeois bohemians' in the West. They argue that the separating out of entertainment and leisure from the 'cultural' may well undermine real creative innovation in the context of the direct control of content and the resistance to any notion of an autonomous cultural sphere.

Chapter 4 Organising Shanghai Expo 2010: From the Local to the National

In late 2002, China won the bid for Expo 2010, to be hosted in Shanghai. China is the first developing country to host the Expo. This chapter is about history and official accounts of the organisation of Shanghai Expo 2010. My aim is to describe the formation of different institutions and individuals and how they are utilised for Expo 2010. The organisation of Expo shows a specific form of "social coordination" that is mobilised and regulated from above – such as state-institutions between the state and the Shanghai government. That is a vertical-hierarchical organisation with a power centre in Beijing. Importantly, the organisation is concerned with a specific local culture of networking. For example, the state mobilised and regulated connections between patrons. Despite the institutional shift to collaborate with new actors outside the bureaucracy, the role of foreign designers was rather limited. In the international consultation process, for example,the Shanghai government acted as a driving force to raise capital and co-opt market and international actors, but state control provide little room for actors outside the bureaucracy, but privileged international, formal and institutional dimensions, such as transnational companies, countries, and international organisations.

In this sense, I consider the study carried out by O'Connor (2004) on cultural industries in St. Petersburg, which provides a pertinent starting point for this study of Shanghai Expo 2010. Both cases are concerned with the development of public cultural events to regenerate the city in a context of transitional economies. Moreover, these two cultural events were introduced from the West with a focus on social collaboration between local and transnational actors. Both cases are involved with a

networking culture that is embedded in the local context. For example, O'Connor describes how Western cultural industries faced a local culture of distrust between elites, institutions and the legal system and people. As a result, the development of cultural industries was more or less dominated by large-scale institutions and global businesses, but lacked a Western model of fluid, open-trust networks of small independent cultural producers.

This chapter consists of three parts. Part One is an analysis of public relations in the context of Expo 2010. In the second part, I explore two merits in hosting Expo 2010. Part Three chronologically examines the development of the organisation of Expo that the state centralised the whole process of the organisation and disrespected global players during the bidding process (the late 1990s to 2002) and the preparation (2003 to 2007).

Reading Public Relations

In addition to historical texts, this chapter analyses a number of official documents; such as Expo's official Web site (http://www.expo2010china.com), municipal and national publications (*Expo Magazine* and publicity brochures), the Shanghai government Web site (http://www.shanghai.gov.cn/), the official daily newspaper (*Shanghai Daily*, and *People's Daily*), and international newspapers, such as *The Guardian*, from the late 1990s onwards. I also collected official publications from Expo-related institutions and the Shanghai Library during my fieldwork in 2004.

In addition to information on promotion, by PR (public relations) I refer to something secretive or in crisis situations that needs to be hidden to serve the client's interests. In the Chinese context, the media owners – state-institutions or the authorities – control what is reported and which media can operate. PR here is about "propaganda". PR is mainly produced and circulated by state-institutions, which

decide what to disclose and not to disclose, to whom, when and how. In this sense, the analysis of PR is not concerned with a search for truth, deception, secrets or repressed voices, but a representation of the official version of reality.

In what follows, I interpret an official text by uncovering the meanings of texts and bringing in wider social-historical contexts to the reading of texts. This official text was publicly circulated from the Shanghai government on local media to congratulate Beijing on its success in hosting the 2008 Olympics after a secret ballot in mid-2001.

> …We are happy with the progress of your bid, not only because holding the Olympic Games in Beijing is a long-cherished wish of the entire country, including citizens of Shanghai, but also because we are both engaged in a common aim… After many years of suffering and struggle, our great country is now rapidly making strides…It is also a boost to the bid for Expo 2010 Shanghai. (A translated letter delivered from Shanghai Bidding Office to Beijing Bidding Commission of Olympic Games 2008)

I firstly focus on the "contents," which refers to how China regained the recognition of the international community by hosting mega-events such as the Olympics and Expo. Both bids would provide an opportunity to rebuild China's national unity and global prestige. In addition to the content, I seek to tease out the specific social and historical contexts[10] in which texts are embedded. First, the text shows the rise of

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[10] John Thompson (1991, p. 400) explains a methodological framework of depth hermeneutics that is "an interpretation which seeks to highlight the ways in which particular symbolic forms [e.g., PR], as employed or received in specific social-historical circumstances, are bound up with relations of power, serving in some cases to establish and sustain these relations". I here do not enter debates about definitions or understandings of hermeneutics. This methodological approach, as a result, is used more as a way in to a discussion of PR and official texts rather than a detailed engagement with the

China in a post-colonial context. After the Tiananmen Massacre of 1989, the state sought to change its brutal image. Beijing, the capital of China, became one of the fastest growing cities boosted by the state to present the image of China since the early 1990s. Beijing's successful bid for the Olympics demonstrated China's recognition in the international community. In the text above, however, there is a sense of bitterness as the bid has been perceived by the government as "a long-cherished wish". The Chinese government sought to emphasise the rise of China in a history of humiliation under foreign domination. Indeed, Beijing's bid for the 2008 Olympic Games was not the first attempt. In 1993, Beijing was beaten by Sydney in the 2000 Olympic Games bid, a defeat that has been interpreted by Samuel Huntington as a clash of civilisation in a post-Cold War context (1998).

Moreover, I interpret the letter by considering urban competition in China and its relevance to the historical events of 1999. 1999 was the 50th anniversary of China. A number of specific international events also occurred around 1999 such as anti-Chinese violence in Indonesia, the return of Macao from the Portuguese, the US-led NATO bombing of the Chinese embassy in Belgrade. During this historical moment, there was a rise of popular nationalism to celebrate not only the achievement of market reform, but also independence from the foreign domination. I particularly address the specific case of Kunming (horticultural) Expo 1999, which was an embarrassment for both Beijing and Shanghai:

> Expo 1999 shows our superiority of the socialist state to centralise all the strengths to host this great mega-project…It also represents our strong organisational and administrative ability. (The speech of Jiang Zemin at the opening ceremony in Kunming)

principles of hermeneutics.

Expo 1999 as a "special" exposition is smaller in scale and scope than the "registered" one such as Shanghai Expo 2010. However, its symbolic significance as the first Expo in China cannot be ignored. It was one of the earliest attempts of the Beijing government and the state to draw attention on the world stage after 1989. Following Jiang's speech, one can see that this Party's top leadership sought to move China's centrally-planned socialist economy towards a capitalist market economy, while strengthening state power in organising this mega-project. Indeed, as a result of diplomatic relations with the US in 1979, the US invited China to take part in the 1982 World's Fair held in Knoxville, Tennessee. China has actively participated in each exhibition since the early 1980s. China has become a member sanctioned by the BIE (The Bureau International des Expositions, Paris) in 1993. The BIE was an international organisation established in 1928. In 1992, Beijing was originally decided by the state as the host city of Expo 1999, and later gained the permission of the BIE. Because of the outbreak of corruption of the highest local party leadership (Beijing former mayor Chen Xitong), however, the host city was shifted to Kunming (a city within the south-Western province of Yunan). In this context, the letter indicates an element of urban competition embedded in the local culture of politics. This, in turn, denotes China's paradoxical path of openness to the outside world that continued to hinge upon the tension between local government and the state.

Historical Contexts: Two Merits in Hosting Shanghai Expo 2010

There are two merits in hosting Shanghai Expo 2010. One is urban regeneration driven by local government, and the other is concerned with nation-building that is rooted in a longer history of modern China in relation to the Expos. First, I address the historical part played by China in previous Expos. This shows China's distrust of foreign forces as a result of the ambivalence of Chinese modernity. Second, I examine

how the contemporary government uses history in the official representation of China and Expos. An "official" memory of the past has paradoxically been created by the government to illustrate both the humiliating history of China and Chinese positive identities in the state's attempts to secure its legitimacy. Therefore, the creation of official images of China and Expo reveals the government's ambivalent attitude in organising Expo 2010 to gain support from the public and beyond.

Urban Regeneration

Shanghai Expo 2010 was involved in the local cultural policy to continue Shanghai's urban development, especially Pudong. Like other mega-events, such as the APEC Summit 2001, Expo 2010 will celebrate Pudong's development in the twentieth-first century. At the mouth of the Yangtze River Delta, Pudong marked Shanghai's dragonhead status within China in linking the global networked economy. As Shanghai-based leaderships (e.g., Wang Daohan, Jiang Zemin, and Zu Rongji) successively held the position of mayor, Pudong was considered for a venue during the 1980s. The Shanghai government claimed to have a new initiative to position Expo 2010 as a cultural strategy in the regeneration of Shanghai.

1. Regenerating the Waterfront

Shanghai is a coastal city close to the East Sea with the Huangpu River dividing the city into two halves. In the 1990s, Shanghai successfully transferred the centre of economical development from west (Puxi) to the east (Pudong) (see Chapter 3). Located on both sides of Huangpu River, the Expo site includes both new districts in Pudong and less undeveloped areas to extend to the Bund's historical buildings. The picture below (Figure 4.1) shows Flower Bridge, which is the original design plan during the bidding process for Expo 2010. The plan is characterised by an elliptic

canal, Flower Bridge and green corridors that highlight the Expo as a link between the historical quarter of the Shanghai Bund and the Pudong office skyline.

Figure 4.1 Model of Flower Bridge

Source: French Architecture Studio.

Indeed, the Expo would be used to rebrand perceptions of Shanghai in relation to the rest of the world in the last decade. Specifically, it would be a cultural flagship leading the regeneration of Shanghai's waterfront to attract private investment around a mix of retail, leisure, office, and residential developments.

The regeneration of old city districts within Shanghai is not new. In Western countries, for example, some examples such as the Soho area of downtown Manhattan have been redeveloped since the mid 1970s (Zukin, 1989). As a result of the emergence of a new artist mode of production, the old city districts and a field of consumption have been transformed in Shanghai. The waterfront such as the 600-year-old Suzhou Creek has already been planned for different cultural mega-events and infrastructure. Moreover, US-based Universal Studios was built adjacent to the Expo 2010 site (see Figure 4.2) in an attempt to rival the Hong Kong Disney World. The area surrounding the Expo site has been highlighted for cultural

preservation. In addition, the Expo has enticed ambitious projects for urban

infrastructures that were estimated to cost US$30 billion in total. In addition to 10

new metro lines, for example, there will be an extension of the magnetic line from

Pudong International Airport to a terminal station within the Expo site.

Figure 4.2 Map of Shanghai

Source: compiled by Yu-Hsuan Lee

2. Relocation

In the context of regenerating Shanghai's Waterfront, Expo 2010 was used as a

cultural strategy to focus people's attention on entertainments, consumption, and

leisure. More importantly, this cultural strategy was embodied in government effort to

win popular support. One can consider this in a historical record of the relocation.

From 2005 to late 2006, the government claimed that 272 companies and 18,000

residents were relocated from the 5.28-square-kilometer venue (Expo Web site). As

shown in Figure 4.3, the relocation was celebrated by a local community in

Bailianjing that used to be a village near the Huangpu River.

Figure 4.3 Cultural Festival in *Bailianjing*

Source: 2004, the cadre of local residential committee during my fieldwork.

A giant crane appears at the rear of the image, showing a rather common scene of the

massive construction underway in Shanghai. However, the theme of the picture

showed no signs of demolition, only a celebratory activity – the Fifth *Bailianjing*

Cultural Art Festival. The dancers look like housewives and cheerleaders, but I cannot

really recognise whether these dancers were local residents. I cannot check whether

they spontaneously attended or were mobilised to participate in the cultural festival.

However, what is true is that the cultural festival was officially represented as an

annual community event. The cultural festival reflected a strong commitment among

residents with a shared history, identity, and durable relationships. Moreover, the

image shows a sense of place in the context of the final countdown of the bidding

process in late 2002. The poster behind the dancers says, *"The City Hand-in-Hand. The World Heart in Heart; Gather together on 3ʳᵈ December 2002. Love holds us together by Expo."* The message associates affection within the local community with patriotism for Shanghai Expo 2010. This cultural festival showed how the community was represented by official news not only as a geographical space, a social space, but also an affective place. The relocated community has been a web of affect-laden relationships among groups of emotional relationships. In short, the community's affective and durable relationships were reshaped to promote high consensus for the bid.

In addition to such kinds of cultural events, the Shanghai government has sought to use many means such as compensation and legal problems to deal with the issue of the relocation. While there was emerging negative information such as forcible demolition on foreign and alternative media, the official news of relocation was more often than not associated with the modernisation project to regenerate Shanghai's riverbank. In what follows, I will focus on how the government strategically represented the relocation process.

After the bid, the Shanghai government displayed vast amounts of images on the official Web site. They showed how living conditions would be changed and renewed as a result of the Shanghai Expo and the relocation process. In Figure 4.4, the banner flying in the air reads, "Give Away Your Spaces for the Expo, Achieve Your Wishes through the Expo":

Figure 4.4 Expo Garden

Source: Expo official Web site (9 November, 2005)

Like advertisements of real property, the image above was taken in a new

community – the so-called "Expo Garden". New communities were usually located in

Shanghai's suburbs with some built along the riverside. With modern physical

infrastructures and amenities, the relocation actually met with some residents' desire

to leave their crowded apartments, poor living standards and harsh street lives. On a

closer examination of some public spaces within the new community, one may find

out some subtle strategies drawn on by the Shanghai government. Revisiting the

previous cultural festival, I stress that the Shanghai government has used a number of

measures of commitment to maintain and facilitate the shared history and local

identity. The relocation became part of urban regeneration. Also, economic

development included reservation of cultural tradition to satisfy the residents'

nostalgia and to develop the tourist potential. The Shanghai government has co-opted

partnerships such as cultural producers or redevelopers to transform old buildings and

factories into industrial museums and outdoor music stages. Figure 4.5 shows a scene

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of monumental archways within "*longtang*", a special form of residential building in Shanghai. The archways were preserved in the new communities to signify a history of specific work units and buildings relocated for the Expo. The archways were combined with the relics of the old community such as stone-gate house, frames, bricks and road stones.

Figure 4.5 Expo Garden 2

Source: 22 December, 2006; Shanghai Evening Post

In terms of cultural preservation, the notion of "community" has represented a common focus for Western urban development. Instead of an emphasis on traditional work units, the sense of community between the government, the market, and individuals has come to the fore in Shanghai's urban regeneration. In official commitment, the community not only foregrounds the exercise of political power for the bid (e.g., mass mobilisation for relocation), but the exchange relationships between local government and residents in the market system.

Nation-Building

Since the impact of Western imperialism in the mid-19th century, nation-building has been a long-term wish in modern China. Expo fits this pattern. As I described in Part One, Expo was institutionalised under an international organisation framework (BIE) in the aftermath of the First World War. Unlike trade fairs, Expo depends on the official organisation of a nation and diplomatic channels to invite other nations as exhibitors. Thus, China's participation in Expos of the last 150 years reflects a broader context of nation-building. Indeed, China's modern history (Spence, 1990) involved the state and individuals' efforts to build up a formal "Chinese" country independent of foreign dominance. As I discussed in Chapter 2, nation-building was first embodied in the establishment of the "Republic of China" when Sun Yat-sen led the 1911 Revolution to overthrow the last imperial dynasty. The revolution did not end foreign occupation, but instead was followed by civil wars and the Japanese invasion. Also, nation-building has an ethical implication that the official definition of the Chinese country should include all Han and non-Han ethnicities within a sovereign territory. To some extent, that was realised in a new country under Mao, but nation-building remained unfinished due to a lack of international recognition in the Cold-War context. In the reform era, China's attempt at nation-building was more complicated than before.

1. Ambivalent Modernity

The Expo is the product of Western imperialism. Relations between China and the Expo show the ambivalence between China and the West. An official text below shows how the government today deals with China's early participation in the Expos. At stake was how China learns from Western modernity, such as technologies, while maintaining its nation state and traditional culture:

Since 1840, Western powers have intermittently invaded this huge but weakened country, nearly eliminating China. But China is a country with a legacy of talent. Confucians believed in cultivating their moral character and maintaining a well ordered state. Their bravery protected the country from ruination…The Chinese wanted to learn from the world. They exerted themselves to shake off the mentality of a timeless continuity formed by thousands of years and to learn from the West. So, as an exhibitor, China has opened itself to the world by developing countless ties through the World Exposition (Official Web site of Shanghai Expo 2010).

The extract above begins with a historical perspective of a history of humiliation. China's national identity was at stake as a result of the invasion of European powers and internal rebellions. In this context, the Qing government lacked the ability and budget to attend the Expos. Indeed, images of China in earlier Expos were presented not by the Chinese people, but by the Chinese Customs Service under foreign officials. Specifically, Sir Robert Hart, the inspector general of the Chinese Maritime Customs Service, was in charge of issues around the exhibitions for almost fifty years (Wright, 1950). Under these foreign organisers, images of China showed a great deal of colonial exhibits for "triumphs of hegemony" (Rydell, 1984). At the 1873 Vienna World Fair, for example, the exhibits included not only China's cultural relics but also its foreign trade documents among 14 treaty ports from 1855 to 1865, including commerce, shipping and goods catalogues. Several Chinese merchants from the largest port at Shanghai volunteered to contribute their finest wares. These exhibits served the purpose to show off colonial powers in justifying their domestic policies, foreign trade and governance in China (Vennman, 1996). At the Centennial Expo of 1876 in Philadelphia, for example, China's handmade rather than machine-made

goods foregrounded a traditional culture and skilled craftspeople, but exposed a lack of technological development in comparison to the technologically advanced nature of American civilisation (Haddad, 2007). Organisers arranged the foreign exhibits in connecting race to scientific and industrial progress achieved by the various participating cultures (Rydell, 1984). One can further consider a picture below that was mostly criticised by the Chinese government today.
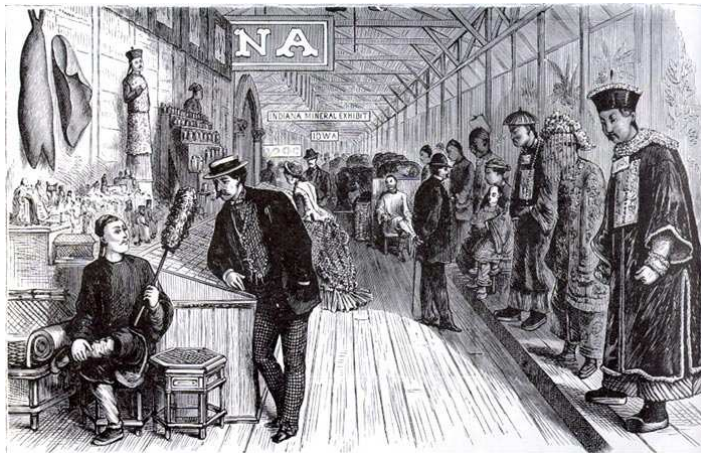
Figure 4.6 Chinese Exhibits in Expo 1876

Source: Leslie and Norton (1877, p. 202).

Figure 4.6 shows the dozens of statues on display at Expo 1876. Sir Robert Hart aimed to represent real Chinese life with these life-size statues, including a wedding bride, a woman with bound feet and her child, a schoolmaster, a money changer, three soldiers, and a Buddhist priest with a shaved head (Haddad, 2007). In the eyes of foreigners, these Chinese exhibits were rather amusing, but the image was criticised as humiliating China and constructing China as an exotic "Other". In fact, the image not only shows statues, but also Chinese officials (on the left of the image). These Chinese were the display in the early Expos – the ethnological exhibitions such as "native villages" – which later became institutionalised after the 1870s (Greenhalgh,

1988).

China's earlier involvement in Expos reveals an ironical interpretation of the government today. On the one hand, exotic images of China in the Expos were criticised for representing the loss of national identity. The government was critical of the history that represented humiliation instead of national pride for Communist China. In this context, one can understand why a specific period of Chinese involvement (the Republic of China to the Maoist era) has been omitted from official Chinese documents today. After Chiang fled to Taiwan in 1949, following the Communist conquest of China, Taiwan's Republic of China government continued to claim sovereignty over the Chinese mainland between 1949 and 1975. Communist China's international position was not recognised by most Western nations and the United Nations during the Maoist period. Taiwan's Nationalist government (the Kuomintang; KMT) became the legitimate government of China to represent the country in attending Expos until the 1970s. In the post-colonial context, on the other hand, the government today does not undermine the significance of the Expo. Instead, it stresses that China needs to build a new nation by "learning from the world" (that is, hosting the Expo). I here address a popular issue during the bid that the government mobilised local academics and citizens to carve out history from archives and family trees in relation to the Expo.

2. The First Chinese in Expo

    The hero of the story is *Rongcun Xu*, a merchant from Guangdong…He was one of the

    first merchants who came to Shanghai to do business after Shanghai opened its ports.

    There he acted as a comprador in the Dent Company established by businessmen from

    England…If there were no World Expo, *Xu* would just be a famous businessman among

    Metropolis Infested with Foreign Adventurers. But the World Expo greatly lifted the

status of this businessman and engraved his name into the history book of the World

Expo…. (Expo Magazine, 2005, Issue 3)

A Shanghai citizen showed 150-year-old family records that revealed his ancestor was

Rongcun Xu, an attendee at Crystal Palace's 1851 Expo. As China's earliest link with

the Expo, Xu was strongly promoted by the government as he had brought the 12

packages of self-made "Huzhuo Silk", causing a great stir and winning gold, and

silver prizes from the Royal Society of London in 1852 (Shanghai Library, 2002).

This case shows China's early civilisation and cultural innovation can be comparable

to the Western countries. The comment emphasises the role of Expo on the world

stage whereby Xu's low social status was largely improved from an underclass to a

"hero" (the merchants were a relatively lower class in imperial China).

On closer examination of this official text, however, what is missed here is a link

between Xu and the foreign officials who organised the exhibits from all the treaty

ports. The government today only focuses on the performances of Xu, but lacks

critical reflection on this comprador from various treaty ports. As a merchant to do

business with foreigners, Xu had less sense of national identity than an intention to

display his finest collections for financial gain. In this sense, his performance met

ironically with Western tastes and expectations of Chinese luxurious, exotic goods.

Therefore, the first Chinese who was promoted by the government in fact

paradoxically shows China's path of nation-building as unfinished.

Likewise, Expo 1876 saw the first Chinese official – Gui Li – who was promoted

by the government to witness the products and power of the Western countries. In his

republished travel diary, *New Account of Travelling around the World* (Li and

Desnoyers, 2004), for example, Li describes that Expo was by no means a assemblage

of curiosities to please the tourists, but a collection to increase knowledge. Indeed, Li

was promoted because his official perspective justified China's reformed path to learn from Western technologies.

According to historical analysis, however, one should note that Li was hardly an official scheduled to attend Expo because of the domination of Robert Hart and other foreign staff. Therefore, there seems to be a strategic emphasis by the government today on Li's role as an official rather than a tourist. Moreover, Li's autobiography (Li and Desnoyers, 2004, p. 4) showed that his origin of education in the Confucian tradition and position within the imperial bureaucracy reflected the logic of self-strengtheners to utilise the "function" from Western studies (ships, arsenals), while keeping the Chinese "essence" (Confucian education). This represents the ambivalent logic toward modernity derived from a classic debate in the earliest reformers of the self-strengtheners' formula: "*zhongxue wi ti, xixue wei yong*" (Chinese studies for the essence, Western studies for practical application). In this sense, Li admitted to confronting a strong feeling of "otherness" amid new surroundings within the Expo. Indeed, as a genuine Chinese with long tailed hair, however, the exhibitor himself usually became an object of attraction for the crowd (Haddad, 2007). He and other exhibits were constructed as part of the display under the foreign organisers who appeared to justify foreign colonialism and Chinese exclusion.

In all, these Chinese exhibits showed a lack of opportunities for self-representation but the humiliating historical context. The colonised history of China and Expos shows a more complicated process for China in hosting Expo. Today, the government strategically emphasises the key towards China's modernity lies in the strength of the state as well as the pursuit of Chinese identity. As shown in an article titled "Century-old dream may come true" from a Shanghai-based newspaper, an early "reformist" – Cheng Kuan-ying –proposed to host the Expo in Shanghai to the

Qing Dynasty emperor in the late nineteenth century. Cheng was a comprador

working for a foreign business firm as well as a famous institutional reformer. In his

famous pamphlet called "Words of Warning in a Great Age", Cheng argued for saving

China by reforming the parliamentary system, the advocating mercantile nationalism,

commerce and industry, rationalising the new merchants' status (Hao, 1969).

Therefore, Cheng's comment is promoted by the government today to highlight how

Expos could bring technological development and business to the host countries.

> …In his proposal to the emperor, Cheng wrote, "If we want to make China prosperous,
>
> we have to hold a world expo; and if we hold one, the city of Shanghai is the best
>
> choice."…However, Cheng was living at a time when China was falling prey to foreign
>
> powers, and his idea for a world expo could be nothing but a dream (*Shanghai Daily*,
>
> October 24, 2002).

As a comprador (Hao, 1969), Cheng showed how a Chinese merchant in the biggest

treaty port promoted opportunities in commerce and foreign trade. His status as a

comprador was perhaps still at odds with the communist ideology against foreign

domination. However, Cheng's view of hosting the Expo as an illusion to imperial

dynasty is symbolically important for the present context in hosting the Expo.

Although hosting the Expo concerns the local development in Shanghai, a strong state

is a necessary in realising the nation-building from foreign domination.

In conclusion, the purpose of this section concerns both a history of China at the

Expos and how the Chinese government represents the history of Expo and China.

Overall, both suggest a different contextual basis between developed countries and

China in hosting the Expo: building a formal country with greater international

recognition as well as independence from foreign domination. Hosting the Expo

involves the path toward the West, but paradoxically keeps a distance from external influences such as national sovereignty, cultural values and tradition. In comparison, Western developed countries hosting the Expos emerged from a different context: imperialism. Today, as a result of technological developments, social organisation and people have new practices and daily experiences in a media-driven world. In this context, the Expo becomes less appealing among some developed countries, especially policy planners and information pioneers in the US. During the 1990s, for example, the US Congress disapproved public-sector organisation and public funding in mega-events, and withdrew from participating in Expos and the BIE. Also, a US-based "Internet 1996 World Exposition"[11], provided an intangible form of display to highlight "physical" expos as obsolete in the information age. In terms of nation-building, however, the growing suspicion about the Expo's international status is not the case in China. The example of the Internet Expo 1996 showed a Western-centred and technological determinist perspective that often asserts the effects of new information technologies more than was argued.

The Organisation of Shanghai Expo 2010

China hosting Expo is not different from any other host countries, which are subject to solid organisation, procedures and regulations by the BIE. Before analysing the organisation of Shanghai Expo 2010, I briefly introduce different timelines and processes of China to comply with the requirements and formal diplomatic relationships of the BIE. To host the Expo, China first became a member of the BIE in 1993. After applying to host the Expo in 1999, China passed the examination set by BIE's Committees and authorities by deciding the theme and submitting technical and

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[11] It was launched by Carl Malamud (a leading figure of public works online) and Vint Cerf (the Internet founder).

financial proposals. In late 2002, China won the bid at the 132nd BIE General

Assembly in Monte Carlo by gaining more support from 88 member states (54 – 34)

against Yeoso of South Korea. From 2003 to 2006, China spent 3 years completing

the registration process for submission to the BIE. Registration involved the

formulation of a comprehensive plan for the Expo site, a design plan proposed by

local and international planning companies. China started to invite other nations and

international organisations via diplomatic channels to participate in the Expo. In

addition to the BIE formal procedures, the government also carried out relocation

work by 2005. The Chinese government participated in and consulted other host

countries such as Expo Achi Japan in 2005 to promote Shanghai Expo 2010.

My analysis of the chronological development of the organisation of Expo in

Shanghai can be divided into two parts. First is the bidding process from the late

1990s to late 2002. The organisation demonstrates a two-layered structure between

the state and local government. Local government exerted influence and power over

the urban domain, but its operation had been subordinated by the state. Second, the

organisation of Expo expanded towards entrepreneurialism to co-opt other

market-institutions. However, I show that the development recalled the ambivalence

of Chinese modernity. Recent scenarios indicate the tensions between the state and

local government, the local and the global.

The Bidding Process

Expo was initially organised by local government. During the late 1980s and 1990s,

the Expo was initially staged by local leaderships in urban regeneration. Ex-mayor

Wang Daohan led local scholars and technocratic managerial elites to study the

feasibility of hosting the Expo. When the Shanghai-based leaderships gained power in

Beijing (e.g., Jiang Zemin), the Shanghai government was encouraged by the state to

fulfill its ambitions. Political elites and planners within the Municipal Foreign Economy & Trade Committee (FETCS) provided the earliest ideas and human resources. The function of this institutional formation resembles the foreign-dominated custom in the late Qing Dynasty. At a FETCS meeting in early 1999, the ex-mayor, Xu Kuangdi, presented a formal proposal: "The Assessment of Cities Bidding for Expo 2010". He emphasised that Shanghai could bid for the Expo on the basis of the development of Pudong, resulting in the Shanghai authorities bid for the Expo. In 1999, the first institution – the Bidding Office – was established as the executive unit within the Shanghai government. Its head was Wang Junyi who continued in his role as vice-director for the FETCS. After late 1999, the Shanghai government had State Council approval and the bidding process was in full swing. The organisation of Expo began to recruit actors from the state and other municipalities and provinces. On a national level, the Bidding Committee was established as the decision-maker in Beijing in early 2000. The Bidding Committee was chaired by the vice-premier of the State Council, Wu Yi, who was China's most powerful female politician engaging in China's foreign affairs, such as the negotiation into the World Trade Organisation. Under Ms. Wu, the organisation expanded to the departments of the central government and diplomatic channels. In fact, these early actors were based in the system of foreign trade and commerce that recalled a longer history between China and Expos.

The bid was launched to win the final ballot of 89 member countries of the BIE. Throughout the local media and the Shanghai government propaganda office, there had been a high level of popular support to show how citizens engaged in Expo-related events (designing the themes, slogans, posters and badges) and in some civil campaigns (improving their English skills, manners and living environment). On an international level, the bid involved Chinese delegates such as national leadership,

ambassadors and consuls who canvassed foreign politicians, officials and diplomats on different local and international occasions. As ⅔ of the member countries were developing countries, and 10 of them had no diplomatic relationships with China, China employed an unprecedented strategy in Expo's history, providing developing countries with subsidies (i.e., $100 million dollars in total), exposition space, transport of articles, and international trips and accommodations. China's unusual move to privilege developing countries showed a sense of bribery, which was not the case in previous Expos and other bidding countries.

1. Connections between Patrons

In terms of the organisation of Expo, a characteristic of collective leaderships of state-institutions was publicly represented. For example, the Bidding Committee consisted of most state departments and some Shanghai-based leaders. On closer examination, however, the involvement of some high-profile political elites represented not only a professional background (e.g., foreign trade), but also connections between patrons. For example, Zhou Hanmin, the first standing delegate of the BIE on behalf of China, tried to influence other member countries during the bid. As a key actor in the development of Pudong and China's entry into the World Trade Organisation, Zhou engaged with the Expo as he was a former Shanghai-based academic consultant under ex-mayor Wang Daohan in the 1980s. To some extent, the phenomenon of connections between patrons not only reveals interpersonal relationships between local elites on the urban domain, but also represented broader social ties within state-institutions. The latter concerns vertical administrative connections, the so-called "*xitong*", through which the central state can intervene in the development at the local level. Connections came from a top-down process to mobilise staff from Shanghai-based work units such as media, enterprises, schools,

universities. In an "official book," *The Unforgettable Bid* (Bureau, 2003, p. 39), for example, Ms. Zhang, a graduate student at Shanghai Music College, reviewed how she was recruited to serve for the Bidding Office:

> …In September 2001, I received a command from the Party Committee of my college. I was asked to serve for the Bidding Office. After the interview and training, I became a member of staff during the bidding process. Having this temporary duty, I felt honoured to serve for the nation…With my major in Russian language, I was assigned to contact Asian countries such as Uzbekistan…We received the foreign ambassador and went to visit central Asian countries….(Bureau, 2003, p. 39)

The official book was published by the Bureau after the bid. There was a collection of short articles written by officials, members of staff and volunteers who reflected on their works during the bid. According to the book, the bid was organised temporarily on a number of levels ranging from the elites at the top, the staff at the middle or the volunteers at the bottom. Ms. Zhang's case showed that most staff members were based in Shanghai, and their professions in relation to foreign affairs such as foreign language were recognised and recommended by superiors. The state had the upper hand in the organisation of Expo during the bidding process. Through mobilisation, most staff members were called up from party work units. In every Shanghai university, for example, there were at least two senior scholars who were temporarily dispatched to work for the bidding process. This showed the two-layered structure between local government and the state for the organisation of Expo. In this sense, the state still had some degree of influence in mobilising human resources within the work units. The state had many levers inside and outside the organisation of Expo to assist local government in so doing. In the name of national interest, most members of

staff were not independent of the state's command.

2. International Consultation

International consultation took place between local organisers, previous host countries, and foreign experts. An original master plan, "Flower Bridge" cross the Huangpu River, was designed by a French planning company (Architecture Studio) that competed against other international counterparts through a Planning and Design International Seminar. The international consultation process has a long-term history since the reform era, which developed from the previous experiences of Shanghai's urban development during the 1990s. Local heavyweight politicians (particularly Zhu Rongji) and senior Shanghai Municipal Government advisors realised local planners needed to be shaken from their "standardised and inflexible patterns" (Olds, 1997, p. 116). In this regard, the involvement of famous designers outside the bureaucracy had become a "social learning process" in China where "creative thinking was demonstrated by foreign experts in a relatively free-wheeling planning expertise" (ibid.).

In fact, little information showed how these foreign actors specifically worked with the state-institutions. In addition to ideas providers, there was no information of their deeper involvement in the organisation of Expo in terms of partnerships or joint ventures. In comparison, however, the essential part of execution was assigned to the local cultural producers. These local cultural producers can be understood as "cultural intermediaries" who were trusted as insiders to implement commands from the bureaucracy. They usually operated across networks and used knowledge of these networks (social and cultural capital) to generate their business. They know the language of policy and the language of the cultural (or economic) sector—to mediate the aims and needs of each into the language of the other. During the bid, for example,

Zhang Yimou, an internationally recognised director, was selected to make Expo's promotional films:

> The Shanghai government expected me to display more footage of China than that of Shanghai…This take is different from the film I shot for the Beijing Olympic Games that touched on Beijing instead of the whole country…In a major revision afterwards, we were asked to change. Shanghai's scenes must take up at least two third of the whole film! In the beginning, the Hong Kong-based production companies could not cope with such a reassessment. According to my experiences in the Beijing Olympic Games, however, I convinced them to understand that the film was shot for the nation rather than individuals. We need to follow the decisions of leaderships and Bidding Committee.
>
> (Zhang's interview translated from *Beijing Youth Daily*; December 8, 2002).

According to this quote, the Shanghai government's concern about the footage showed a link between the Expo and nation-building. In comparison to the Olympics, for example, the Shanghai government initially placed more emphasis on China instead of Shanghai. While there was no information in terms of reasons for revision afterwards, there seemed to be a hierarchy of cultural distinction in which local government was quite aware of the role of the state. In this sense, there appeared to be little room for cultural producers to argue with the leaders in terms of individual creativity. To some extent, these cultural intermediaries even needed to play a role as negotiator between the bureaucracy and external networks, such as Hong Kong's production companies. In comparison to the US and Europe, the concept of cultural intermediaries might be different in this Chinese context as they were hardly independent of the bureaucracy. O'Connor (2002), for example, highlights that many cultural intermediaries and artists have emerged in cities across Europe that are more

flexible, more able to take risks than the formal public agencies. China's organisation of Expo showed that the local Chinese cultural intermediaries seemed more often than not to be conformists.

Preparation

Following the bid, the organisation of Expo can be explored according to two aspects. First was mass mobilisation in which the key driving force was the state's social organisation. This depended, to some extent, on the connections between patrons mentioned earlier. There was an emphasis on the social efforts of the organisation arranged for a large population. Secondly, the organisation of Expo underwent an institutional shift from bureaucracy to urban public-private partnerships. With more entrepreneurial approaches, the Shanghai government initially introduced more investments and new employment sources outside the bureaucracy. However, the new approach depended on the dynamics between the Shanghai government and the state.

1. Mass Mobilisation

In examining the organisation of Expo, mass mobilisation cannot be overlooked as it marked a distinct strength of social organisation in China's communist history. In Mao's Hundred Flowers Campaign during the Cultural Revolution, for example, people were encouraged to provide their popular views and solutions to the society. In the case of Expo 2010, mass mobilisation was common in the bidding process to promote popular support. After the bid, there was a five-month-long discussion on "World Expo 2010 and the New Round of Development of Shanghai".

To solicit ideas from below, the city-wide discussion was organised by the CCP in association with the Shanghai government to hold seminars, conferences, and competitions in work units such as media, schools, enterprises, social organisations

and universities. In examining this discussion, mass mobilisation reflected how people from either above or below could participate in the organisation of Expo by providing ideas. Through the discussion, some local experts were solicited from their work-units to serve within the organisation. Also, it showed how the state could mobilise citizens to engage in the low-end of the organisation. For example, 100,000 Shanghai-based taxi drivers were the first group to receive Mandarin and English training (*Shanghai Daily*, December 10, 2003).

On the other hand, mass mobilisation was staged by the state's social organisations to survey and regulate most citizens in representing a bright "face" of China. In fact, in every mega-event held in China's urban areas such as the 2008 Olympics, this form of mass mobilisation was rather common in different civil campaigns including speaking the official language rather than slang; not spitting in public; not rustling plastic bags; forming queues; and keeping public toilets facilities clean. In early 2006, a seemingly old-fashioned campaign, "A Million Families Learning Etiquette," was implemented via free citizen manuals, local schools, and the Internet. This campaign was mainly organised by the Women's Federation, a state-related social organisation, which has solicited hundreds of volunteers for providing etiquette education to local residents ahead of the 2010 World Expo. To some extent, these civil campaigns showed a parent-like government which provided pedagogy and moral education to local residents. To clear up the dark side of China, the citizens resembled children or pupils under a certain kind of surveillance.

In short, mass mobilisation denoted China's distinct social organisation to involve the participants from below through different forms such as discussion or civil campaigns. In this sense, the organisation of Expo 2010 was not restricted to the key organisers or institutions, but widely included the citizens and state's social organisations as a whole.

2. Towards Entrepreneurialism

During the preparation, the organisation of Expo was still mobilised and regulated by state-institutions within a two-layered structure. As one of state-institutions, the local executive unit of the Bidding Office was renamed as the Bureau in mid-2003 and was managed by Shanghai's vice mayor. The overlapping roles performed by leading officials highlights the Bureau's higher status within city administration and the link formed between the Shanghai government and the Bureau. The Bureau needed to report back to two decision-makers— the Organising Committee in Beijing and the Executive Committee in Shanghai – which consisted of leaderships by the state and the Shanghai government. Based on the establishment of the Bureau, there was an institutional shift of the organisation of Expo to co-opt new partnerships.

One can examine different new actors by considering the role of the Bureau by its full title: *The Bureau of Shanghai World Expo Coordination*. By coordination the Bureau deals with different relationships between Shanghai, other local governments, and the state. In addition, it represents China to solicit experts and human resources outside the local bureaucracy, such as experts, BIE officials, representatives and member countries, past Expo organisers and government officials. The Bureau, for example, organised various events such as the International Planning and Design Seminar held in mid-2004 by inviting foreign planners to comment on the Flower Bridge master plan. Moreover, the emphasis on "coordination" shows that the Bureau is not involved in the decision making. To some extent, the Bureau was established as a temporary institution specifically for Expo 2010. It acted as a coordinating body between the bureaucracy and market-related actors (such as transnational companies, countries and international organisations).

A number of new institutions were added to the organisation of Expo to develop partnerships outside the bureaucracy. First, the Centre of Land Reserve and the Land

Holding Company were set up in early 2004 to assist the organisation of Expo in the acquisition of land around the site, the construction of infrastructure for the Expo, and providing housing for relocated residents. Also, the Group was set up to recruit exhibitors for the event, managing venues and other Expo-related operations. The Group consisted of some state-owned enterprises and other economic and cultural institutions, such as the State-Owned Assets Supervision and Administration Commission, Shanghai State-Owned Assets Operation Company, Shanghai Media and Entertainment Group, and the local Council for the Promotion of International Trade. In addition to some local merged companies such as Shanghai Eastbest Investment Company and Shanghai International Exhibition Company, the Group also sought to work with outside investors and business partners, particularly in service industries such as logistics, transport, and advertising. To realise how these institutions operated, I have sought to collect materials from official documents and my own fieldwork (see Chapter 5). However, far from clear was who made decisions within the Bureau, and how the Bureau specifically worked with these new institutions. Nevertheless, there is no doubt that the Bureau had power assigned from the state and local government to possess the resources, such as the new institutions, that enabled it to provide leadership in negotiation. Also, these institutions create a form of social collaboration to mobilise and regulate new actors and resources. In what follows, I analytically separated the functions of these institutions in relation to the market and international actors. I want to highlight the fact that the Shanghai government was a driving force behind more entrepreneurial approaches, but the ultimate development continued to be dependent on its dynamic relationships with the state.

(1) Market Partnerships

As China passed the registration master plan in late 2005, new institutions evolved

different means of attracting new forms of investments on a local and global level. Take the debut of F1 (Formula One) in Shanghai, for example. Having China's exclusive right to run F1 in 2004, the Group could benefit from huge commercial returns for at least five years. F1 enabled the Group to seduce private enterprises to brand themselves through souvenirs, TV broadcasts, and sponsorship. Like Western urban areas, this represented a new urban politics to develop urban public-private partnership (Hall and Hubbard, 1998) and reflected a strong leadership capacity and bureaucratic professionals from the Shanghai government who deliberately fulfilled specific proposals towards entrepreneurialism. In fact, these measures could not be achieved without the state. From 2005, for example, the Land Holding Corporation issued bonds to fund the construction of exhibition halls. In the launch of bonds, the driving force – officials from either the Shanghai government or the Bureau – were highlighted in the Shanghai-based media. However, local government was still not allowed to issue bonds by national law.

In another issue on intellectual property rights, the tension between local government and the state was also highlighted. While China entered the WTO in 2001, there was still a lack of intellectual property rights that produced a grey area for the organisation of Expo to link with the private partnerships. In this sense, the Shanghai government solved the anxiety of investors and participating countries about their "private" interests by severely punishing some cases. After mid-2003, for example, Shanghai Honghui Real Estate Development Company, a local real estate company, was the first case to pay the price. This company was asked to offer a public apology and 200,000 yuan ($24,096 USD) in compensation. The punishment represented the organisation of Expo's strategy to monopolise market benefits, such as relocation work, development of supporting transportation infrastructure, and the development of energy resources. While the interests of city residents were said to be protected,

those who would benefit more from this move might be the governments, participating nations, and foreign exhibitors. More importantly, this issue in relation to property rights might show a tension between local government and state. In mid-2004, the Shanghai government asked the State Council to enact a nation-wide regulation for the protection of Expo 2010's private assets. On a national level, this new policy could have been considered by the leftists as a risky move as it might mean leading the Communist collective ownership towards a market economy. By leftists I refer to some conservative cadres who still stick with orthodox Marxism. They emphasise the importance of state control of the economic base such as land. Once a legal system is enacted to protect property rights on a national level, a substantial number of social disputes might ensue. The former collective properties such as land could be sold or used by individuals as security to borrow or invest. The state would not easily manage and mobilise the property as usual. In China, therefore, the new policy was designated specifically for the Expo.

Indeed, the institutional shift towards entrepreneurialism referred to a more open source of the organisation of Expo. The existing structure was made available to new actors and talents through different sources. In addition to new institutions, for example, the Bureau posted new vacancies on the official Web site, in the mass media, and on the Internet on-the-spot employment and head hunting teams. This marked a difference from the relatively closed organising process during the bid. There appeared to be a shift in the perspective of patronised connections by increasing the range and diversity of "weaker" connections through freewheeling, fluid, and open networking. However, the organisation was still a relatively closed structure under official scrutiny. Most measures, information and resources have to be authorised by local government or the state, and actors were far from independent of the state-institutions.

(2) Localisation

In late 2004, a transnational advertising agency Ogilvy & Mather was appointed by the Group to define the Expo brand and plan its promotion. In the Chinese context, however, Ogilvy & Mather was by no means a purely foreign agency due to a joint venture relationship with China's biggest domestically-owned agency - Shanghai Advertising Ltd. - during the mid-1980s. Indeed, while the official plan showed that the organisation of Expo would select 10-12 global partners and around 15 senior sponsors, there were no independent global sponsorship partners. The international actors that participated in the organisation of Expo were those famous brands with the joint partnership with local actors. In 2006, Shanghai Automotive Industry Corporation Group (SAIC) and General Motors Corporation (GM) joined forces to become the first joint partnership for Expo 2010. However, SAIC&GM demonstrates how the partnership arrangements for Expo 2010 extended past local companies to multinational corporations. This foreign-Chinese partnerships pattern did not change until German-based Siemens was recognised as the first multinational company in mid- 2007. Before that, all enterprises sponsoring Expo 2010 were far from globally owned partners but locally-owned or merged companies, namely East Airlines, China Mobile, China Telecom, Bank of Communications, and SAIC&GM. Particularly, I here address this tendency that occurred in the international consultation process for the master plan. The state intervened in the existing organisation and the foreign designers were replaced by local planners.

Like the bidding process, the organisation of Expo depended on foreign experts to solve the scarcity of creativity. From early 2004, the Bureau organised a number of conferences in relation to planning and design. In a forum in April 2004, for example, about 25 international design firms were invited to present their proposals to revise an original plan for Flower Bridge submitted at the time of bidding. This was followed

by a new round of bidding for the master plan launched in May, and the last 10 renowned design firms, representing 6 countries, were invited to put forward their proposals. In late 2004, the Bureau disclosed changes to the original plan by highlighting 3 finalists as new designers: Ove Arup and Richard Rogers Partnership; Perkins Eastman Architects; and Shanghai Tongji University. On further examination of the finalists, they were by no means newcomers to China's development during the reform era. Richard Rogers, chief advisor to the London mayor on architecture, for example, was involved in drawing up a master plan for developing Pudong from the mid-1990s and later cooperated with the Arup Group to bid for a major expansion of Pudong airport in 2004. Similarly, Perkins Eastman was not a new face in China, having been chosen to design the Shanghai International Medical Zone. As for the local designer, Tongji University, its influence has been widely highlighted in research (Olds, 1997) as a result of a famous Architectural Design & Research Institute and English-speaking Chinese planners and professors. Wu Zhiqiang, Dean of the College of Architecture and Planning, was selected as the chief planner of Expo 2010.

There was a controversy in early 2005, however, when the Chinese government dropped Architect Richard Rogers Partnership (RRP) from the master plan. The Bureau informed RRP that China intended to take on its concept rather than the firm itself. In this case, Richard Rogers flew to Shanghai to convince the vice ex-mayor that "while [the Chinese] had the concept it was really only the first idea in a framework that needed a lot more analysis." In a news report (Building, 2005 issue 03; www.building.co.uk), Richard Rogers furiously claimed that China breached the accepted practice of asking a winning architect to implement its designs. As the RRP partner Richard Paul puts it, "one would normally think winning the competition would be a ticket to take a further part in the development in one way or another." For Western designers, RRP's treatment by the Chinese government left Western

architectural firms vulnerable to the Chinese institutes taking control. Design consultants were concerned about the uncertainty surrounding their intellectual property rights.

However, this case was nothing new. One can revisit my discussion of the bidding process. I have highlighted a tendency of the Expo's organisation that the execution was always undertaken by a local design institute or cultural producers. That was also the case in the master plan during the preparation. In 2006, for example, Tongji and other local planning players such as the Shanghai Xian Dai Architectural Design (Group) Co Ltd, Shanghai Pudong Architectural Design & Research Institute Co Ltd, and Shanghai Municipal Engineering Design General Institute were selected by the Land Holding Company as site designers for a demonstration pavilion. To some extent, one can see this as a result of Western modernisation of Chinese city planning companies. Since the reform era, local planners have been expected to improve their conceptual and procedural horizons in catching up with the West. The Shanghai Xian Dai Architectural Design (Group) Co Ltd, for example, used to be a 50-decade-old state-institution, but has already became a top-200 planning company in the world by merging the East China Architecture Design Institute and Shanghai Architectural Design & Research Institute Co Ltd in l998. More importantly, this trend of localisation has in fact reflected a convention of the international consultation process since the early 1990s (Olds, 1997, p. 117). In the case of Expo 2010, RRP had no grounds to legally challenge the decision as the Shanghai authorities ran the competition as a consultation. To some extent, this showed a feature of entrepreneurial approach in the Chinese context. The Chinese government has preferred consultations to competitions as the former can be run more quickly to meet with the rapid pace of change. For foreign actors, this would be the risk in doing business with state-institutions as there would not be any assurance of future work. In

this sense, the Chinese remained in control of the development process because Chinese planners were able to "pick and choose" at their will. By state control one can revisit the previous historical account of China in early Expos in which these recent scenarios could be embedded.

3. Restructuring the Organisation

More widely, this development in favour of local state-sponsored design firms showed a recent change in power relations between the central and local government. China's president Hu Jintao launched a widespread anti-corruption crackdown on the Shanghai-based leadership; Chen Liangyu, secretary of the CCP and one of the city's chief political figures, was dismissed from his post. Under Chen, 480 million dollars of the city's retirement funds was illegally siphoned into speculative real estate and road investment projects. Chen engineered the city's successful bid for Expo 2010 and inclusion on the Formula One racing calendar. He was the highest leader in charge of the organisation of Expo on the local level. Chen's corruption in Shanghai overshadowed and influenced the development of the organisation. At least 20 of Shanghai's high-profile politicians and businessmen involved in the Expo have been targeted and investigated in relation to Chen's corruption. Chen's dismissal showed not only a corruptive case, but also a continuing power struggle between local government under Jiang and the Hu within the party and the country as a whole. It was partly a sign of the decaying power of the Shanghai-based coalition in Beijing because Chen used to be a close ally to ex-president Jiang Zemin.

Chen and his local powerful connections (his family, colleagues and their illegal business networks) represented a longer term of local economic development at virtue of bureaucratic-entrepreneurialism. They were the expression of local networking culture at the top in advancing the regional and local capitalism. Moreover, Chen's

case reflects a common scenario for China's mega-projects[12]. Thus, the scandal has broader implications, revealing the darker side of China's market reforms. Indeed, China's reform era largely depended on the networking culture of local elites between local government, private and public enterprises. These powerful networks on the local level were deeply involved in urban planning, infrastructure construction, real estate, finance, industrial technology, commerce and trade, tourism and hotels. They benefited from decentralisation, while abusing their power through the informal way of doing business – the so-called "backdoor" and under-the-table investments in the most prosperous sectors such as real estate.

As a result, the state has recently launched a new goal to host "clean" mega-projects. Because of Chen's case, for example, supervision systems have been built in Shanghai's finance and assets management sectors to improve transparency under public scrutiny. The central government set up a land supervision office in Shanghai to keep an eye on land deals in the city following a corruption scandal involving real estate and many top officials in the city. To some extent, the organisation of Expo was restructured; many high-profile local authorities were under supervision, many large-scale private and public development projects such as the Expo Centre and the Expo museum were placed on hold until additional investigations were complete to abide by the central government's policies on land use and macroeconomic controls. According to a news report from the *Architecture*

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[12] In 2006, following the dismissal of Beijing vice-mayor Liu Zhihua was the arrest and investigation of a number of senior officials, such as the chairman of Capital Group (Liu Xiaoguang, the largest construction and services company in Beijing) and the deputy director of the city's Olympic venues construction office (Jin Yan, the first official within the Beijing Olympic Committee targeted in the investigation). These local elites represented a symbiotic relationship in secretly developing and selling largely profitable lands adjacent to the Olympic Stadium. Given the group's five holding companies are listed on domestic and foreign stock markets, this news brought about uncertainty for the Stock Exchange (Watts, June 13, 2006).

Record (Yang, April 5, 2007), for example, another finalist design firm, Perkins Eastman, was influenced by the East China Architecture Design Institute in March of 2007 to design the Expo Centre. This news suggested some uncertainties by the organisation of Expo and it was uncertain whether the Chinese architect company would further collaborate with a foreign firm on a new design. Some projects in Shanghai have been delayed and changed. Also, the head of the Shanghai International Circuit in charge of F1 – Expo-related partnership – was fired in May 2007 because he used public money to buy a house and he accepted bribes. This issue reflects how the state increasingly controlled Shanghai and the existing power structure by breaking the city's bureaucratic entrepreneurial networks.

In a national Congress Meeting held in March 2007, a significant comment was raised by the BIE's Chinese chairman *Wu Jianmin* who directly criticised the Shanghai-based organisation of Expo. In his remarks, the existing organisation and production of Expo 2010 tended to monopolise resources from other cities and provinces. According to this criticism, an increasing tension between Shanghai and Beijing became clear as Chairman Wu represented the Chinese Government in Beijing. To Shanghai's authorities and organisers, Wu's remark could be interpreted as a significant reminder for the central authorities: Expo 2010 is a state-led mega-event, which relies on nationwide participation and support. The state showed a growing concern for the organisation of Shanghai as lacking a national sense of place.

Conclusion

Hence, the organisation of Expo 2010 reflected the social and political as well as the economic development of China. With two merits in hosting Expo 2010 (urban regeneration and nation-building, the organisation of Expo showed a two-layered structure. Also, China's hosting the Expo demonstrated the ambivalence of Chinese

modernity that was evident in current organsational process.

Basically, institutions and individuals were mobilised and regulated by state-institutions from the bidding process to the preparation of the event. There was an institutional shift as a response from local government to meet with the global urban competition. However, different timescales of the organisation of Expo represented two-layer asymmetrical power relationships in Beijing and Shanghai. While the Shanghai government was far from powerless, it did not have complete autonomy as the state's support was always needed. In this regard, this institutional shift showed a tension between local government and the state. While local government played a crucial role in the planning, execution, and recruitment of new actors, the state remained in control of the coordination of extra networks. A number of local actors could be replaced when the state wanted to determine which actors it wishes to use and to what level. Particularly, the latest development of the organisation of Expo became far less flexible and creative than expected. New actors were not open internationally and entrepreneurially. In a similar way to the bidding process, there was a preference for local planners and cultural producers rather than foreign ones.

In short, the development of public cultural events in Shanghai depended on an exclusive networking system based on connections between patrons. The organisation has not provided enough autonomy for new actors independent of the bureaucracy to engage in the Expo. It was strictly set in a two-layered structure in which the overarching authority was the state. Political authority largely determined organising capacities. While the Shanghai government was empowered by the state to explore some entrepreneurial approaches, it seemed that there was still a lack of an open trusted network to mitigate relative high risks of the collaboration/competitive aspects of clustering. The forging of collaboration between bureaucracy and extra

professional networks has been influenced by a constant tension between the state and

local government. For example, a tendency of localisation was followed by a

sophisticated development of politics. Importantly, this demonstrated how the

organisation of Expo 2010 was influenced by the local networking culture.

Chapter 5 Networking: A Story of Fieldwork

This chapter is a chronological review of my networking. Through networking, I aim to investigate the role of creative networks in Shanghai Expo 2010. Networking is not only the object of this thesis but it is also the main method of research and analysis. In this chapter, I introduce how I draw on this method of networking for my fieldwork, consisting of both email contacts and face-to-face meetings and taking place in several different locales – UK, Shanghai and Taiwan. I undertook two intensive fieldwork periods in Shanghai in February and during the summer of 2004. In many ways my method resembles a traditional ethnography. My object was to talk to people through in-depth interviews. The glossary below shows key mediators during my fieldwork. Instead of groups or organisations, the term of mediator means the "individual" negotiator who acts as a medium of communication between two people. I approached mediators with open-ended questions ranging from questions about their general knowledge to queries about their roles (personal backgrounds; expectations; work experiences) and social networks in relation to the Expo. The specificity of my method was a combination of face-to-face meetings and email contacts. Virtual ethnography of this kind (Hine, 2000; Wittel, 2000; Howard, 2002) uses technologically mediated interactions, in the form of email contacts. In this chapter, for example, I draw from many email contacts online. I emailed people after browsing a wide range of sources online, including search engines such as Google, websites, blogs and mailing lists. Emails were copied directly. They became a record of my observations of how I sought to initiate my networking and documented people's feedback over time.

In what follows, I describe the process of networking in some detail. Although this

sometimes seems like a record of failure, it was also, as we shall see, a vital source of

learning, a form of positive research. I show how I use networking as a method in the

search for the role of creative networks in Shanghai Expo 2010.

Figure 5.1 Glossary of Mediators

Mediator	Position and Location	Referee and Location
Bro N	Party cadre, Shanghai	Uncle F, Taiwan
Mr. B	Staff of Bureau, Shanghai	Chinese journalist, Hong Kong
Prof Z	British academic, UK	British academic, UK
Prof N	Chinese academic, Shanghai	Chinese academic, UK, Internet
Mrs. X	Taiwanese researcher, Shanghai	Wife, Taiwan
Bro W	Taiwanese Businessman, Shanghai	Taiwanese researcher, UK
Mr. K	Staff member of Bureau, Shanghai	Shanghainese church member, UK; T Agent, Shanghai
Prof W	Chinese academic, Shanghai	Chinese academic, UK, Internet
Prof L	Chinese academic, Shanghai	Taiwanese academic, Taiwan, Internet
Prof G	Chinese academic, Shanghai	Prof L, Shanghai
Prof D	Chinese academic, Shanghai	Prof N, Shanghai
Dr. Z	Chinese academic, Shanghai	Taiwanese researcher, Shanghai
Prof T	Chinese academic, Shanghai	Prof N, Dr. Z, and etc., Internet
British Council	British Council, Shanghai	British Council, London, Internet
Dr. W	Staff member of T Agent, Shanghai	Korean academic, UK, Internet
Teacher Y	Staff member of Bureau, Shanghai	Mr. K, Shanghai
Ms. G	Ex-staff member of Bureau, Shanghai	Church member, Hong Kong
Bro F	Taiwanese architect, Shanghai	Bro W
Bro S	Chinese designer, Shanghai	Design forum, Shanghai
Prof A	Taiwanese designer, Taiwan	Unknown mediator, Taiwan, Internet
British Consulate	British Consulate, Shanghai	Internet
Ms. L	Journalist, Shanghai	Hong Kongese missionary, UK
Prof Y	Chinese academic, Shanghai	Chinese researcher, UK

Preparation

Shanghai, known as the "dragon head" in the globalisation of China, has had massive flows of everything: capital, people, goods, services, symbols (see Chapter 3). As an overseas Taiwanese, UK-based PhD student, I had never been to Shanghai and did not have connections to Chinese mediators prior to this project. The starting point appeared to be challenging due to the politically antagonistic situation between China and Taiwan. Moreover, China remained a country lacking in transparency, often violating free speech and human rights. Nevertheless, I was quite optimistic about my first visit to China. As a result of ethnic and cultural-historical similarities, I was quite confident that I possessed some advantages in my fieldwork, such as my fluency in the official language of Mandarin, not to mention that there were currently more than 300,000 Taiwanese people living in Shanghai some of whom could be my existing mediators. Due to economic reform and the revolution in digitalisation and telecommunication, I assumed the current state controls had receded in comparison with earlier fieldwork (e.g., Yang, 1994) which had suffered from lengthy authorisation and close surveillance. Thus, my fieldwork appeared to be a relatively simple journey to a popular Chinese metropolis, rather than to somewhere that was distant and exotic.

In February 2003, at the start of this project, I could only find a few names and organisations in the official media, and had no idea how to obtain information about Chinese participants in Expo. However, right from the start I was presented with a great opportunity. I was accepted to present a paper at an international symposium on global cities held in Shanghai in June 2003. But sometimes life is not as simple as planned. On the point of setting off on my journey, I was informed that I had to withdraw from the symposium not because my Taiwanese identity had elicited some sorts of suspicion of my presence, but because of the outbreak of a fatal illness known

as SARS (Severe Acute Respiratory Syndrome) in East Asia. In this situation, China, Taiwan and Hong Kong became no-go areas, so I had to postpone my journey. As I was wondering how to proceed with my networking in the UK, I used the Internet as a methodological approach (Hine, 2000; Wittel, 2000; Howard, 2002). In addition to a circle of personal networks (kinships, friends and acquaintances), I started networking online.

Route 1: Mediators in Acquaintance Networks

At my computer in Nottingham, I was excited about issuing my first request to my acquaintances in Taiwan and the UK (see initial request below). This includes a very small number of family members and more than 60 contacts among friends, classmates, church members, and university students and staff. I imagined I could make a series of contacts that would snowball:

> I am starting my second year research in the UK. I am wondering if you have known or come across anybody concerning Shanghai or China, who might be useful for me to know my topic - Shanghai Expo 2010…I need some names and their contact details (Yu-Hsuan Lee, the first request via email, September 3, 2003)

Within the first month, I felt rather content with some indirect clues from acquaintances. However, I was depressed that they turned out to be repetitiously ineffective contacts. An original contact was referred by my father's brother-in-law, Uncle F, a university professor in Taiwan, who is a publisher of business management texts in China and Taiwan. Unsurprisingly, my uncle quickly introduced a Shanghainese friend who had friends working at the Bureau of the Expo. However, his friend (Bro N) did not reply to my email. I made several international phone calls, but in vain. I did not obtain any response from Bro N until Uncle F phoned him one

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month later. Consequently, I found it difficult to get a clear perspective on Bro N as no information was offered. However, I did extract a promise from him to meet me when I was in Shanghai.

In addition, there was an exciting contact from my Taiwanese classmate from graduate school, now an assistant professor at the Macao University, whose journalist friend in Hong Kong forwarded me a telephone number of Mr. B. Mr. B was a member of staff at the official organisation of the Expo Bureau. I desperately phoned Mr. B by feigning myself as a friend of that unknown mediator in Hong Kong, and he kindly agreed to help. However, I was stuck with his promise; he preferred to meet in Shanghai rather than to talk on the phone. At that point, I started to doubt my long-distance networking. Finally, he replied within two weeks, but the text seemed familiar to me because it turned out to be simply a newsletter about the bid, which can be found on any official websites. Nevertheless, it seemed that I was somehow interesting to him; he was tempted to know about my research by informing me that the Bureau needed some transnational professionals. I later expressed my curiosity about his past story, and enquired if I might visit the Bureau. About one month later, I received a surprisingly detailed email as follows:

> I have been working at Municipal Committee's office regarding information and then worked for transformation at a state-owned foreign-trade corporation. My capacity was recognised by leaders of the Bidding Office so that I started to participate in the bid from early 2001…I have frequently connected with the departments concerned of the central government and SMG. I was responsible for the arrangement of leaders' activities, connections and organising meetings. (Mr. B, email, December 25, 2003)

I was somewhat encouraged by Mr. B's second email. He was just like a friend in revealing his private life and organisational work during the bid, information which cannot be found via public sources. Unlike most members of the staff of the Bidding Office who had returned to their original work-units after winning the bid in 2002, he had remained in the Bureau that succeeded the Bidding Office. He had good connections to official cadres and was not like a bureaucrat as imagined (see "connections between patrons" in Chapter 4). Thus, I saw him as a significant mediator within the Bureau. I made a request of him to introduce other members of the staff. My eagerness, however, was the end of our relationship as he refused to talk anymore. What puzzled me was his sudden silence. At the time, I considered all kinds of "Big Brother" scenarios in China. In some way, was it felt that he had exposed himself to a stranger without having met me? I wondered if his silence was self-censorship as a result of fear. However, I had no answer.

In addition to mediators over long distances, there was another promising contact among professional links in the UK. Prof Z, a UK-based professor, was, I was informed, an advisor in a consultant's committee for Expo. By email, he told me that he and a few foreign academics were organising a colloquium in 2004 to help the SMG (Shanghai Municipal Government) formulate the concept of Expo. He seemed to be interested in my project and admitted to having some contacts from the conference organisers. Based in the UK, I thought that I might be in a particularly advantageous position to get access to him, and even to take part in his symposium as a co-organiser. After a few email contacts, I later realised that Prof Z claimed to be at the behest of R, a world-famous architect, whose urban-planning group was involved with an international bid for an architecture project for Shanghai Expo 2010:

I will be in Shanghai and Nanjing for 2 days later this month. But given the tight

timetable I probably won't meet too many people and just have one meeting on the

world fair…It is a bit delicate and I need to see how things develop before passing on

name cards at this stage as we are not the main players, but just supporting cast to

R. Should he succeed in the bid to be the main concept designer then it should be

easier. So maybe you could be patient. (Prof Z, email, April 2, 2004)

In April 2004, Prof Z told me that a presentation by R's architecture group had just

been made to the Shanghai mayor followed by a conference in relation to the

architect's competition. Prof Z felt it was difficult to offer his contacts at the moment,

because he did not know them well enough. However, I would be able to be

introduced to R when the bid (program) came to the end as Prof Z suggested. That

implied that my request might become less difficult after R would have succeeded in

the bid (he did not succeed). I was disappointed to know someone that was so close at

hand, but I was unable to take advantage of that the situation. Perhaps my networking

began too early during the bidding process. However, my focus was in fact to be on

the process itself. At this stage, Prof Z's response exposed a sense of secrecy around

the formation process.

Despite the progress in building up new relationships through my acquaintances,

the results still looked thin. My Taiwanese friends had no direct links in China, but a

few looked for indirect contacts. In one example, I contacted a great number of

Chinese clients, including the vice mayor, local officials, factory-owners, journalists,

policemen, and academics. These contacts were referred from a classmate's

Taiwanese friend running a lamp factory in the Canton province in Southern China.

However, I had no results from these efforts. I was puzzled if there were some sort of

hidden reason, for example, like me being a Taiwanese. With a shared language and

cultural background, I felt it relatively easy to communicate with Chinese people. I

knew my Taiwanese identity did not readily distinguish me from Chinese people. In my haste, however, I did not have enough experiences in building relationships with them. Needless to say, I also lacked knowledge of networking within the Chinese bureaucracy. Indeed, every advantage has its disadvantage, and vice versa. The concern of being considered a "spy" was raised by a church member in Hong Kong; therefore, my specific personhood seemed to become highly sensitive:

> I am looking for friends in my working place. They are sensitive since a few Taiwanese spies were arrested a month ago. They want more information about your research. Anyhow, I will reply to you later. Don't worry…I will not tell them you come from Taiwan. (A Hong Kongese church member, email, January 9, 2004)

Due to conflictual political relations between China and Taiwan, extensive spying operations were not surprising. But this trivial concern revealed a huge clue that the Chinese might have very little trust for Taiwanese people. Under scrutiny of the CCP, fear of crossing political lines may make mediators extremely cautious. In this view, networking seemed to be a delicate area for Taiwanese people. From a historical perspective (Chapter 2), there is less concern with socialist ideology than on the building of a foreigner-friendly country for global capital and visitors. However, such a friendly context toward Taiwanese people or foreigners does not change the nature of fear. Once there is a possibility of new situations to engender crises or threats, fear will emerge to distinguish or even banish others. This spy scare showed everyday people's idea of my possible "political performance." According to the text, my identity needed to be "covert" to local mediators. I needed to ask someone who could inform me about taboos and potential links. I thought it better to begin with someone who would be more likely to "open doors" for me, such as Taiwanese businessmen.

Indeed, I felt extremely tired with a lingering sense of disillusion. None of the previous mediators got me into their networks. As for others, I had at most successfully connected with about 10 local mediators, who were either family members or friends of my acquaintances. In total, they included both Shanghainese (a copywriter, an editor, a journalist, and two academics) and Taiwanese (two businessmen and two PhD students).

In these indirect links, none could actually help me to multiply relationships online, in spite of their goodwill to meet when I arrived in Shanghai. Nevertheless, I did not rule out any possibilities from these mediators. I thought I would sort out the matter by meeting mediators in Shanghai. When the SARS crisis was over, and I realised I needed a change in my plan. I planned my first fieldwork trip to Shanghai in February 2003.

Route 2: Mediator in Academic Networks Online

> Through your *** (e.g., paper/ website/ newsgroup) I contact you here……I wonder if you mind my asking a technical question in terms of broadening the social relationships during my field trip in Shanghai to come…my concern is whether you have any links with Shanghai or Expo for my further contact. (Yu-Hsuan Lee, my second request, email, January, 2004)

I issued my second request mediators in academic networks (as shown above). While I was eager to be off, I felt that there were too few mediators to help with my fieldwork in Shanghai. Therefore, another strategy was created for finding out new leads – strangers – in my own professional areas. I sought relationships online. As a researcher, I had always shared information freely among academic circles. I easily

figured out how to reach some acknowledged academics in Chinese studies, media, cultural studies, geography, or urban planning around the world. I believed in the Internet's capacity to facilitate an increase in relationships apart from any mediators, such as paper, website and newsgroups. In total, I sent out no fewer than 100 emails. To my great surprise, these foreign academic networks were generously informative by providing names or information of their own professions, and rarely suspected my identity, purpose, or use of contacts. I thought the opportunity had finally arrived. Within one month, local contacts in China were brought up online and extended from academics around the globe, including the United Kingdom, Hong Kong, Greece, United States, Singapore, and Taiwan. Interestingly, it appeared that most contacts in China felt flattered to be referred by foreign academics and therefore willingly accepted my request. Academic networks provided an insight into the connective dimension of networking. Take a Taiwanese sociologist, for example: while we had never met, he had studied something about Shanghai so that openly referred me to a local contact:

> The only directly helpful connection I can think of is Prof. N, director of the Inst. of
> ***. His home phone number is***. You can indicate that I am your reference. (A
> Taiwanese sociologist in Taipei, email, January 2, 2004)

Gradually, I realised that I was too optimistic about my networking online. For instance, I had contacted this geographer in Shanghai, Prof N, because he was referred to me repeatedly as a result of his good connections in academia. Through email, he initially admitted that he has no information about Expo himself. Instead, he offered one contact at hand, Prof T, a local urban planner and a member of the official delegation during the bid for Expo. Prof T turned out to be a distressing contact

because he never replied to any of my emails. In the course of earlier networking online, I had contacted more than 100 mediators through whom I finally had 15 local mediators who agreed to meet me in Shanghai. Evidently networking online was not sufficient for establishing and multiplying relationships in a relatively rapid time.

Meetings

Since most mediators preferred meeting in Shanghai to talking online, I set off to Shanghai to directly engage with mediators. On the 2nd of February 2004, on the way from Pudong airport to my accommodation, I saw a grand construction for the world's first maglev train alongside traditionally rural areas. While I experienced the familiarity of the same skin colour, Mandarin and Chinese characters, I had a cultural shock like every foreigner. I was amazed by huge construction cranes, high-rises, tunnels, bridges and buildings across the Huangpu River to the Pudong area together with the most modern avenues. Besides, I could easily recognise the characteristics of various Chinese people such as their predominant use of Shanghainese dialects and bicycles.

I first came to China, like many others, as a foreign researcher. To some extent, I was more like a tourist. I did not submit any research purpose, procedure or documents, to places like the police station. I relied only on mediators built over the last few months. So far most of the contacts were found through personal rather than institutional links. Thanks to my Taiwanese classmate's French boyfriend, an expatriate working in Shanghai, my first impression of Shanghai was not different from any foreign metropolitan I had seen. I did not immerse myself in interaction with local residents in the traditional streetscapes of Shanghai (*linong*). Instead, I stayed at this friend's cosy apartment located around a trendy commercial area, *Xujiahui*. Like other white-collar and foreign inhabitants, I found myself unnoticed in the enclave.

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When I started to meet mediators in Shanghai, however, that comfort soon became an illusion. I met Bro N, referred to me by my uncle, when I treated him to a meal, but found that he had never known anyone involved in the Expo. While he promised to search for contacts for me, I just had a sense of deception, and wondered why he did not inform me earlier. As mentioned before, I never had his direct confirmation online, because my uncle had done all the negotiations. Bro N had overstated his ability as a mediator within bureaucracy because of his job as a party cadre. Another contact was not much better. I met the supervisor of my wife's friend, Mrs. X. Our first meeting was far from a pleasant experience. As a student, I had limited time and money but, as suggested, I made the meeting into a fair exchange by giving a gift and meal. However, once again, there appeared to be something of a misunderstanding. In our first meeting, her supervisor seemed to expect a senior foreign academic rather than a student. I did not receive the information about the Expo I had expected. These disappointing examples implied not only the insufficient accuracy of networking online, but also the importance of finding an influential negotiator.

Route 3: Entrepreneurs and Bureaucracy

To develop my network of mediators, I tested two routes in the field: the bureaucratic and the academic. Despite the problems of the first week, I was re-energised by a Taiwanese businessman, Bro. W, who I began to sense had the power to negotiate. Introduced by a PhD researcher on my faculty, Bro W, in his late 40s, had run a world-famous high-tech company in Shanghai since the 1980s. Indeed, I had made little progress until I contacted this Top-10 Taiwanese businessman who effectively connected me with the bureaucracy. As Bro W noted, there is a well-known Chinese slang saying that proved to be very true, "There will not be the New China if there is

no CCP!" At this point, I realised that my research would be impossible without the bureaucratic system. Thanks to Bro. W, I was aided by a state-level-body of foreign affairs related to Taiwan – T Agent – which helped me to visit official units and local communities related to the Expo. In the second week, a day after examining my research project and resume, T Agent sent two members of the staff to accompany me to visit the planned venue at *Bailianjing*, a small village around Huang Pu River, which would be relocated for the Expo. I was received by several local party officials and villagers and treated like a significant guest. I thought the village was a friendly public area. *Bailianjing* seemed to have been built as a model village. The cadres mentioned they had just received some journalists and academics from Taiwan and overseas. This place for relocation was highly political; it was open to promote the Expo, but was also monitored. As a researcher, I could take photographs, but I was limited to a fixed site. I could interview people, but information was limited. Despite a feeling of nostalgia, villagers and party cadres were very emotional about the government's policy. Relocation was proclaimed to be an honour for achieving the great state. The documentary video and pictures I obtained from the cadres, showed the representation of a space as highly co-operative (see "urban regeneration" in Chapter 4).

In the second week, through a Shanghainese church member in Nottingham, I had an email from a Shanghainese lady who claimed her best friend, Mr. K, was working for the Expo. I made a contact with Mr. K, but he only referred me to the official website. By email, he suggested there was not yet detailed information because the organisation of Expo was at an early stage. Yet, at the same time, I found the bureaucracy was convincingly efficient. A few days after visiting the Expo's venue, another meeting was arranged by the T Agent to the Bureau (Bureau of Shanghai Expo Coordination). Established to succeed the Bidding Office in 2003, the

Bureau can be seen as a daily executive organ for hosting Expo (see Chapter 4). In the first meeting, I was received by a director of the PR department. After confirming the meeting, I was surprised to know that he was coincidently the same contact, Mr. K that I had sought. I guessed that the combination of official and personal links might make my first visit impress him. On the contrary, he was not friendly. In addition to a glancing around the Bureau, as modern as any private enterprises, He started interrogating me about my background and research intentions. When I asked for a list of names involved in the organisation of Expo, he passively rejected me with a reminder, "My brother, don't expect any answer the first time. In a Chinese way", as he suggested, "…You ought to come to the Bureau more often." Instead, he urged me to first digest some official publicity. I later knew that he wanted me to focus on a small number of the CCP's leadership.

Given that he was so circumspective, I decided to proceed cautiously, trying to make a friend as a strategy for obtaining the information I sought. I brought a gift to revisit Mr. K even though I had disliked Mr. K's reluctant manner. However, he became much more polite, and seemed to like me. I found out that he has an interest in Taiwanese issues, and I was surprised by another reason that he tried to be a matchmaker between me and his "best friend" – the Shanghainese mediator. I spent a great amount of time discussing issues such as Taiwan's independence, but carefully negotiated his nationalist argument for China's unification. I continued to talk with him online via MSN Messenger and invited Mr. K and the Shanghai lady for a meal. In the following weeks, however, disillusion resurfaced. As a Taiwanese, I might be seen as a friend or what the CCP usually called "brother and sister." However, it seemed to me that there was hardly mutual trust in the context of the state's interest. What also raised my acute concern was the "dark side" of organisational culture within the Bureau. As Mr. K was the only staff member I came across, say, a

gatekeeper, I felt our friendship must be very risky to him, to judge from his measures of concealment and impression management. I was interested in his "gatekeeping" behaviours. He never accepted my offer for a meal or a drink. So, our meetings were only carried out at his office in the presence of other staff members. When I asked him to introduce other staff members, especially party cadres with essential power, he only arranged a meeting with a young, newly-recruited female colleague at his PR department who seemed to know less than me. In this sense, that was why I was so surprised by his exceptional favour before my leave for the UK. He asked if I was interested in working as an intern for the Bureau. In short, it indicated again that such an organisation of Expo must be strictly censored from outsider's probing. I felt it would be difficult to get information without becoming an insider.

Route 4: Local Academic Networks

Despite gloomy results in dealing with the bureaucracy, I had a far more relaxed, friendly experience reaching a small number of local mediators. This particularly included "high-ranking" academics I had previously contacted online. These local academics were rather enthusiastic and informative with a common trait of being open-minded. However, they showed their respect to others in significant positions, such as foreign mediators. By a routine of handshaking, dining out and toasting, initial relationships had been smoothly built, but most of my contacts had no idea or links in relation to Expo. In my patient waiting, there were a few peculiar time-consuming contacts. Treating me for a good meal, for example, Prof W, asked me to wait for her negotiation with someone relevant. A few days later, she offered a Taiwan-born American art dealer as a relevant clue. As I phoned the art dealer, he felt rather flattered but apologised for being of no help at the moment. Running a gallery in Shanghai, he finally emailed me some public pictures of the construction for the Expo

venue.

It wasn't until the last week in February that I finally received positive messages. However, it simultaneously heightened my previous concern that academics might be, at most, marginal figures in relation to the Expo. I was initially excited about meeting Prof L, the head of Sociology at a research institute in Shanghai who had been invited by the Bureau as a speaker for an international forum on the Expo. However, he knew little about the Expo. Nevertheless, Prof L guessed a colleague might be helpful. Returning to the research institution the next day, I brought gifts to meet Prof L and his colleague, Prof G, a retired historian in his late 70s, who had been an advocate for the Expo in the 1980s. During the interview, Prof G openly reviewed his role in the Expo. He had been assigned by the former mayor (Wang Dao-han; see Chapter 4) as part of the diplomatic delegation to a well-known host country of the Expo: Japan. Attracted by his historic review, I thought he might be a helpful mediator as he seemed deeply connected with powerful political figures in Shanghai, the very people with whom I lacked contact. However, he had no idea of the current organisation with which he had not been involved with since the mid 1980s. Nevertheless, I was intrigued by his "past" story. Information about an Expo could be less sensitive or secret as time passed. A meeting with another mediator, Prof N, further confirmed that assumption. As referred earlier online, Prof N had kindly introduced me to a major player, Prof T, who never replied. In our first meeting, however, I was pleasantly surprised by meeting his colleague, Prof D, a returned Shanghainese academic from Canada, who was previously recruited by the Bidding Office as part of a bidding delegation (see "connections between patrons" in Chapter 4). Receiving my gift, he talked freely about his engagement in the bid. Frankly, it seemed to me he was just like a sudden rain falling on the dry land. At that point, I was stunned by the organisation during the bid in which the CCP created bidding networks by mobilising

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work-unit elites around the whole country, such as Prof D. Despite the past story, his detailed account was very informative and was one that could hardly be found from public sources. This example showed that time did matter. My perhaps premature entry in 2004 brought in issues of secrecy, trust and risk. I found that those who participated but later withdrew from the Expo-organisation were relatively open to providing information as time passed. Nevertheless, his story belonged to the past. When I asked him to be a mediator for me in the current networks, he refused because of his confidential commitment to the government. His carefulness somehow reminded me of some organisations accused of "secret societies" in which members uttered oaths of allegiance for life.

As shown, I met some Shanghainese academics more or less involved in Expo, but none of them were within current networks of the Expo. Through many mediators, I had always heard of Prof T, an urban planner and the head at an academic centre of the Expo recognised by Shanghai Government, but it was a pity that he never replied me. In Shanghai, I encountered a Taiwanese PhD, who promised to negotiate for me, especially Prof T. Two days before my I had to leave for the UK, during a meal I was referred to Dr. Z, a Shanghainese lecturer, who used to be Prof T's supervised MA student. Dr. Z in his early 30s was like Prof T about to finish a doctoral degree at the Liverpool University. I thought I would have a great chance. However, the lecturer only gave personal comments on the Expo; he talked only a little about his supervisor. As he noted, the centre was only a pseudo brand in which only "a very small number" of powerful academics were involved. In his explanation, most local academics were actually separated from the centre and knew little about it. At most, he emailed me his supervisor's mobile number after the meal.

On the last day in Shanghai, I tried to phone Prof T again. To my great surprise, I was granted a 30-minute talk at his office. Having finally met Prof T, I broke the ice

by mentioning mediators, giving him a gift, and referring to his overseas study in Britain. However, he returned my gift. In such an embarrassing situation, I was really depressed by his indifference. I wondered what reasons had led him to be so unconcerned about mediators. In his reluctance, I initially thought he must be an arrogant person. However, I was somehow intrigued by this figure's contrasting humbleness as he strongly denied that he was a major player. As he explained in a low-keyed tone, he and other academics were "voluntary" workers for the state. Interestingly, he used to be seen as a mover and shaker, but now he claimed himself as a "nobody" of the organisation. I wondered if it was a tactic to divert my attention from him.

Follow-up

Finally returning back to the UK, I felt relieved to temporarily escape from my struggle with bureaucracy. I had a headache again when recalling this lengthy journey. On the whole, mediators in Shanghai I had encountered either online or offline were more or less affected by an invisible apparatus of power. I felt blocked by the bureaucracy, which was like some great firewall except for contacts with some low-ranking staff from gateways at the PR system, such as T Agent and the Bureau. The academics who I came across claimed to be insignificant in comparison with the bureaucracy. In China, it was a cliché that everything is no doubt relative to politics. However, I could not have experienced the power until I found mediators who attempted to "call the shots" in building relationships. I felt quite vulnerable in making new contacts because of a concern over being trapped in a vicious circle. Nevertheless, as a result of the deadline for the thesis project, I could not afford to delay.

As you doubtless know group politics and public policy are incredibly complex in China…I hear that the locus of the decision has now switched to Beijing…The situation with regard to my contacts in Shanghai is complex. I could pass on names, but they are not really my contacts but those of R - I am in the group working with him. Given my limited position in the R camp and the delicacy of the current situation I don't think it is wise to pass on any contacts…It is much easier at the next stage once there is a winner, and you can go and find the formal plans etc. and see the pavilions rising up on the fair site…If, and when, the preliminary game comes to a close I will be happy to talk and see what I can pass on. (Prof Z, email, August 2, 2004)

As shown in the email above, I tried to follow up previous mediators. One was a British mediator, Prof Z, who had promised me last year to bring contacts from Shanghai. In a quick feedback, while Prof Z did not reject me, he implied the situation of networking as delicate.

At the same time, I started searching again for new contacts on different occasions; for example, I collected business cards at various conferences and forums. In late March, through a UK-based Chinese geographer I encountered at an international symposium in Philadelphia, I was excited about her forwarding email with the contact information of a friend working at the Bureau. After the contact, however, I was disappointed about the reply that contained nothing but public information, especially since I knew the new contact was also a staff member of the PR department. I was curious about the omnipresence of these PR staff members I could always reach, such as the existing mediator Mr. K. After Mr. K later asked me about this new contact, it appeared that my networking was being scrutinised. As a result, I decided not to keep in contact with this new person in order not to raise Mr.

K's suspicion.

Moreover, because of previous experiences, the other way I used to look for new contacts was to reissue my request to strangers online including academics, foreign institutions (chambers of commerce, embassies). I finally had positive responses through academic networks. For example, I asked the organisers of a UK-based newsgroup of Chinese studies (CPN; China Postgraduate Network) to spread my request in early April. Receiving at least ten replies, I found a very promising contact from a staff member of the British Council in London who later referred me to his colleague in Shanghai. In a quick response, however, the staff member in Shanghai felt that it would be difficult to offer any information. He claimed my request for British involvement in Expo was somehow sensitive. Besides, he also suggested that he was unhappy communicating this issue online. Nevertheless, he offered me a meeting so I put him on my list as a mediator and waited.

> As I have said before, these issues are sensitive now in China, especially around Expo at the moment…I really think that you should ask the Expo Bureau directly for this kind of information. It's not appropriate for us to be providing second-hand views on a major international project by the Chinese government. It's like asking the Chinese Embassy in the UK to explain about the London Olympic bid…I really don't feel comfortable doing this. (British Council staff member, Shanghai, email, May 5, 2004)

About one month later, I contacted him again for a meeting during my second trip to Shanghai. Instead of giving any false promise with diplomatic language, clearly he rejected my request as shown in the text above. Curiously, his argument that my request was made at the wrong time was somehow misleading as my request was not about the bid but about information on the people involved. However, it appeared that

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Expo is a high-risk event as a result of the ongoing secret process of bidding. I felt he was likely to avoid any kind of corporate espionage even though he did not explain it that way. This staff of the British Council told me that I had made the enquiry to the wrong person. So, who should be someone to call the shots? Yes, the Bureau was again mentioned. In this instance, however, the information I sought was being hijacked by different strata of gatekeepers, locally and globally, in which power was always in the hands of the Chinese government.

Finally, I was convinced that Mr. K at the Bureau would be my last hope. This showed the dimension of the global condition of market capitalism that required a certain threshold of transparency and liberty. In February, I tried my best to maintain relationships with Mr. K of the PR department. We talked regularly online about politics, family, and religion. As time went by, I certainly felt we became more familiar with each other even though he often delayed replying to my email. In early May, I had received an important reply, which was the first time he provided something apart from the PR. He invited me to attend an international forum held by the Bureau in Paris. When I made a request for the names of the forum attendees, however, it took one month for Mr. K to send the list. Like a friend, he explained the first attempt failed because of a lack of authorisation. He implied that all kinds of name-lists could not be released to the public until it was granted by the central government in Beijing. Given the role of Mr. K as a gatekeeper, he was no doubt vulnerable and would not risk being put in danger. There was certainly a tension between friendship and bureaucracy. As a friend, however, Mr. K seemed guilty about owing me a favour (see the email below). He introduced me to a staff member at the BIE in Paris with an official invitation for the Paris forum in late June. I was allowed to be a journalist-like observer. Once again, it showed that there was less risk for Mr. K if I could be part of the organisation of Expo:

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> I will invite you to join a press corps of Shanghainese journalists to attend the forum,
> and later we will have a fieldtrip around the EU for a business promotion…I promise to
> negotiate again…I am very sorry to delay your study. I will make it up to you next time.
> (Mr. K, email, June 7, 2004)

I felt very grateful to have such a rare opportunity after such a difficult journey. At the moment, however, there was a problem that a Schengen visa through the French Embassy took a month to apply for in advance. With booked returned tickets and accommodations, I decided to make a detour by applying for the visa at the Belgium Embassy one week before the forum. The result showed how the networking strongly impacted the global political order when I failed to attend the forum because the visa was rejected.

Closure

Since the difficult trip in February, I had planned on returning to Shanghai for a longer visit. However, I hesitated to do so. Lacking more contacts apart from Mr. K of Bureau, I was worried that my return would be a waste of time. In July, however, through the CPN newsgroup, a Korean post-doctoral student appreciated my plight and informed his host in Shanghai, the foreign-affairs office at a research institution, where I had made a good impression during my February trip. I was resolved to set off again as the research institution soon agreed to be my academic host.

Around early September, I initially felt less pressured to search for contacts because of my role as a visiting researcher to the research institution, whose official affairs' staff agreed to organise things for me. Despite my ignorance of Chinese bureaucracy, I was surprised to be further referred to Dr. W, a director of the T Agent at the research institution. The T Agent an official unit handling Taiwanese affairs at

the state level, which had efficiently arranged meetings during February. However, I had never expected that this Taiwanese-affairs gatekeeper would re-emerge at this research institute. This heightened my imagination of the organisation of Expo that might be protected by different layers of gatekeepers (see "connections between patrons" in Chapter 4). In the next two weeks, I immersed myself in the research institution as a result of Dr. W's efficient arrangements. I interviewed a variety of academics at the research institution, including economists, demographers, sociologists, and historians. Certainly I could not have met such a great number of local academics without T Agent, but none of them were actually involved in the organisation of Expo.

In addition, I continued to meet regularly with the gatekeeper of the Bureau, Mr. K, who was much friendlier on my revisit. Without any notice in advance, Mr. K first introduced me to two staff members of a newly-established research centre, which was the only unit outside of the PR department I had ever visited. Thus, my sudden visit seemed uncomfortable to them. They asked me to search for information online and rejected my request for an interview. In Mr. K's apology, he suggested the centre was not open to the public. Instead, he referred me to a colleague at the PR department, Teacher Y, a senior public servant, who was worthy of mention because of his experience as Art Director at the Kunming Expo 1999 (see Chapter 4). As a milestone for China's bid for Expo 2010, Kunming Expo 1999 was hosted in the Yunnan Province in South *Western* China that had been considered the most successful Horticultural Expo.

"*Nei wai you bie, nei jin wai song*!" (treat insiders and outsiders differently, be strict internally, relaxed to the outside world). Addressing this common Chinese slogan in our first meeting, Teacher Y in his late 40s, proudly claimed that he was the only Shanghainese person throughout the organisation of Expo in Kunming Expo and

Shanghai Expo. He started with a story about a local journalist who leaked information to the public and was now under an inquiry by the CCP. Evidently, this suggested his circumspect way in building relationships with interviewers. According to his reminder, I felt there was a risk that I could be questioned or jailed if I offended him. As such, he implied our relationship should be based on a principle of reciprocal favours. In our second meeting, I realised what reciprocal favours meant: an exchange of information. The information, which he desired, was absent from existing archives in China and was believed to be preserved in Taiwan as a result of a civil war between Taiwan and China. In his explanation, a great deal of Expo history was under reconstruction by the Shanghai government, but such history could only be traced back to a period between 1851 and 1940 (see Chapter 4). Before the CCP came to power in 1949, a great deal of historical information was moved to Taiwan as a result of the withdrawal of the Nationalist Party (Kuomintang, KMT). As the Expo is run by a sovereign country; Taiwan had represented China in previous Expos until KMT lost its membership in the United Nations and was replaced by the Communists in 1971. With this historical merit, my Taiwanese identity appeared to be helpful in this matter of exchange.

To take advantage of such a rare chance, I deliberately asked my friend in Taipei to photocopy missing material at the national archive. I thought these materials, which were originally confidential but uncovered now, would be beneficial to my networking. Doubtlessly, Teacher Y was overwhelmingly excited receiving them and returned with his personal involvement with Expo. I treated this exchange as a starting point for further inquiry. After that, however, I was caught in a dilemma. His "reciprocal favour" principle appeared to be a game that was far from an exchange. Perhaps my over-generous favour may have caused Teacher Y to suspect my purpose. Before meeting again, he insisted that I explain questions in relation to my research,

such as, *What is the role of creative networks in Shanghai Expo 2010*? As a result, he suggested that my focus on "people" in hosting Expo 2010 was deemed as sensitive because such a wide range of bureaucratic organisations were related to the "back door". In his detailed account of Expo 1999, for example, two major players in Beijing and Kunming had made history due to corruption scandals; one was the former Beijing Mayor, Chen Xitong, whose scandal to some extent influenced the shift of the original host city of Expo 1999 from Beijing to Kunming. One year after the Kunming Expo 1999, Li Jiating, the provincial governor, was also jailed and sentenced to death. What Teacher Y implied was the dark side featured in Chinese politics, i.e., corruption; misconduct needed to remain secret to protect major players from being exposed. As such, his over-regulation and non-responsiveness highlighted a Kafkaesque character of the Chinese bureaucracy. This raised a fundamental concern of bureaucratic culture based on secrecy and obscurantism, which made my networking extremely arduous.

Despite an dark side of networking stressed by Teacher Y, I also received some advantages beyond my expectations. A Shanghainese historian of the research institution kindly informed me that his wife used to be a writer and press editor, who had even worked in the US, but was later recruited by the Shanghai Government to work for the bid. By gift-giving and meal-treating, I finally interviewed his wife in late September, and realised that she had no longer served for the state after winning the bid. In early October, through a church member in Hong Kong, I met Ms. G, a returnee from France in her late 20s, who had been recruited by the Bidding Office as a journalist at a propaganda website during the bid (see Chapter 4). Despite her detailed story, she had no contacts except former colleagues at the PR Department of Bureau. Similarly, in a meal with the existing mediator, the Top-10 businessman, I was surprised to know his high-school classmate, Bro F, had been invited to bid for an

architecture project in 2003, but had finally failed. As a Taiwan-born American architect, he openly discussed the bidding competition, but had lost contacts since his bid failure.

I had a closer look at these marginal figures. However, the other line I had followed consisted of a few contacts acquired through business card. To search for samples as mediators in Shanghai, I was sensitive to any information or events regarding the Expo, such as conferences or forums. In an international design forum in early September, I met a US-based Chinese designer, Bro S, who used to be a visual artist in the US and then was invited to work at a Shanghai TV station to promote the Expo. Openly accepting my interview, Bro S suggested the rise of creative people like him demonstrated the weak development of the cultural and design realm. However, he felt it was difficult to work within the bureaucracy because talent was not respected but exploited for political and economic purposes. Like an outsider, he felt it hard to adapt to the bureaucratic culture (see "international consultation" in Chapter 4). With his insight, I thought I could uncover more about bureaucracy. However, he rejected my request for a further meeting. In another example, I had emailed a Taiwanese university's administration office after I found one of its staff was reported by the media as related to the Expo. Through an anonymous mediator, I received an email from a Taiwanese designer, Prof A, who had been invited to be a referee for the Beijing 2008 Olympic Games and Shanghai Expo 2010. At last, he gave me some contacts, as he admitted his information might be less than mine:

I apologize not to reply your email at once since I have attended the Icograda Design Week in Sao Paulo these two weeks. As I was only responsible for the design work of the bidding, I am afraid…I suggest you could go to the official website. (Prof A's friend

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in Hong Kong, email, October 10, 2004)

As shown in a contact provided by Prof A, I was disappointed that this contact was also an invited designer from overseas with little feedback. In his late 40s, Prof A kindly received me in Taipei with a meal, and ironically pointed out that there was no such thing as "creative" networks because of the bureaucracy. In China, there was a tendency to get consultations from foreign experts. Although it seemed a relatively free-wheeling planning exercise, Prof A claimed the Chinese authorities remained in control of the development process. He stressed that invited cultural flows for consultations made the event look promising, but Chinese planners would ultimately exploit those consultations and select the results. Particularly at Expo, a top-down mega-event, specific figures from creative industries could hardly be seen in comparison to the small number of high-profile leaders. He was critical of such a pattern, suggesting that it was inflexible and standardised that reflected complex group politics. As a Taiwanese-born invited designer, Prof A seldom expected his ideas to be completely accepted because experts are not fully respected by politicians. Ultimately, Prof A implied that economic reform was never meant to generate cultural reform.

In spite of different backgrounds, these marginal figures shared a characteristic in common. They were members of transnational elites who had been "invited" or "called up" by the state to participate in the Expo. Currently fading from the stage, they had less risk in sharing their stories about past involvement in the Expo. I was particularly interested in their backgrounds which were similar to mine that came mostly from a knowledge-cultural circle in comparison to that of political economy.

In the mid-October, I decided to end my journey as I did not accomplish as much as I wanted. Even after coming across a British diplomat in Shanghai, I knew my

thesis project could be a dead end if I still insisted on focusing on the Expo's major players. I had been ignored by most foreign institutions in Shanghai like the British Council, so I was very surprised to be accepted by the British Consulate for an interview. When he showed me a confidential memorandum, I was amazed by the names on the list that comprised of British businessmen, politicians and institutions:

> The Consulate is endeavoring to raise official UK Government interest at the highest level for a substantial UK feature at EXPO. Lord Rogers has expressed a keen interest in competing for the masterplan award; additionally, Lord Heseltine has also shown interest in supporting a UK involvement. The Director of the V&A expressed keenness in supporting a UK exhibition when he visited Shanghai recently. Grosvenor Estates, through their Hong Kong based Grosvenor Asia Pacific office, UK's largest development company, plan to open a Shanghai office in the near future. (The British Consulate, Shanghai, a memorandum, September 9, 2004)

This memorandum disclosed a powerful network of British involvement with their interests vested in various aspects of the Expo. In the context of the rise of China as a world power, this information seemed to fit my assumption that Shanghai, the dragonhead in the globalisation of China, would be facilitated by all kind of networks. However, the Consulate seemed to make fun of my naïve request by saying that I could never meet them unless I was invited. He mentioned that an event had just happened in Shanghai, Formula 1, an international game of car racing, which was co-hosted by the organisation of Expo for the first time in October 2004 (see Chapter 4). As he implied, most audiences would not pay to see the game because of coupons received from their political or business networks.

Conclusion

This story is the testimony of a naïve, powerless, foreign researcher who did not find much evidence regarding creative networks. I did not find much evidence related to Shanghai as an open metropolitan city but as administratively- and culturally-controlled by the central government. However, the journey was a learning process in exploring the specificity of networking in China. Throughout my fieldwork, there seemed to be boundaries between insiders and outsiders. There appeared to be a high threshold of interests for access and there appeared to be high risks within different categories of social relationships. I found myself situated, for the most part, at a crossroad between inclusion and exclusion. Just as the British Consulate implied, my difficulties of access were a result of my lack of connections between patrons in political or business networks.

Most generally, I learned about the gap that commonly exists between theory and practice. I learned that the openness of networks cannot be separated from closure. In theory, Castells and others from the study of globalisation tend to emphasise the network as a peculiar structure of interconnected nodes without a centre. Individuals and organisations need only to know a few "rules about how to win and how to lose" (Castells, 1996, p. 278). The winners are those who can break boundaries to gain access to the networks in which new possibilities are relentlessly created – outside the networks, survival is increasingly difficult (Castells, 1996). However, I learned that one should consider the significance of practice. As Joost van Loon (2006) describes, network-boundaries are by no means clear unless a person experiences practical problems of accessing networks. More importantly, this chapter has shown my role in networking and how I was received and viewed by mediators in the field. While the journey of my networking was quite difficult, one should not simply see the negative, pessimistic side. On the contrary, I think that these difficulties of access are ultimately

worth further analysis to make new discoveries of a specific networking culture in China[13]. In the next chapter, I will explore the specifically cultural elements involved in *guanxi*. Growing up in a Chinese-based society, I always took that kind of cultural knowledge and social practices for granted. In fact, I did not actually appreciate how *guanxi* worked. *Guanxi* concerns the way particular networks operate, even the way sociality in general operates in China. I will show that Chinese *guanxi* culture might be relevant to the difficulties I was facing in gaining access.

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[13] I consider some insightful works such as Nigel Barley's *The Innocent Anthropologist* (2000). They show how difficulties of human actions can be examined to reflect wider social and cultural structures.

Chapter 6 On Quanxi: the Specificity of Networking in China

To be honest, your asking of "interpersonal relationships" shows your shallow knowledge of China. In China, the crucial thing is *guanxi*, which cannot be referred to others at random. I have friends in Shanghai because of work, including artists, bankers and journalists, but I would not disturb them without concern. I am very cautious of providing my enquiries…Clues I can offer are to contact academic institutes. You can ask them "how Shanghai prepares Expo" rather than "interpersonal relationships" as it is quite sensitive and inexperienced. Or you can try to contact some local journalists who may be talkative. (Ms. L, journalist from Hong Kong, email, December 18, 2003)

The quote above is a significant email in the story of my fieldwork. Ms. L, a Hong Kong journalist based in Shanghai for more than a decade, addressed my request as "sensitive" and "inexperienced". I thought that she misunderstood my purpose as a type of illegal practice. Clearly her rejection made *guanxi* appear as the ultimate boundary. This shows how *guanxi* is related to some issues of closure in terms of networking. From this perspective, China looks like a rather closed society in which people usually withhold their contacts from the outside world. In this chapter, I aim to explain why access to creative networks relates to Expo 2010 was so difficult as a result of *guanxi*. I will carve out some key elements with respect to *guanxi* according to my story of fieldwork.

According to the example of Ms. L, *guanxi* was like a scarce resource or precious commodity, a form of capital. In this chapter, I will further delve into this *guanxi* culture by reviewing scholarly material. Generally, *guanxi* as a noun refers to

long-term personal "relationships" of all kinds. *Guanxi* is extended as a verb to include the utilitarian goals of these relationships – what Chinese called "*la guanxi*", which means to pull on more powerful connections to get things done.

I separate the chapter into two parts. First is a theoretical appreciation of *guanxi* from moral and strategic aspects. I explore how *guanxi* works in the relatively closed system of Chinese society, how the Chinese term *guanxi* was originally perceived, and what roles *guanxi* played in the past and present. Part Two is an analysis of three elements of *la guanxi* with respect to my access problems, which I will examine in turn. First is the problem of appropriate mediators. For example, most of my early mediators lacked direct and strong links with China. They were usually seen by local people as outsiders. Second is the issue of trust. The practices of *guanxi* require a form of interaction which builds trust, such as face-to-face activities. I demonstrate how I lacked the time, skills and power to build such a trust relationship with mediators in China. Third is the problem of the giving of gifts. Through gift exchange, I analyse different situations of reciprocity between mediators and myself as a researcher. I carve out some issues such as power to explain these different situations of gift exchange.

Two Approaches to *Guanxi*

"*Guanxi*" has become a well-known Chinese word to non-Chinese speakers since foreign scholars and businessmen enjoyed unprecedented access to China after market reforms in 1978 (Gold, Guthrie & Wank, 2002). In China, a country often described as "corrupt", the term *guanxi* usually has negative connotations, implying "going through the back door" to get something done. Here I mainly analyse *guanxi* from two aspects. Firstly, *guanxi* as morality shows an emphasis on preset social ties, namely

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the networking among insiders. For example, the first mediator was my uncle-in-law. Secondly, *guanxi* can be examined as "strategy". *Guanxi* is often used as "social capital" to approach outsiders and achieve economic and political opportunities.

Guanxi as Morality

Guanxi expresses distinct cultural and philosophical values. A cultural implication of protection and interpersonal relationships exists, which might be explored from the oldest Chinese classics such as *Shuōwén Jiězì* (100 A.D.) and *the Kangxi Dictionary* (1716). In definition, *guanxi* is originally signified by its etymology of characters and their shared components (see the Chinese characters below):

$$關係 \ (Guanxi) = \ 關 \ (Guan) + \ 係 \ (Xi)$$

Figure 6.1 The Chinese Characters of *guanxi*

As shown above, the Chinese character of *guan*, the prefix of *guanxi*, resembles a gate. "*Guan*" shares meaning as "gate," "pass," or "door," and can be understood as a verb: "to close up". In the *Chinese Kangxi Dictionary,* typical examples of *guan* are signified by the gates of the Great Wall or the garrison or the border. Accordingly, the importance of *guan* in Chinese societies is linked with protection. For instance, "the Central Kingdom" sought to protect traditional society from foreign "barbarians". Likewise, guan was used in self-sufficient cities protected by a walled enclosure for the maintenance of power (the bureaucracy) (Fei, 1953, p. 95). This puts an emphasis on the state logic in dealing with outsiders, such as foreigners, merchants, peasants. In

one word, *guan* was usually used for the powerful in a walled town, especially for officialdom and the landed gentry. In addition, one cannot rule out the other function of *guan*, the "opening" of gates for "interaction". By interaction, guan is therefore seen as a pun. *Guan* is extended by the suffix of *guanxi*, "*xi*", which means literally "flaxen thread", and can mean "to link" something. In particular, *xi* can be further extended by its split characters with a combination of "people" and "tie". *Xi* means not only to link between things, but also to connect or to follow up "individuals". In all, the utilisation and etymology of *guanxi* as a pun for personal ties helps us to explore the nature of the insider/outsider dichotomy in specifically Chinese conditions.
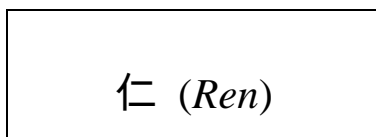
仁 *(Ren)*

Figure 6.2 Chinese Character of *ren*

The Confucian scholar Shuming Liang argues that the Chinese social structure is different from the Western social structure because it is neither individualist nor collectivist, but a relationship-based society. Take the key concept of Confucianism, *ren* (literally humanity), for example, whose meaning can be roughly denoted by its separated characters: person and the number "two" (see Figure 6.2). As far as social relationships are concerned, Confucianism stresses that to be human involves a close relationship between two persons. These relationships are often hierarchical – the younger or subordinated must show their respect to the elders or seniors. In particular, the eminent Chinese anthropologist Xiaotong Fei, a PhD researcher under Bronislaw Malinowski, clarified the logic of Chinese social relationships based on rural areas. In

a classic work, *Xiangtu Zhongguo* (1947; or the translated edition *From the Soil: The Foundations of Chinese Society* in 1992), Fei provides us with a non-Western insight to grasp the foundations of contemporary Chinese society such as his crucial theory of "*chaxugeju*" (literally translated as differential mode of association; 1992). Fei highlights the centrality of *guanxi* to the Chinese people by illustrating a vivid image of "ripples formed from a stone thrown into a lake, each circle spreading out from the center becomes more distant and at the same time more insignificant" (1992, p. 65). This image shows the Chinese lineage networks as ties based on their blood relationship and household. People depend on the family system to organise all activities (Fei, 1992, p. 32-3). In this sense, *guanxi* rests on a morality that prioritises social obligations to insiders derived from family and kinships. Particularly, this moral tradition of *guanxi* enables us to examine norms of collectivity-oriented, low-trust Chinese sociality, politics, or business.

> Lineage ties are extremely important in understanding the nature of contemporary Chinese economic development. Many of the overseas, or *nanyang*, Chinese in the thriving communities of the Pacific Rim – Singapore, Malaysia, Indonesia, Hong Kong, Taiwan – originated from the two southern Chinese provinces of Fujian and Guangdong. Although the emigration occurred in many instances three or four generations ago, the overseas Chinese have retained ties to kin in China. Much of the economic development that has taken place in Fujian and Guangdong in the past decade consists of expatriate Chinese capital ramifying backward into its hinterland along family- and lineage-based networks…The existence of these kinship ties has given the overseas Chinese the confidence to invest in China, even in the absence of property rights or a stable political environment. It also explains why the overseas Chinese have a leg up on other foreign investors – Japanese, American, or European (Fukuyama, 1995, p. 92).

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In Francis Fukuyama's study of trust, for example, *guanxi* (lineage ties) as morality is evident in a unique trajectory of cultural business networks: owners and their inner circle of family members or long-term friends and confidants rather than anonymous, professional managers gaining control of the firms. Fukuyama highlights a strong distinction between low and high-trust relationships in personalised networks in Chinese societies. Chinese people prefer to do business with those to whom they have close obligations. The network logic of *guanxi* reflects an egocentric system of networks in which the mode of association presupposes multiple linkages of self with others and differentially categorised social relationships; teacher as opposed to student, for example. As a mode of insiders' relationships and practices, *guanxi* reflects an exclusionary nature, as people seek to obey their status obligations, and to neglect a sideline relationship such as foreign investors that do not care for such obligations.

Guanxi as Strategy

The strategic perspective to *guanxi* refers to the actual utilisation of social relationships. As mentioned earlier, *guanxi* is not only a noun to describe social relationships, but also a verb, what Chinese called "*la guanxi*," which means to pull on more powerful connections to get things done. "*La guanxi*" reflects the logic of practice that is dependent on the continuing work of human actors (Kipnis, 1997). As shown in the previous example of Ms. L, *guanxi* is by no means a way of sharing names. Instead, it should be treated seriously as a "resource" or social capital. In this sense, *guanxi* resembles social capital.

Pierre Bourdieu describes social capital as resources, which "are linked to possession of a durable network of more or less institutionalized relationships of mutual acquaintance and recognition" (1986, p. 248-249). According to Bourdieu

(1986, p. 250), the connections are not a natural given, but require work. In this sense, it suggests *guanxi* as an invested form of capital is an expenditure of time, energy, or economic capital. Bourdieu emphasises such endless efforts including rituals of giving ("the alchemy of consecration") or the exchange of gifts. Gift-giving can be transformed into signs of recognition that would help to become familiar with each other's group. Similarly, *guanxi* as strategy needs to be seen as resources that are accumulated and cultivated by people for instrumental goals, such as finding jobs. In short, if *guanxi* can be understood as a form of Bourdieu's social capital, existing group members such as Ms. L will be held responsible for the introduction of new members. Also, just as Bourdieu analyses the conversion between different forms of capital, *guanxi* as social capital is accumulated with the intention of converting it into economic, political, or symbolic capital.

Throughout Chinese history, *guanxi* has been a useful strategy for insiders to evade hierarchical systems of control. Given that *guanxi* is seen as social capital, one can further consider how it is tied to institutions and structures of power. As Bourdieu notes, "the existence of a network of connections is not a natural given, or even a social given . . . It is the product of an endless effort at institution" (1986, p. 249). In traditional Chinese society, this definition of *guanxi* is evident in kinship lineages that depend on the gentry as a back door to penetrate the social hierarchy. In traditional China, there was a lack of established property rights and the state provided few social services in return for its high taxes (Moore, 1966). The gentry, based on a strong family system between the state and people, can be seen as an essentially defensive mechanism against such a hostile environment. Also, Communist China after 1949 still relied on *guanxi* to accomplish tasks. Through the work unit in urban areas, for example, people sought to establish *guanxi* with members of the CCP. Thus, *guanxi* practices expanded into the vertical networks of bureaucracy and people's

social life. The patron-client relationships became a model in business, public sectors and politics. Actors depend on patrons in different domains to establish bargains and alliances across the local boundaries of state and society (Wank, 1999; Hsing, 1998).

More generally, there is a shift in meaning in terms of *guanxi* as back door. There is a dialectic relation between the state and *guanxi* according to two strategic uses. First concerns the use of *guanxi* to get access to officials and local governments within bureaucracy. *Guanxi* is deployed in securing the assistance and support of bureaucracy. The other refers to the use of *guanxi* as a "buffer zone" against state repression and centralised control in China. During the Cultural Revolution, for example, when family systems and social relations were largely destroyed, people used *guanxi* as the backdoor to evade state power. Particularly, Mayfair Yang has explained this strategic use of *guanxi* as an alternative system of relational ethics and social integration in order to avoid "the extreme politicisation of culture and the penetration of every aspect of life by state power" (1994, p. 158). *Guanxi* serves as the weapons of the weak or people on the ground level to subvert and displace state structures.

Following this perspective on *guanxi* as a strategy, one can consider a common phenomenon of corruption in China today. While people and the state generally condemn the widespread use of *guanxi* in securing public resources, people and officials also depend upon those who can exploit their acquaintances in its use. Also, strategic uses of *guanxi* enable reflection on the centrality of state power in contemporary China. In the era of Market reforms, for example, access to resources depended not only on vertical ties in relation to the state agents, but also horizontal forms of *guanxi*. Given that the state loses its monopoly on resources such as jobs, guaranteed wages, and status, "one family, two systems" become a common phenomenon (Dutton, 1998). People seek to leave their work units and go into private

business for the sake of making more money, while still using the connections from work units to provide access to public resources. This phenomenon is also evident in the Expo-organisation, which depended on new recruitment through patron-client connections in local, bureaucracy-related realms, while co-opting new actors from private sectors.

Explaining Closure: Three Elements of *La Guanxi*

Element 1: Mediator

Calling upon someone as a "mediator" is a principle in *la guanxi*. Mediators enable the transformation of strangers into the familiar. Evidently *la guanxi* in urban China, where I lacked mediators, was challenging. In the first place, I counted on mediators from abroad to link me with local mediators in China. Apart from my original contacts in Taiwan and the UK, however, I initially found that having a mediator was not always necessary. For example, some strangers online openly referred their contacts to me, especially in foreign academic networks. In fact, that kind of networking marked by placeless geography and the (wireless) electronic networks provides an insight into the specific nature of Western networking practices without a mediator. The following emails illustrate this Western pattern:

> I don't know many people in Shanghai. Then you might want to contact my former colleague who runs the China Centre in Nottingham University. I am sure he will be very kind to help you. He and his wife know Shanghai very well! (A economic geographer in Singapore, email, January 5, 2004)

I'm flattered that you've written to me. However, since the Internet became popular, I've been getting many such requests every week. Because I am immersed in directing a number of my own research projects and my own students' research, I regret that I do not have either the time or the energy to respond to your request. My writing and reading backlog is huge…With regret. (A Canadian scholar, email, January 10, 2004)

These two examples show where someone had helped me through academic networks online. The first academic showed his goodwill to help, but the second one based in Canada declined my request due to his busy schedule. Although the second example did not help me, both contacts online are typical of the "network sociality" analysed in the new economy, which shows open sharing of "social bonds that are continuously produced, reproduced, and consumed" (Wittel, 2001, p. 72). The interesting reaction such as "I am flattered" implies personal recognition as a fundamental factor to our experience of social relations and self. It implies opportunities for developing our relationship. On the whole, my online encounters with Western-oriented globalised academics implied abundant access to a scarce open system. In what sociologists depict as strangers operating with "civility" in the city (Sennett, 1976), this way of networking looks as though a social bond is forged through the encounter with the unknown other. Association is not close or personal (Misztal, 2000, p. 69; 71), but what Wittel calls "informational" based on the exchange of data and on "catching up" (2001, p. 51). As we shall see, however, such a Western way of networking is not always the case in China due to some issues concerning mediators.

1. Insiders

The Chinese are bound by a social obligation to help someone whom they already know. One can explore this from the example of Prof M who had proposed a research

project related to Expo. Through my wife's friend, Mrs. X, I was promised contact with her PhD supervisor in Shanghai, Prof M. Instead of giving her supervisor's contact information directly to me, Mrs. X insisted on negotiating with her supervisor in advance. With limited time, long distance and email available, it appeared that I often straightforwardly requested mediators' contacts, but Mrs. X suggested I could have made things worse. *La guanxi* seems a delicate process carried out in a roundabout, low-keyed, and sometimes slow way:

> I rarely meet him myself for he is very busy. As *guanxi* is very important in China, I must have to meet him to mention your request carefully. I need more time to talk with him in advance about your inquiry…Otherwise, you'll have his "soft nails" [literally rejection], and may not obtain anything without his understanding. (Mrs. X, email, January 5, 2004)

As a Taiwan-based student, Mrs. X claimed that she always felt treated differently like an outsider in her department. In part, this distinction between insider and outsider cannot be separated from its roots in Confucian values, such as the importance of family, parental authority, and male privilege. In terms of Mrs. X's relatively weak position and fragile relationships, her prudent attitude was reasonable. In addition to her Taiwanese identity, she could not become involved with insiders who usually cooperate with each other in terms of moral obligations and trust. Mrs. X was the outsider granted an entirely different status. To smooth the boundaries, she usually brought a gift for Prof M. Interestingly, this insider/outsider dichotomy was evidenced by a further contrast. I happened to know a Shanghainese lecturer at Mrs. X's department who straightforwardly referred me to Prof M in terms of "joint-program". I am curious if there is an issue associated with gender that caused Mrs. X more

difficultly to engage with her supervisor than the male lecturer. Unlike Mrs. X, this local mediator was not concerned with *la guanxi*. Rather, his clear-cut exchange suggested Prof M might think that I could have something to offer. In part, this highlights an insider relationship between the lecturer and Prof M that was far from risky and that needed not to be transformed into something more trustworthy or familiar. More importantly, it more or less represented an instrumental type of relationship with a concept of "contract" for a commodity relationship. To sum up, *guanxi* relationships through different sources not only lie in altruism but also calculation of profit. The insider/outsider dichotomy denotes a differential layer of *guanxi* that not only involves status obligation within hierarchic networks, but also with interests. Moreover, the insider/outsiders dichotomy can be understood from a social capital view. Another example shows this dichotomy.

I had already noted the striking example of Ms. L, a journalist in Hong Kong. I was initially frustrated by her defensive attitude. In comparison, Ms. L and Mrs. X have one thing in common: they are both foreign females (overseas Chinese) in Shanghai. In this regard, an apparent difficulty of *la guanxi* could be a concern that resulted because my mediators were outsiders to Chinese people. However, there is relativity in identifying different layers between insiders and outsiders according to the extent of pre-existing relations or resources they have. With my wife as the mediator, Mrs. X was much more hospitable and sympathetic towards me. In terms of social capital, as a student staying in Taiwan most of the time, Mrs. X might have less risk in exposing her local contacts. In fact, Ms. L noted that she could not help but reminded me about *la guanxi* in China. *La guanxi* is seen as an implicitly sensitive process according to the insider-outsider principle. My request seemed to disturb her already well-established relationships in Shanghai. She suggested *guanxi* was taken much more seriously in China in which contacts "cannot be referred to others at

random". Ms. L's rejection neatly drew my attention to a substantial difference in networking between Chinese and Western societies.

2. Strong ties

The system of *guanxi* is far from an open network, but is discrete, secretive, and virtually inaccessible to outsiders. Besides, the prescribed rules for dealing with each kind of person are not universal. In terms of insiders, a relationship in kinships is different from friends because of a bond based on status obligations. Here a US-based sinologist who I contacted online provided a helpful starting point:

> I am sorry that although I know a few people in Shanghai, I do not know them well enough to recommend to you…However, my collaborator Professor *** in Taipei has worked in Shanghai and he should be able to help you more. Of course, Dr ***, a China expert at Nottingham University, knows many people in Shanghai. Also, his wife is a Chinese. I believe he can help you. (A sinologist, email, January 20, 2004)

Although this US mediator recognised, by her apology, the open system of Western academic networks, she did not feel free to pass on her Shanghai contacts, because of her lack of *guanxi* there. Instead she introduced two collaborators in Taiwan and Nottingham. In China, this partly suggests *guanxi* is not built among strangers. Also, she exercised caution as she did not know me well enough. She did not want to risk her social capital by introducing someone to the networks she did not know well. In this example, the sinologist enhanced this argument by claiming her friends in Nottingham and Taiwan with their family lineages, respectively. This suggests that one cannot underestimate the moral perspective based on relational ethics. Also, spatial distance appears to be as important as social distance in forming a "common"

basis of connections. Indeed, blood ties provide the foundation for status in Chinese society (Fei, 1992, p. 127). When people look for help, status obligations should be the primary concern. In addition, locality is crucial in generating various kinds of well-defined personal relations formed by *guanxi*, (birthplace, school, workplace, military base and so on). In this regard, I recall Fei's analysis of traditional Chinese society in which people have enduring attachments to the soil. Like the stone thrown into the water, Fei highlights immobility as a feature of traditional Chinese society in describing a relationship between people and space (1992, p. 40). One's location is no more than an extension of relational ethics (consanguinity) and cannot be separated from it (Fei, 1992, p. 121). Fei's idea of social relationships differs from a Western view of social networks which consist of "weak ties" (Granovetter, 1973).

Indeed, weak ties are used to communicate with the outside world by generating new paths of influence, activity, and innovation, and to expand our information (Granovetter, 1973). Networking through weak ties is concerned less with the amount of time, emotional intensity, intimacy and reciprocal services than networking in China. In terms of information diffusion, as Granovetter argues, "marginal" people and "outsiders" can play a crucial role in the first phases of the diffusion of information and innovation. Information is not scarce but abundant, and there is continuous reassurance that there are only a few secrets. Membership is open to anyone who might have something to offer. In the Chinese context, however, the concept of weak ties is not feasible in these ways. In part, this is because the weak ties show high trust in institutional contexts. The trust basis does not really depend on people but on institutional structures. Although a few Chinese mediators finally agreed to help, they still needed to achieve *guanxi* by breaking limits that resulted from social and spatial distance. I here explore another example of weak ties, a British

academic in Nottingham, who showed a different logic of social association in Western society:

> As you may know there is a very large Taiwanese community in and around Shanghai. Contacts with this group are perhaps made via local Taiwanese business organisations - I do not have any direct contact details of my own to offer on this. This might be a useful way of approaching your topic. If you haven't already, I would also suggest that you try to identify the government agency responsible for Expo bids. The Shanghai Municipal Gov't will have a foreign affairs office that should help - check the phone book or any good business listing (online) for Shanghai. (A British academic, email, January 20, 2004)

He suggested that I should first try the local Taiwanese business organisations and the Chinese official agency. In so doing, he implied I would gain access to either "Taiwanese" or "Chinese" mediators via formalised procedures. In this sense, there seemed to be a distinction of association between Chinese and Western societies. In a comparative analysis (Fei, 1992), Westerners have clear boundaries between groups of people based on memberships. It is an organisational mode of association by which people in the Western society would find their positions, duties and rights. According to my fieldwork experience, however, this Western point of view in networking did work well in China as it neglects the role of mediators in *la guanxi*. As shown in my story, I did go through these official routes as he suggested. However, my access to an official agency (Bureau) could not be gained without a negotiation between a Taiwanese businessman and the foreign affairs apparatus (T Agent) of the CCP. Given that Chinese people or organisations tend to identify someone familiar in the first

place, official procedures can sometimes assume implicitly-informed boundaries that give rise to unnecessarily lengthy negotiation.

Ultimately, the role of mediator is indispensable for *la guanxi*. It helped me to transform the unfamiliar other into the familiar (Yang, 1989). However, this condition made the starting point of my networking rather challenging, because I lacked existing mediators in China. What I could rely on were my closest contacts based in the UK and Taiwan, the so-called strong ties, but they rarely encompassed distant ties in China. Thus, I needed to take abundant steps and time to extend from my original mediators, while using the Internet as a result of my indirect contacts.

Element 2: Trust

In a communist country, trust is an issue in relation to networking. *La guanxi* is inseparable from the low-trust environment of communist China. Everyday people mostly look for trust, human autonomy, and social respect through their kinships, friends or any ethnic groups. Moreover, there is still room for information about the self to be given in the way people use the medium, in what they say as well as what they do not say. Because *la guanxi* is created on strong ties, electronically-mediated communication cannot replace face-to-face interaction. The generation of trust requires familiarity through co-presence (Misztal, 2000, p. 182). For example, I had considered using the telephone – voice to ear – through which I could somehow measure right away the extent to which whether mediators would like to help me because of richer information, feelings and reactions. However, I lacked funding and research facilities to afford "international" phone-calls. Given my networking online, one can see the limits of my networking since the Internet is restricted in interaction. Nevertheless, I still found face-to-face interactions insufficient to secure relationships during two periods of fieldwork in Shanghai. I here mainly address two issues related

to trust. One is my lack of time to "hang around" in Shanghai. The other concerns my lack of skills and power in terms of *face work*.

1. Time

The importance of co-presence encompasses a crucial element of networking: its duration. *Guanxi* requires the expenditure of time in social interaction in terms of cultivating trust (Hwang, 1987, p. 952). Without financial support and academic hosts, I cannot afford to frequently travel to China and immerse myself there to engage with fieldwork. Despite my presence in Shanghai, the lack of time made it impossible for me to interact constantly with people who were far from familiar with me. On the whole, the implication of time recalls Bourdieu's concept of social capital at the cost of a specific labour, in which the time lag is a requirement for sociability (1986, p. 252). For *la guanxi*, the time lag is therefore "a solid investment" and "the profits of which will appear" (Bourdieu, 1986, p. 253). As noted by Bourdieu, economic capital might be necessary for some immediately accessible goods and services, but the role of time here is much more important than money in the development and maintenance of the base of relationships. In my case, my mediators in China were by no means based on strong ties so that our relationships were not at all like kinship linkages. Without the time to spend in China, I failed to pursue the expressive and instrumental purposes fully.

An example is Mr. K of the Bureau who was initially indifferent to me but later showed his interest in me and tried to maintain our friendship. Indeed, time determines familiarity as he suggested the best way to obtain information was to come to his work unit "more often". With frequent contacts via meetings, Mr. K became friendlier with more sentimental feelings towards me. We had both *ganqing* (sentimental feelings) and *guanxi* as time passed. In addition to Taiwanese issues, for

example, he started to utilise this opportunity. He wanted me to date his best friend. While I declined such a favour with great courtesy, I found our initially uneasy relationship relaxed as a result. In reality, our *ganqing* was still not sufficient enough for him to provide information as mentioned. My short stay in Shanghai remained one reason for this. However, it should be noted that he did not reject my requests and still tried to enhance our relationship, such as with an invitation to work with him as an intern for at least one year. I failed to gain help from mediators as I lacked time to improve not only *guanxi* but also *ganqing* with them.

2. Face Work

In addition to the issue around time, I failed to convince my mediators to continue our relationships because my lack of skills and power in terms of face work. Like *guanxi,* face is commonly used as an operating concept in Chinese daily lives to represents social perception of a person's position and prestige that is gained from the successful performance of social roles that are recognised by others (Hwang, 1987). During my summer trip of 2004, for example, I happened to know Bro C, a Taiwanese academic running a China affairs foundation, who let me accompany some Taiwanese senior academics and businessmen to visit Chinese official units in Shanghai at the Communist College. During the fieldtrip, although none knew me at all, I noticed that most Taiwanese academics treated me as an acquaintance by showing face to Bro C. As foreign guests, these foundation members consistently promoted a bright image for each other, and boasted how promising I was as an academic. In comparison to others, I remained quiet. As a research student, nevertheless, I had to show my value by accepting compliments. This example showed the practices of face work, which has been widely seen as the social mechanism of the Chinese power game in maintaining their social relationships (Hwang, 1987). To some extent, I was noticed by officials as

a result of senior academics' face. Their face enabled me to have more positive social value. Nevertheless, I still did not receive assistance from officials afterwards. As far as the power-game is concerned, officials might have calculated that my low status was unworthy for their continuing face work. Indeed, face work as a practice of networking is concerned with issues of power. To some extent, one needs to do face work by considering class, spatial and gender bias during *la guanxi*.

Element 3: Gift

One can here ask a question about this final, but no less significant, element of *la guanxi*: What is the value of gift exchange? By "gifts" I refer to something physical, like a box of chocolates, tea or flowers. Moreover, gifts can be something more akin to a complement or favour, which can be exchanged in forms of information or meals. *La guanxi* depends on these physical things and favours exchange that raises issues regarding the cultural specificity of "gift-giving". However, the concept of "gifts" is not only familiar to Chinese people, which is practiced and studied by Westerners. The understanding of the logic of gift exchange or reciprocity was developed by Marcel Mauss and has been found as characteristic of many societies. In a well-known book *The Gift*, for example, Mauss (1954) uncovers spiritual bonds in primitive societies– a mystical quality of the *Hau* – which are entailed through gift exchange. Gifts represent people's identities and social status in social networks. Mauss argues that things which are to some extent parts of persons, and persons and groups that behave in some measures as if they were things (Mauss, 1954). Mauss' idea is useful in understanding the exchange based on morality in social relations rather than commodities. Gift is a medium to introduce a giver to the receiver that is

more than an economic transaction. Thus, there is by no means a disjunction between person and thing in gift exchange. The remains are symbolically attached to and identified with the personality of the giver. According to Mauss, what is crucial in gift exchange lies in a symbolic relation between giver and receiver. Overall, gift-giving has the effect of creating the symbolic breaking down of boundaries between persons. One can review Mauss' lasting question (1954, p. 10-1): why do people feel obligated to give back when they have received? In dealing with an example of the Maori "hau,' Mauss argues that the gift contradicts the assumption that human relationships aim only towards utilitarian ends. There seems to be an important distinction here between gift *versus* exchange and gift *as* exchange. From this view, one can further explore how Chinese people carry out gift exchange from Michael Dutton's *Streetlife China*:

> Chinese people believe that an action's mutuality – that is, love and hate, reward and punishment – from interpersonal relations right through to the relations between the person and supernatural, ought to be predicated on a cause-and-effect relation. Hence, in any form of action by a Chinese person, it can ordinarily be said that they will calculate that action on the basis of a prediction of the likely "retribution" or "repayment" it will bring about. To offer others an advantage was therefore regarded as a form of "social investment" which would, in due course, bring forth an appropriate form of repayment. (Dutton, 1998, p. 36).

From the extract above, one can explore a Chinese character, *bao*, which can be understood as the press (news), or the verb, "to inform". It is concerned with information diffusion. More particularly, *bao* is the basis of Chinese social relations within the family system. In Chinese cultural tradition, the concept of *bao* means

either retribution or repay went. *Bao* can be understood as the way for compensation. One can pay back gifts by repaying a debt or a favour. *Bao* can also be understood as revenge. One inflicts something in return that *repays* evil for evil. Thus, *bao* is useful to describe gift-giving as a utilitarian way for *la guanxi*. From this point, an English term like "reciprocity" is significant to my analysis. In what follows, I explore why I failed in gift exchange in terms of not giving and rejection.

1. Not giving

Not giving means a lack of reciprocity. The concept resembles the asymmetrical relation of "taking without giving," which is seen as the basis for a model of parasitism (Serres, 1980). In *The Parasite*, Serres (1980) uses a number of interesting examples[14] to describe such an asymmetrical, one-way relationship. One who gives nothing in exchange is the "uninvited guest" who charms their way on to a host's dinner table and eats for free. Serres argues that such an unequal exchange is evident in the history of human relationships. Based on this theoretical example, however, I here consider an example in my cases of *la guanxi* that shows how the logic of not-giving might work differently in China.

Through a Shanghainese PhD student in my university, I contacted Prof Y, her MA supervisor in Shanghai, who had proposed a research project regarding the Expo. The relationship was offered as an academic exchange, which was nothing less than the instrumental tie for program collaboration. Prof Y's initial interest highlighted that such an exchange was quite normal in China's local universities and academic

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[14] In the "Rats' Meal", one of famous fables from *La Fountain* (Serres, 1980), the story is about a city rat who invites the country rat to dine with him in the house of a tax farmer. However, their feast is interrupted by noise outside the door. As a result, they flee because of the noise that expresses "a bit of information producing panic". Finally, the city rat remains but the country rat is chased by the noise.

institutions after the reform era. In comparison to official institutions, he showed much more hospitality. He took our relation as the normal exchange that would be organised by a group of staff, researchers and undergraduate students; he preferred a form of unit-to-unit rather than person-to-person relationship:

> What kind of people do you want to approach? And what do you want to know through them?…In fact, I don't know your research topic and purpose…You can access information online, and you don't seem to do something like academic research…Since you are introduced by ***, if you can make your point much clearer and introduce yourself, I will be pleased to cooperate with you. (Prof Y, email, January 5, 2004)

In this regard, Prof Y was later suspicious of our academic cooperation. While he did not resist my request, he suggested that I looked for information on the official website. In this case, therefore, our intentions clearly differed. The exchange on my part was not started with a clear purpose for academic interests but rather for social interests. Although Prof Y may expect something from me, he still suspected me and claimed to know nothing about me. He therefore placed some conditions. He sought to first find out who I was and what I had in order to "measure" (his word) whether we could become collaborators. As Prof Y told me in the following email, there was a sense of calculation in the sense of "*bao*":

> Let me make our co-operation clear…You should be aware that social systems are different between China and Taiwan, but that does not interrupt academic exchange. Hope you understand that a condition of our academic activities cannot be related to politics. I don't want to get involved with trouble. (Prof Y, email, January 8, 2004)

On his insistence, I seemed to make a mistake in telling him my timetable and project purpose. I lost his interest and trust as a consequence. His emphasis throughout the negotiation was on academic cooperation rather than a sentimental element. However, what I offered was neither projects nor connections from my university. Instead, it was my request for his resources in Shanghai, that is, *guanxi*. He finally declined our meeting in Shanghai with an implication, "even if I do have some *guanxi* with people of Expo, I am afraid they will not accept your interviews." Apparently he lost interest in me as this academic exchange was not a balanced exchange, and was more or less politicised by my "Taiwanese" identity. This suggests a lack of reciprocity was a more important factor.

The case of Prof Y highlights how I unwisely neglected the norm of reciprocity as a basis of *la guanxi*. As mentioned, reciprocity is seen as the condition of etiquette in Chinese society in which people place an emphasis on the affective component in gift exchange. This explains why some mediators treated my networking online as a disturbance, such as Hong Kong journalist, Ms. L, who turned down my request by saying "*guanxi* cannot be referred at random". Her wording "at random" provided a rebuke but also an insight: contacts cannot be seen as a free gift – requiring no retribution and repayment. Certainly, this comment simply showed my "misrecognition" of the gift logic. Ms. L kindly pointed out my mistake. In fact, gifts are seen as commodities. Thus, contacts should also be treated as commodites. From this view, one must delve into the circle of reciprocity in which giving the gift is important to bring about repayment. In a following email, my MA supervisor showed a good example by giving gifts to his Shanghainese friend who therefore was morally and symbolic obligated to return my request:

My friend in Shanghai already replied me, and he welcomes your visit when you arrive

there…Since you will go to Shanghai from Taipei, I would like to ask you to bring some

presents to my friend if possible. (My MA supervisor in Taipei, telephone, April 3, 2004)

From the previous discussion, *guanxi* is treasured as social capital and requires

accumulated labours, including the gift exchange. In part, *guanxi* must be protected

which is recalled from Ms. L's reminder that she would not "disturb" her local

contacts without concern. In addition, a crucial factor that influenced Ms. L to look on

my networking online as a disturbance might be affective factors that resulted from

her long-term reciprocal relations with her local networks. To some extent, however,

my MA supervisor here taught me how to relieve such a disturbing situation, by

giving the gift. Indeed, gift-giving is useful for breaking the ice in unfamiliar relations

that have the non-use values distinct from those of commodities.

2. Rejection

My local mediators seemed to easily discharge the obligations built up by the small

gifts I gave. Mauss describes the ambiguity of the gift: the gift is a form of

"self-deception" (Mauss, 1954). The gift has actually been noted by Mauss to have an

ambivalent meaning of both "present" and "poison" in the German language.

Therefore there is a constant uncertainty in the relationship bound by the gift

exchange. On the one hand, it shows the "charm" of gift exchange because it is

peculiarly combined with pleasure and displeasure. On the other hand, the uncertainty

suggests the anticipation to receive presents, and this leads to his famous argument of

"the obligation to return presents" (Mauss, 1954). One can revisit an example, Prof T,

who rejected my gift immediately in our first meeting:

As you know, Taiwanese and Chinese people are in a family…many Taiwanese friends of

mine often visit me without the gift. So, you don't need to "take me as an outsider"

(*buyao jianwai*)! (Prof T, interview, February 29, 2004)

In this quotation, while he claimed "Taiwanese" could be treated as part of the family, it sounds like his diplomatic rhetoric to relieve my embarrassment after rejecting my gift. In doing so, he could avoid the obligation in the first place and decrease the degree of circulation of the gift in the future. Importantly, Prof T's stress on the insider/outsider dichotomy showed the relationship between the gift exchange and issues around my identities. In addition to my relative low social status (student), my Taiwanese identity was commonly perceived by mediators on the basis of the friend/foe distinction in China. Especially since most of my mediators who were employed in the state's institutions were middle-aged and had experienced Mao's governance, they might follow the foe/friend logic of Maoism. Indeed, a foreigner has long been strategically used by communists to refer either to friends or enemies. Basically, the usage of "friendship" (*youyi*) is a word promoted by the Chinese CCP to describe a hostile world beyond China's border. Friendship has highly political connotations (Brady, 2003). In my case, some Chinese mediators were concerned with my identity as a foreigner, specifically as Taiwanese. I was seen as an outsider as a result of international conflicts between China and Taiwan after the end of the civil war in 1949. However, Taiwanese people, especially senior politicians and business people, are treated as foreign friends after the inauguration of the reform policy. Thus, one needs to understand that *guanxi* hinged upon the double-edged nature of my Taiwanese identity.

Also, this case of the gift exchange might involve issues of power. Power refers to the structural capacity for imposing one's will, control, or force over others. Under state control, one was guilty before proved innocent. In particular, the

Expo-organisation is run by strict rules based on the state interest. Prof T's rejection of my gift might be a result of personal interests such as losing a job. As a local planner for the Expo, he might be concerned about offending the state. This relationship between *la guanxi* and power was particularly embodied in my endeavour to build relationships with members of staff at the Bureau. An example was a banquet (gift) treated by Mr. K at the Bureau's staff restaurant, the final meeting, but the first time we met apart from his office. I was shocked by his final words: he warned me off with the possibility of being charged with spying. Mr. K's use of the word spying made everything look like secrets but actually none were disclosed at all. That involved the fear of punishment or of some form of crime against the state such as "treason". His colleague, Teacher Y, received my gift – a great deal of information from the Taiwanese Archive. Our personal exchange suddenly ended when I had given him all the information. Like Mr. K, Teacher Y started to use the spying scare to raise the risk of offending the state. In these cases, one should understand that the gift exchange was largely overshadowed by power, by state control. In the name of the state's interest, what they have done to me appeared to reduce risk, control damage and limit contradiction. Gifts can sometimes be seen by mediators as a "poison" rather than a "present" as they did not want to be indebted to the giver. Or they in fact did not want to form relationships with me that might risk their interests in opposition to the state. What they did were self-regulated and self-disciplined, in fact, recalls a theory of surveillance society (Foucault, 1977). Indeed, hierarchical networks of the CCP brought about issues of trust, fear, risk and surveillance.

Conclusion

This chapter on fieldwork aspects should not be exaggerated to cover all access

problems in China, nevertheless, the analysis shows the complex specificity of networking in China in traditional *guanxi* culture. Overall, the analysis of *guanxi* actually showed the argument of dual sociality, two faces of sociality, or two forms of networking in my case. This chapter mainly demonstrated how *guanxi* operates as opposed to the Western version which is inclusive and expansive. My initial access online was low threshold or even free through weak ties. In China, however, this type of Western networking was not successful since networking in China (*guanxi*) still required appropriate mediators to negotiate with the insiders. Like social capital, *guanxi* is a discrete, secretive system in which access is a scarce good that needs to be protected, nurtured, and cherished. There is a strong differentiation between low and high-trust relationships in personalised networks. Also, *guanxi* required different forms of trust by staying long enough in the field or in subtle practices such as gift-exchange.

The analysis of *guanxi* also shows that China has never been a purely hierarchically organised society, which to some extent has always harboured a dual system of social ordering between the political and the social (*guanxi*). By hierarchic I refer to the political aspect of hierarchies that are based on formal political command, which is different from the hierarchical aspect of *guanxi* based on interpersonal relationships. As shown by the strategic use of *guanxi*, *guanxi* can serve as a means to gain access to China's political-administrative system in the specific context of Expo 2010. In general, this dual system perhaps exposed social situations of access in China. Given state control, there was a lack of strong external sanctions and formalised structures for people to create reliable interaction with each other. Despite the reform era, there was still an absence of the rule of law and transparency in rules and regulations. Many strategic sectors (such as mass communication) or people's property such as lands were still under state control. The state more or less controls

access.

Hierarchies such as state-institutions complicated the networking culture. To some extent, my networking has shown that China was far from an open system, especially in the organisation of Shanghai Expo 2010. In the Expo-organisation, there is a clash of interfaces – the face of the formal, PR-oriented network portal which only divulges non-sensitive (and often useless) information. On the one hand, the Expo-organisation appeased the expectations of Westerners to a new order of China. Individuals, foreign actors and local bureaucratic entrepreneurs were organised by the state. For example, members of staff disclosed a number of secrets in exchange for another scarce commodity (the example of Teacher Y). On the other hand, the Expo-organisation exhibited a closed nature. The members of staff reproduced existing social structures in China related to connections between patrons. There were rather limited opportunities for actors outside the bureaucracy to cross the boundaries of hierarchical structures.

Conclusion

This research project has examined social networking through a case study of Shanghai Expo 2010. Overall, the thesis aimed to answer a leading question: To what extent will post-Mao China be able to enter the global network economy whilst maintaining its emphasis on hierarchical decision-making and central control? Thus, the research focused mainly contemporary transformations in China in relation to globalisation with a focus on notions such as "creative networks," "network society," "global city," and Expo. In addition to historical analysis carried out in Part Two, the study drew on an ethnographic approach in the search of creative networks. While I did not really find creative networks, I reflected on the result in a self-reflexive way. I examined how I, a non-Chinese person based in Taiwan, gained access to China. In general, the study found that extant theories of the global are not necessarily universal or typical. After all, the central theme of social networking is not simply theoretical viewpoints. It has to be practiced by people in a specific context. From this point, I discuss here the emerging findings:

First, in considering the Chinese (*guanxi*) network society, the research shows China's different routes towards the global network economy. Its social system was far from an open system and was dependent on the family system and the CCP as well as the market. Second, the local-national dynamics in China's global city are revealed with Shanghai's global status was closely related to China. Shanghai's current development relies heavily on its colonial past and the tension between local government and the state. The local-national dynamics are evident in the organisation of Expo 2010. Third, my networking in China showed relatively closed, exclusive and hierarchic networking, which is rather different from the Western oriented "creative

networks". Finally, I found that *guanxi* inhibits globalisation. Apart from the findings above, two open questions emerged from my research. The first issue concerns how the state dealt with the issue of corruption. This is closely related to my analysis of social networking and its relevance to China's role in globalisation. This had implications for anti-corruption policies, which were crucial to China's role in the globalisation process. The second issue concerns a reflection on creative networks for academic debates.

Chinese Network Society: The *Guanxi* Society

Based on the analysis in Chapters Two, Five and Six, the first issue addressed in this thesis is concerned with China's social system, which is a network society based on *guanxi*. This Chinese network society based on *guanxi* is predominantly concerned with localised social relations. In Xiaotong Fei's classic analysis, Chinese people are bound to their land, residing in stable, small communities, and maintaining long-standing face-to-face exchanges. As Fei (1992) describes, Chinese network society consists of differential modes of association (*chaxugeju*). People follow a binary logic of inclusion/exclusion on the basis of status obligations in given blood relationship and households. This differs from the idealist type of network society in Europe and North America. Castells (1996), for example, focuses on a broader level of inclusion/exclusion that is dependent on structural position of actors (societies, segments of society, social groups, and individuals). In contrast to Castells' global network society based on all-channel networks, Chinese network society is a *star-like* structure in which individuals are embedded in concentric networks emanating from the nuclear and extended family.

In Chinese network society, the role of the social penetrates virtually all institutions and organisations, whether economic or political. The discussion of clans

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and institutions in Chapter 2, for example, showed that China has never been a purely hierarchically organised society, which to some extent has always harboured a dual system of social ordering between the political and the social (*guanxi*). By hierarchic I refer to the political aspect of hierarchies that are based on formal political command, which is different from the hierarchical aspect of *guanxi* based on interpersonal relationships. In this sense, contemporary China cannot be simply paralleled with the network society in the West, which is built on formal procedures for people and organisations to create trust relationships. Despite the reform era, there was a lack of strong external sanctions and formal structures such as democracy and rational universal administration for people to create reliable interaction with each other. There was still an absence of the rule of law and transparency in rules and regulations. Many strategic sectors (such as mass communication) or people's property such as lands were still under state control. In all, Chinese network society remained a place largely dependent on informal structures.

In accessing this Chinese network society, I have shown that one needs to break boundaries of trust in either public or private realms. A key feature of the network society is "connections between patrons". They controlled the connecting points between various strategic networks, such as academic networks, entrepreneurial networks, and bureaucratic networks. For example, Prof Z did not offer any contacts to me because of his patron (architect R). As shown in a comment by Prof T, he denied his role as a principal player, but claimed instead to be a "nobody" within the organisation. On the one hand, they could represent the openness of networks between insiders. One can recall this from the example of Bro Wang, a Taiwanese businessman who had links with Shanghai's bureaucratic entrepreneurial actors, in the fieldwork described in Chapter 5. On the other hand, I encountered other mediators who showed closure of networks from outsiders. In the case of Expo 2010, the state was in charge

of the networks and called upon bureaucratic or academic actors in order to achieve its goal. Some low-ranking staff at the PR system showed a certain threshold of transparency and liberty by introducing me to official publicity. They showed how the organisations of Expo would appease the expectations of Westerners and global principal players in the context of market reforms. However, what was shared was, more often than not, irrelevant to my research.

In all, the closure of Chinese network society includes two aspects. The first aspect is the political: state control. In Chapter 5, for example, my networking showed that my Taiwanese identity did not readily distinguish me from Chinese people. This specific personhood assisted in building family-oriented relationships such as my uncle negotiating with a Chinese mediator. Under state control, however, this advantage has its disadvantage, such as the "spy" scare, which showed how the Chinese mediators were aware of the risks in dealing with Taiwanese people. The second aspect is the social: *guanxi*. As we saw earlier, Ms. L (a Hong Kong journalist) addressed how my research on interpersonal relationships was "sensitive" and "inexperienced" because I did not consider her contacts as a scarce resource or precious commodity, a form of capital that needs to be accumulated and cultivated. *Guanxi* is vital for outsiders to gain access in either public or private realms. The Chinese network society based on *guanxi* is involved in a discrete and secretive system. In contrast to Western network society, Chinese people demonstrate a strong differentiation between low and high-trust relationships based on strong ties.

The Local-National Dynamics in China's Global City

Based on the analysis of Shanghai in Chapter 3 and the organisation of Expo 2010, I found Shanghai's relentless development has been framed in local-global dynamics. By local-global dynamics, I have shown complex group politics, political struggles,

and central control between Shanghai and China. According to history that Old Shanghai was set apart from Chinese administration, Shanghai's status as a global city raises questions of political authority, state power and prestige. Put simply, the state always kept a close eye on the globalisation of Shanghai in the post-colonial context. Shanghai became highly strategic in the interest of the state and national economy. As a result, the local-national dynamics became a key focus for examining Shanghai today. For example, Expo 2010 was local policy for urban regeneration in the 1990s, but also a national project relevant to nation-building. Its organisation shows an entrepreneurial, global approach by local government in comparison to a centralised, local approach by the state.

In general, the organisation was highly centralised given social collaboration with the market and international actors. There was little room for individual, small and local actors outside the bureaucracy, but it privileged international, formal and institutional dimensions, such as transnational companies, countries, and international organisations. Through the state's work-units, for example, the recruitment of members of staff was dependent upon connections between patrons. While local government played a crucial role in the planning, execution, and recruitment of new actors, the state remained in control of the coordination of extra networks. A number of local actors could be replaced when the state wanted to determine which actors it wished to use and on what level. Entrepreneurial approach such as market partnerships were driven by local government but needed the authorisation of the state to take effect. Also, foreign actors in the organisation of Expo were far from independent global actors but existed as a global-local synergy or joint partnership in most cases. Particularly in a controversial case in early 2005, the Chinese government dropped British architect Richard Rogers and his team (RRP) from the master plan, and replaced them with local planners and cultural producers. This proved a dynamic

of state power overriding global actors as well as local government.

The scope of cultural innovation was ultimately quite limited in Shanghai. In Chapter 4, I addressed the role of the local Chinese cultural intermediaries between the bureaucracy and external networks. During the bid, the essential part of execution was assigned to local cultural producers, such as the Chinese film maker Zhang Yimou, who were characterised as "negotiators" or "coordinators" between the official organisation and production companies. These cultural producers were subject to hierarchically controlled organisation by using culture for propaganda. They showed Shanghai's standardised and inflexible patterns of planning and cultural production with less innovative milieu for foreign and creative people. Through market partnerships and international consultation processes, the state sought to inhibit foreign forces. In a broad sense, these issues around Shanghai Expo 2010 show the state control over Shanghai's cultural economy and specific sectors of creative production. The scope still was open for entertainment and leisure instead of content of news. Local-national dynamics gave rise to an inflexible pattern of cultural production.

A Contrast of Networking

Based on the analysis of my access problems in Chapters Five and Six, this research ultimately contrasted two practices of networking: the practice of creative networks and the practice of *guanxi*. Instead of locating creative networks, the research demonstrates how *guanxi* operates as opposed to the Western version of networking which is inclusive and expansive.

In my initial access online, for example, a mediator is not always necessary as some strangers online openly referred their contacts to me. Western scholars address practices of networking by stressing an individual's abundant access to a scarce open

system. With high trust in institutional contexts of this open system, social networks consist of "weak ties" (Granovetter, 1973; Misztal, 2000; Wittel, 2001; Hine, 2000; Castells, 1996; Kelly, 1994). For example, there is an emphasis on open sharing of "social bonds that are continuously produced, reproduced, and consumed" (Wittel, 2001, p. 72).

In my research, however, *guanxi* required some conditions of networking in China; appropriate mediators such as strong ties, a form of interaction such as face-to-face activities in building trust relationship, and the giving of gifts. Put simply, for non-Chinese speakers, *guanxi* represented access problems in China. My fieldwork reveals how *guanxi* as a specific form of networking worked as a closed network of strong ties rather than weak ties. The research on *guanxi* was ultimately critical of any attempt to generalise a contemporary form of networking typical of Western urban cultures.

Guanxi Inhibits Globalisation: The State as a Moral Agent?

Another main finding of the research concerns how the social inhibits China's entry into globalisation. Specifically, the social refers to the role of *guanxi* in different realms, such as economy and politics. This has reflected a complicated structure of corporatism in the context of China's market reforms: the blurring between the social and the political, the public and the private. For example, this structure of corporatism made the Expo-organisation in Shanghai largely distinct from that in the West because of connections between patrons and the municipal and state bureaucracy. Connections between patrons not only consisted of vertical networks (*xitong* networks between state-actors, party cadres and state bureaucratic organisations), but also comprised of horizontal networks (*guanxi* networks between officials, entrepreneurs, family members, and non-state actors). This highlights the importance of the social.

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Although the state is not separated from *guanxi* networks, one can separate state power and party leadership from the *guanxi* networks at a local level. The former emerged from non-capitalist sources of state revenue, party organisation and socialist legitimacy with a focus on the whole country's economic development, national identity and social security. The later refers to those privileged areas – provinces, municipalities and townships – in which officials depend on informal networking in pursuit of entrepreneurial development.

As Richard Walker and Daniel Buck describe, "many act as managers of state-owned enterprises and property companies in the public sector, while some serve on boards or have stake in private business. Others serve as brokers and deal-makers between public and private, or between state agencies" (2007, p. 63). Thus, the local *guanxi* networks concern powerful actors at a local level that can range from the party, people, commerce and industry with relatively autonomous political controls from Beijing's authorities. The local *guanxi* networks show how these local states and party cadres promote the regional development of towns and cities; they contribute to the market economy in China based on the decentralising policy. One can recall how Shanghai's rapid development from the early 1990s partly depended on the national dominance of the CCP. Shanghai faction such as Jiang Zemin and his following leadership Chen Liangyu consisted of local political and economy elites who formed a specific local culture of networking.

However, these local *guanxi* networks in fact represented the access problems in contemporary China. For any outsiders, access to China's global city depends on the use of networking capital. Historically, Shanghai was characterised by an exclusive culture to outsiders. During the reform era, Shanghai as a global city saw institutional exclusion between urban rich and urban poor, foreign placers and local communities, urban people and country migrants. According to my fieldwork experiences, without

engaging with local *guanxi* networks, outsiders can hardly gain access to different realms, such as politics, economy, and academia. Moreover, the local *guanxi* networks might to some extent contradict China's entry into the global network economy due to increasing instances of corruption; as the old Chinese saying goes: "the mountains are high and the emperor is far far away." Corruption reflects how local powerful networks strategically use *guanxi* to either evade state control or exploit state resources within existing structures. Ultimately, this has caused the emerging danger of social unrest, the loss of political authority, and the lack of trust of foreign actors.

Chapters 3 and 4 addressed the biggest case of anti-corruption in the last decade – the arrest of Shanghai party secretary and member of the politburo Chen Liangyu - a member of Jiang's Shanghai faction. Chen was dropped by new central leadership (Hu Jintao) from the state bureaucracy due to his involvement in the misappropriation of Shanghai's pension funds. This case was a crucial example in bringing together key findings in my thesis, revealing the reworking of clan and institution practices and the local-national dynamics in Shanghai's development. More importantly, it demonstrates the pervasive presence of *guanxi* in the inner-circle of Chinese leadership and their overlapping networks on a local level. Put simply, Chen represents the intricacies of social networks between state hierarchical system and *guanxi*.

In my case study, Chen's eminent role in the organisation of Expo has influenced the existing development of the Expo. This recalls the local-national dynamics between powerful local *guanxi* networks and the state. This case is closely related to a tendency of localisation and has exposed a common scenario to outsiders without formal structures in China. For foreign architects, for example, this was a breach of legal rights such as intellectual property rights. As the RRP partner Richard Paul states, "one would normally think winning the competition would be a ticket to take a

further part in the development in one way or another. (Building, 2005)" Global actors involved in Shanghai Expo 2010, as was the case with Google in China, needed to follow the rule of existing informal structures and to build the synergy relationships with local players. This means that the engagement of international players was still stifled unless they had *networking capital* with local intermediary partnerships. Given that Chen's local *guanxi* networks almost covered vital economic sectors in Shanghai, such as banking, financial services, real estate and infrastructure, the organisation of Expo has reflected a structural fraud in terms of local and regional development towards globalisation. As a result, Shanghai's local policy such as Expo 2010 has been under scrutiny and restructured, including the existing connections between patrons of the organisation of Expo. Since the state recognised Chen and his local powerful connections (family, close colleagues, and business partnerships) as illegal connections between patrons, the organisation and large-scale development projects of Expo have been postponed and changed. Thus, Chen's case might not only be an issue of political struggle between the national and the local, but also a central issue in restructuring China's political economy towards the global network economy.

In *The Writing on the Wall*, a British critic, Will Hutton (2007), addresses the limitations of market economy in China as the Chinese traditional values embodied in Confucianism. He addresses *guanxi* family networks as corrupt and closed. Liberal reform is claimed by Hutton as an inevitable path in China, which can bring about Western models of civil society and democratic principles and institutions such as the rule of law, representative government, a free press, and human rights. While Hutton notes that Western economic pluralism is not perfect, such as public and private monopolies in neo-liberal economies, he suggests China's market economy now needs more open, formalised structures on the basis of "soft infrastructure," such as unions, independent judicial system, NGOs, free press, and social security systems. In

Western societies, as Hutton highlights, there are different actors of the civil society rather than one-party state in checking and balancing political liberty, economic growth and social welfare. Citizens are empowered to facilitate more social and educational spending, which in turn helped the economies to become richer, with more vigorous civil societies.

Although I accept the values of the civil society in the Western societies, Hutton's argument seems to some extent utopian and European-centred. He largely neglects the consequences of economic liberalism in China. One can recall serious economic and social consequences as a result of reform in Russia that has been enthusiastically backed by western elites with the rapid dismantlement of socialist institutions. In contrast, China's booming market economy has been always under the CCP's scrutiny instead of following the catastrophic path of Russia for a rapid transition to capitalism. This made China to some extent avoid Asian Financial Crisis throughout the 1990s.

Thus, Hutton reflects a fallacy of Western interests in terms of modernisation. His support of liberal capitalism largely undermines the importance of the state as a moral agent in regulating China's economic affairs in transition. By moral agent I refer to the way in which the CCP and its bureaucratic networks could only maintain their power by initiating institutional changes and, more importantly, the transitional justice.

Historically, China's authoritarian governance shares a feature – Confucian authoritarian states – with other economic powers in East Asia, such as Singapore, Taiwan, and South Korea, which are termed "developmental states". In these economic areas, there is a respect for authority and the centralised state apparatuses. That gives rise to different models of development from those of Western capitalism. In particular, there is an emphasis on the moral dimension of the authoritarian

governance. In *Adam Smith in Beijing*, for example, Giovanni Arrighi (2007) addresses the strong role of the state by looking at China's distinct path of capitalism in the 18th century. According to the classic work of the political economist Adam Smith, *The Wealth of Nations*, Arrighi argues that China had followed a "natural" path to development, concentrating on agriculture before industry and international trade. In comparison to imperialistic and militaristic Western capitalism, China's non-capitalist home market was always under state supervision in the last three hundred years. Particularly in the "post-colonial" context, China as well as other East Asian countries depended on the strong states for autonomy and self-determination from foreign domination (Dirlik, 2007).

Therefore, in terms of the corruption related to Shanghai Expo 2010 as discussed in Chapter Four, the state is needed to check and balance the market economy and social inequality at a local level. This would be a model at the national level. Also, given high social inequality exacerbated by the market economy, the state remains crucial in supplying basic means of livelihood, social justice and welfare to the Chinese massive population. This suggests that current globalisation in China could go alone with the existing political system. Despite a contraction between state control and civil society, I argue for more practical steps to achieve more open, formalised structures in China. The civil society would be a future goal to be achieved by different timelines.

By the time I conclude the thesis (2007), some recent events already represent opportunities towards the civil society and transitional justice. In 2007, for example, the National People's Congress passed the "Property Law" in protecting the property of the state, the collective and the individuals. To the leftists, however, this move was criticised for damaging socialist principles, causing social inequalities and selling off state assets. Nevertheless, this policy has contributed to a more transparent

atmosphere for people to seek their citizens' rights. It was evident in emerging cases

referred to as "nail house" that local residents rose to resist the official and

commercial forces in the demolition of their houses through the support the public

opinion at the global level by means of the ICTs.

At the historical turning point such as Shanghai Expo 2010, one needs to closely

observe how the state would create a positive international image and accept some

issues related to the civil society and transitional justice. Since Hu Jintao gained

leadership, targeting corruption has been a key policy in the name of nationalism

fuelled by the state. As for hosting Expo it is increasingly important when the state

highlighted the official rhetoric such as the construction of "harmonious society".

Thus, although the CCP may have given up just development for the population, but

the state pays more attention to societal balance as well as economic growth. As Arif

Dirlik (2007) suggests, the Chinese state and the CCP does not hesitate to fuel the

flames of nationalism when it serves its interests, especially in distracting attention

from urgent social issues.

Dealing with the Social

To further elaborate the overall argument of this thesis, China's role in globalisation

and state control, I here reflect on the findings above and argue for a closer look at the

way in which the state deals with clan practices, the specificity of networking, namely

guanxi. More specifically, this suggests the implications of policy in targeting

corruption, the negative side of *guanxi*.

As I addressed earlier, the emerging theme, corruption, is concerned with the

extent to which China is able to enter the global network economy. I suggest that

China's entry into the global network economy might depend on how the state deals

with *guanxi*. Historically, China has depended on a strong state in governing its

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population within a large country. Now the state needs to do more in forging the rule of law rather than the rule of people. The state today can be the driving force in establishing formal structures on a national level. Already, one has seen the state's action to separate the social from the political, economic realms. I assume that the policy of anti-corruption could probably create a well-organised political and legal system in linking the global network economy. Since the late 1990s, for example, the then party leadership Jiang Zemin introduced campaigns against corruption. As shown in his last political report to the National Congress in 2002: "If we do not crack down on corruption, the flesh-and-blood ties between the party and the people will suffer a lot and the party will be in danger of losing its ruling position, or possibly heading for self-destruction". This remark shows how authority of the CCP and the state tried to rescue the integrity of the state by strengthening anti-corruption measures. The state sought to deal with local exclusive networking culture at the top (local elites between local government, private and public enterprises) who showed the informal way of doing business by abusing power through "backdoor" and under-the-table investments.

In examining Chapter 4's finding of the local-national dynamics in organising Shanghai Expo 2010, the tendency of localisation highlighted in a conflict between national identity and global competition. On the one hand, the state chose the localised networks to secure national identity but, on the other hand, such networks, embedded in the local, appear to cause frictions with Western-oriented networks. While the state seemed to keep a distance from global actors, I observed that the real target might be local networks (including local government and entrepreneurs). The issue of localisation might give rise to a temporary retreat from the existing trajectory of globalisation. However, the state is still the driving force to push China into the global network economy. The latest case of localisation was concerned with a shift in

power relations between the state and local government. Or it can be seen as a move in dealing with the social. Since new central leadership Hu Jintao gained power on the national level, Shanghai faction has lost its national dominance. The state increasingly controlled Shanghai and the existing power structure by breaking the city's bureaucratic entrepreneurial networks.

Ultimately, how the state has dealt with corruption can be assumed as an attempt to create more open, formal structures for globalisation. This could be a basis for the contemporary debates about forms of organsiational culture and social relations. As the largest bureaucratic system in the world, as shown in the thesis, the CCP and its state bureaucracy still persist. In comparison to the end of bureaucracy that has been anticipated in the Western society (Rhodes, 1997; Miller and Rose, 1992), China's bureaucratic forms of organisation have played in a quite closed, exclusive way to collaborate outsiders. To some extent, the bureaucratic organisation is predominantly concerned with social networks on the local level. In liberal democratic societies, as Paul du Gay (2007) describes, the continuing importance of bureaucracy assists the achievement of social order and good government. I think what the Chinese state today should aim to achieve such good government by organisational reforming in the public and private sectors on bureaucratic structures. The establishment of more transparent, open organisational culture will be essential to the provision of responsible democratic government. Thus, I argue against any attempts of de-bureaucratize organisational life in business, government, and the third sector. This means that the emphasis on the state control of corruption should not be overstated because I do not agree with the state's rule in people's social life. In examining Chen's case, what I want to highlight is the establishment of a model on a national level during the preparation of China's mega-projects. The state limits the informal way of developing capitalism in China. To some extent, Expo 2010 might be a critical

moment for China to transform from a land of *guanxi* into a place of the global network society.

Re-thinking Creative Networks

Finally, I extend the conclusion to reflect on implications for creative networks in terms of its theoretical relevance to cultural studies, media studies and globalisation studies. I should stress that my focus on creative networks is concerned with the contemporary "cultural turn" (Lash and Urry, 1994; Castells, 1996; du Gay and Pryke, 2002) in the field of economic and organisational analysis. Through the study of social networking in China, at the heart of the analysis might be the relation between "the cultural" and a wider range of institutions and practices of the economy and the politics. I here want to rethink creative networks in two ways.

First, creative networks should be examined with a focus on methods. My practices of networking demonstrated features of creative networks. I depended on the centrality of social sharing by contacting strangers online. For following analysts who are interested in alternative methods of networking or ethnographic research online, this methodological approach provided an example. My employment of creative networks as the method showed how Western-oriented practices of networking can be tested in a specific social and cultural context. The analysis of the role of creative networks in different social contexts shows a feature of the network society, as Castells (2007) stresses, which lies in the interplay between communication and power relationships in the technological context. Creative networks concern a new form of communication over the Internet and wireless communication networks such as politics and social movements in the new communication space. In the end, networking through the Internet in China revealed creative networks are concerned with not only "the cultural" phenomenon around Western urban areas but also its

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relevance to a much wider, more inclusive range of institutions and practices in contemporary China. In Chapter 2, however, historical accounts of the emergence of Chinese cyber networks and the case of Google implied that China's digital networks or informational infrastructure were to some extent not isolated from the global network society. More importantly, there have been increased tensions between state control, corporations and Internet users. This suggests one should focus on power relationships in this new communication space such as the intervention of corporate media and mainstream politics. Castells (2007) describes the net outcome of this evolution as a historical shift of the public sphere from the institutional realm to the new communication space.

To some extent, my focus on creative networks echoes emerging scholarly works in science, social science and philosophy (for example. Lessig, 2001; Vaidhyanathan, 2004; Galloway, 2004; Benkler, 2006; Castells, 2007). These scholars focus on the tension between freedom and control in the global network society. In *Protocol*, for example, Alexander R. Galloway (2004) argues that some Internet phenomena can in fact be regulated and structured because the Internet is a textual medium on the basis of protocol (e.g., technological language of TCP/IP or HTML). Thus, the prospect of the Internet is still debatable in China as the state and powerful institutions continue to regulate cultural flows and the flow of information. Today, China might be undergoing a transition between disciplinary society and control society due to the advent of ICTs with new computer technologies monitoring individuals (see Chapter 2)[15]. Provided that China is becoming a new system with a tension between freedom

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15 As argued by Gilles Deleuze (1992), control society has taken the place of disciplinary society. In a control society built on ICTs, the key idea is a code, a form of password. Foucault (1977)'s notion of surveillance society in which people are seen as unruly and disorderly, something that has to be trained and disciplined by military procedures and institutional routines. Now, with the help of technology, the control society does not need to discipline people as the new technologies have the capacity to give

and control, I therefore suggest that there is a need to continuously observe the latest theoretical and empirical cases of practices of networking in different social and cultural contexts. In examining creative networks, this raises a question of a generic character of network in terms of openness or closure.

Second, I want to re-think creative networks according to the position of creative people. This might be useful for organisation studies and the study on work and employment in the new cultural sector. One can focus on people and their organisational form in relation to state bureaucracy and creative economic activities. In Chapter 5, for example, some academics, designer, artists and architects I encountered during fieldwork might occupy relatively marginal positions in the whole structure of Shanghai Expo 2010. Most of them admitted how difficult it was to work within the bureaucracy. Talent was not respected but exploited for political and economic gains. This reveals how creative networks and bureaucracy did not sit easily with each other. Perhaps the fact was that, as a Taiwanese designer suggested, there was no such thing as "creative" networks. The mediators in my networking showed a highly centralised instead of creative organisation of Shanghai Expo 2010. Indeed, my search for creative networks in China raises questions about the "power" of creative people. To some extent, it shows a drawback of Western-oriented approaches (such as Florida) in forgetting elements of the wider society on which creative people might rely. Instead of the freedom of the creative class in the new economy, my research has described some cases such as localisation to show a lack of creative environments within Shanghai and the organisation of Expo for creative people to grow. Put simply, research on creative networks as creative people does not only pay attention to the

mobile and unidentified populations certain identity under state control through the coding of their bodies.

centrality of the cultural, but one also needs to address the articulation between the material and the symbolic in social analysis. Thus, I suggest that future research might focus attention on the importance of political economic conditions. In addition to creative networks, one must address who and what, such as the state, network participants or other actors, is motivating the economy. This approach to political economy is needed as it shows the power of the creative class in relation to hierarchical systems of the regulations and control. This is also concerned with actors' socially embedded contexts, including national organisations, local communities, the nation state and market.

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