Guanxi Civility: Processes, Potentials, and Contingencies

MING-CHENG M. LO
EILEEN M. OTIS

*Building on research that analyzes how social relations and networks (*guanxi*) shape the Chinese market, this article asks a less-studied question: How is the market changing* guanxi*? The authors trace the transformation of* guanxi *from communal, kin-based ties to a cultural metaphor with which diverse individuals build flexible social relationships in late-socialist China. As a "generalized particularism," this cultural metaphor provides something analogous to the culture of civility in Western societies. The authors discuss the political potential of* guanxi *in terms of its dual tendency toward the "publicization" and "privatization" of power. The development of* guanxi *civility suggests the diverse cultural origins of civility and serves as a reminder of the particularistic roots in the universalistic assumption of Western civility.*

Keywords: *civility; civil society; China; social networks; guanxi*

In recent years, scholars have developed an extensive and sophisticated, but somewhat skewed, view of the interaction between *guanxi* networks and the Chinese market. *Guanxi* is recognized to play a crucial role in market processes in China; a growing body of literature analyzes the mechanisms through which it has facilitated economic activity. The sociological meaning of "*guanxi* capitalism" is

We are grateful to the following individuals for providing valuable feedback on early versions of this article: Fred Block, Vicki Smith, Sean O'Riain, Nicole Biggart, Mayfair Mei-Hui Yang, Chris Bettinger, Jack Goldstone, and Thomas Gold. We would also like to thank the editors at *Politics & Society*, especially Gay Seidman, for comments and advice that helped us to further strengthen and refine our argument. Earlier versions of this article have been presented at the 1999 and 2001 meetings of the American Sociological Association.

POLITICS & SOCIETY, Vol. 31 No. 1, March 2003 131-162
DOI: 10.1177/0032329202250165

only partially articulated, however, without an understanding of how *guanxi* itself is being transformed by its extensive involvement in the market. Building on our understandings of how *guanxi* networks are shaping the market, we are compelled to raise a less studied question: How is the market redefining *guanxi*?

This article addresses a significant aspect of this question. We concern ourselves with the ways in which *guanxi* has been changed from communal, largely (although not exclusively) kin-based ties to a cultural metaphor with which strangers can build various types of social relationships. Traditionally, *guanxi* was rooted in the ideology of Confucianism, which prescribed the nature and content of the ties that sustained and regulated court hierarchy, friendships (largely among the elite strata), and an extended web of kinship. *Guanxi* relationships in their traditional form were therefore always particularistic, fixed by the specific positions of the people involved. They were also confined to a community knit together through blood ties, the feudal court, or in some cases a long history of personal association. Of course, this is not to suggest that in the Chinese tradition people never associated with strangers, but those interactions would not constitute *guanxi*.

By contrast, the *guanxi* that sociologists speak about in the context of late-socialist China in large part includes the ways in which strangers enter into a meaningful and sustainable social relationship. In this contemporary context, *guanxi* becomes a cultural metaphor that enables people to imagine and position themselves in new relationships. Familial terms such as older sister, younger sister, paternal uncle, and so forth, are invoked to communicate the parameters of the relationship when migrant women seek help from staff members at a nongovernmental organization (NGO), or when Hong Kong investors build friendships with local officials outside of their business interactions. Today's *guanxi* has become a "generalized particularism," namely, a cultural metaphor with particularistic origins that is nevertheless applied generally and broadly beyond the confines of primordial relationships. The market plays an important role in this important transformation; the bulk of this article will be devoted to explaining how.

The generalized particularism of *guanxi* has significant social implications beyond the context of economic activities. For the rapidly changing Chinese society, this cultural metaphor provides something analogous to a culture of civility that informs the development of Western civil society and, in this sense, should be part of the debate about the potential of a Chinese civil society. But our discussion on this issue needs to be prefaced with two clarifications: First, civility should not be equated with civil society; second, civility may originate in multiple historical legacies, most notably the tradition of individualism, but is by no means limited to this particular heritage.

Let us elaborate on our first point of clarification. On a general conceptual map, civil society can be described as both (1) a network of autonomous associa-

tions in the space outside of the state and the family, and (2) a culture of civility that informs individuals' participation in these associations.[1] In addition to its commonly recognized feature, that is, the institutional autonomy of the associational sphere, civil society must require a culture that makes activities in the associational sphere "civil" or cooperative, mutually tolerant, and free of coercion. Furthermore, within the institutionalized associational sphere, there exist various types of groups and organizations, some of which—but by no means all—are devoted to political debates and critical discourse that characterize Habermas's public sphere.[2] In short, a civil society has a cultural dimension (i.e., the culture of civility) and an institutional one (i.e., institutionalization of the autonomy of the associational sphere). Although sociologists have typically devoted more of their discussion of civil society to the institutional arrangements of the associational sphere, the culture of civility provides the essential language for relationship building in the associational sphere.

Furthermore, while the culture of civility informs associational activities across the sectors of civil society, these different sectors can develop drastically different political orientations and potential. For example, Ryan recognizes that some sectors of civil society are more explicitly politicized than others: "Membership in a society was no guarantee of a share in public decision making . . . for that we must look to other places in civil society," such as election campaigns and social movements, which "like other flanks of civil society . . . [are] built on the foundation of voluntary associations and public meetings."[3] Other groups, such as the network of lodges and ethnic brotherhoods in nineteenth-century America, represent "a narrow range and a particularistic assertion of civic interests, often serving parochial interests and consolidating an inequitable distribution of power and resources."[4] But even such apolitical or reactionary associations constitute an important political structure, if for a less explicit reason. Their existence serves to diversify and decentralize the articulation of power and becomes the first line of defense against a monolithic state. Thus, civil society should be conceptualized as "something more complex than Putnam's social capital, Tocqueville's voluntary associations, or Habermas' public sphere." It accommodates a combination of associations, public meetings, parties, and social movements and thereby creates "a highly differentiated structure for empowering citizens and practicing democracy."[5]

Our second qualification pertains to the cultural origins of civility. With the expansion of the West, many societies have been forced into confrontation with Western imperialist powers and so eventually acquired "a skeleton of institutions similar to those . . . [in] the West" but the dream of Western society—or its culture of rational individualism—has not become the dream of these societies.[6] Therein lies the question, both academic and political, of whether such societies have the potential to develop their own cultures of civility, which inform social interactions within an institutional sphere and approximate Western associations. Many civil

society scholars are skeptical; the absence of individualism-based civility appears problematic their eyes, not so much because they are convinced of Western superiority but because they tend to see civility as intrinsically tied to rational individualism. Others, however, distinguish civility from the legacy of rational individualism and contemplate the possibility of other sources of civility. The point of contention, then, is whether a culture of civility may differ in origin and content from individualism-based civility yet be functionally similar and thus recognizable as one of its variants.

A culture of civility, made possible by a shared cultural legacy in a given society, both informs social engagement and encourages tolerance and respect for individual differences. Civility "has to do with manners, education and cultivation which enjoin respect for the sensibility of others" and thus "bespeaks a common standard within which a multiplicity of ways of living, working, and associating are tolerated."[7] Individuals who share a common cultural understanding of how to be civil can then "combine into effective associations and institutions, without these being total, many-stranded, under-written by ritual, and made stable through being linked to a whole set of relationships, all of these then being tied in with each other and so immobilized."[8] This balance between cultural boundedness and flexibility is the defining feature of civility, made possible through a historical process of what Gellner terms "modularization."

In Gellner's insightful (albeit Western-centered) observation, modularization describes a process of the ascendance and subsequent collapse of a strong cultural center.[9] Historically, the civility we know as Western individualism is a product of the fragmentation of the cultural center of the Church. The collapse of the center liberated individuals from institutionalized ideological control, while the remnants of this shared cultural legacy provided them with a flexible cultural motif, or a set of cultural rules for interaction and construction of social relationships.[10] In a drastically different context (and as a corrective to Gellner's ethnocentrism), the family-state in prewar Japan also represented a political and cultural center that subsequently underwent a similar process of fragmentation. A familial culture became a shared legacy that was detached from a totalizing center and was afforded voluntary and flexible application in the formulation of social relationships in postwar Japan.[11] Developed through modularization, or the process of the fragmentation of a cultural center, civility is made possible by a certain level of shared cultural morality, as well as the voluntary and pluralistic application of this morality.

From this perspective, civility, with its features of a shared cultural legacy, modularity, and pluralism, only takes the form of rational individuality in the specific history of Reformation and Counter-Reformation Christian thought. We contend that different histories might have cultivated different cultures of civility that are functionally similar. It is in this sense that we need to articulate the sociological meaning of the transformation of *guanxi*, namely, its transformation from

primordial ties rooted in a centralized, state-sponsored ideology of Confucianism to a generalized cultural metaphor that informs flexible social relationships. We analyze this transformation through three historical "moments": first, when *guanxi* was rooted in an institutional center and ensured certain cultural homogeneity; second, when the institutional center collapsed and *guanxi* became dismantled; and third, when fragments of *guanxi* became flexible, "modularized," and to some extent pluralistic and were thus recognized as a culture of civility. We ask in what ways such a cultural metaphor informs civic relations. Furthermore, we contemplate the contingencies on which this culture of civility may inform the future potential of a Chinese civil society.

Civility does not equal civil society, nor does the existence of civil society guarantee a political public sphere. But at the same time, it is important to recognize the availability of a culture of civility to be an important benchmark in the processes of civil society. Instead of regarding civil society as a dichotomous category that is either present or absent, it is more fruitful to recognize it as a complex structure that many societies have only partially, and in varying manners, developed. The sensitivity toward structural complexity and cultural diversity allows us to identify and comprehend crucial moments of success and failure in emergent civil societies that have not fully developed, of which China is an example.

THE MODULARIZATION OF *GUANXI*

The Tradition of Confucianism

We offer below a historical narrative about the transformation of *guanxi*, which we hope will serve as a conceptual map for navigating the long and complex process of modularization. Such an account will have to, by necessity, temporarily bracket—without denying their importance—certain historical details and cultural diversities and focus on painting in broad strokes the theme of modularization throughout this long duree. Historically, *guanxi* was a complex set of social relationships defined by Confucian ideology. Based on the philosophy of Confucius, who, during the fifth century B.C., promoted a set of moral values to stabilize a state and society that had succumbed to intense regional factionalism, Confucianism was promulgated by most of China's imperial dynasties to support their own authority and ensure orderly social relations.[12] With the brief exception of the Qin legalist period (221-206 B.C.), the greater part of Chinese dynastic rule was legitimated by versions of Confucianism. Beyond those elite strata and the urban areas that fell under direct state control, the Confucian ideology was also influential; it was largely understood as a morality about proper familial roles and was sustained by the extended patriarchal family system. Anchored in the institutions of the imperial court and the patriarchal family, Confucianism placed a strong emphasis on proper relationships and inculcated hierarchies of kinship and

kingship. Indeed, Confucianism stressed "the importance of righteousness and loyalty, reinforced by correct rituals that would *place a given individual in proper relationship with the cosmos and with his contemporaries*."[13]

Under Confucianism, individuals were not viewed apart from their social position within familial and social hierarchies; the social role defined the individual. For example, the social categories "man" and "woman" were not meaningful beyond the familial relationships that defined them.[14] Five cardinal relationships constituted the core of Confucian *guanxi*: "These five relationships and their appropriate tenor are *ch'eng* (affection) between parent and child; *i* (righteousness) between ruler and subject; *pieh* (distinction) between husband and wife; *hsu* (order) between older and younger brothers; and *hsin* (sincerity) between friends."[15] Beyond these cardinal relationships, Confucian doctrine also regulated "gods and ghosts, . . . the noble and the base, the intimate and the unconnected, the rewarded and the punished . . . public affairs and private affairs, seniors and juniors and superiors and inferiors."[16] In general, social roles were always located within a hierarchy, based broadly on gender, generation, and the court hierarchy. This social structure was considered immutable.[17]

To a great extent, Confucian *guanxi* was enforced and sustained through rituals. Occasions for such ritual ceremony included life-cycle events (e.g., funerals, weddings, and births), as well as festivals (e.g., the lunar new year, the mid-autumn festival). Within the family system, a person earned his or her reputation (e.g., as a good wife, a good son) through proper performance of ritual. While status rivalry gave individuals some opportunities to negotiate power within this system, the practice itself resulted in reinforcing the principles of the familial hierarchy.[18] Meanwhile, the principle of generational succession further perpetuated and preserved the system. Each generation was given the opportunity to reach the pinnacle of a family hierarchy (within limits of gender), which encouraged individuals to accept the hierarchical order and patiently wait for his or her turn to assume a more powerful familial role.

Confucian *guanxi* was further anchored in the institutional center of the state. Dynastic courts promoted Confucian ideology and used it to legitimate their rule, defining the king-subject and elite-mass hierarchy as a moral order. For example, Metzger suggests that politics in imperial China was a domain restricted to the morally upright—and even the term for *people* (*min*) was "a morally charged term referring . . . to the people of heaven acting as heaven's 'eyes' and 'ears' by supporting the enlightened elite."[19] So state Confucianism limited political involvement to only those steeped in (and in agreement with) its philosophy. Indeed, since the Sung period (960-1279), most civil officials were recruited through an examination system designed to test one's degree of immersion in the Confucian classics. Reports of immoral behaviors within the family could be construed as a basis to disqualify a courtly official from his job. In this sense, the state became the

political center that both controlled the meaning of Confucianism and enforced its practice among the elite.[20]

Confucian texts provided explicit and detailed rules of these relationships, each of which defined fixed social roles and specified as part of each role particular obligations, duties, power, and rights. From these highly detailed protocols, we can distill the general principles of a Confucian *guanxi* practice. First, the flow of obligations and duties was, though asymmetrical, broadly conceived of as reciprocal. Obligations between individuals within different levels of the hierarchy were mutual, though rarely identical or equal; all parties had obligations as well as rights. Second, familial and social hierarchies were construed as a moral order and widely accepted as such. Respect for hierarchy was strongly demanded. Finally, ritual was understood as a material manifestation of the proper human sentiments accompanying specific social relations. The expressive and the instrumental were therefore not clearly separable but combined and manifested through the practice of ritual.

Institutionalized through the state and the patriarchal family, and with its principles of reciprocity, respect for hierarchy, and the ritual materialization of sentiment, Confucian doctrines played a dominant role in structuring and sustaining social relationships. This cultural center therefore disseminated a widely accepted set of moral rules, achieving an important layer of cultural homogeneity throughout the history of dynastic China. But this cultural homogeneity was accompanied by a certain rigidity dictating relationships as opposed to encouraging voluntary interactions, recognizing primordial ties but ignoring connections beyond face-to-face relationships. There was, indeed, a "shortage of civility" in the legacy of Confucian *guanxi*.[21] But culture changes, as did the meaning of *guanxi*, especially through profound social and political transformation. To address one such change, we look at the collapse of the dynastic court and the patriarchal system in twentieth-century China.

The Maoist Era

In the late-nineteenth century, the political institutional center of Confucian, ideology, the feudal court, was decimated by Western colonial expansion. The national devastation and humiliation wrought by Western imperialism in combination with the failure of the Qing Dynasty (1644-1911) to reform China's bureaucracy, military, and educational systems led to serious domestic turmoil and a widespread disavowal of Confucian values and eventually brought about the end of Chinese dynastic rule. After a short-lived Republican period, the Chinese Communist Party (CCP) came to power and engineered, even more radically, a definitive break with the Confucian ideological center. The CCP formally subscribed to the universal moral principles of socialist comradeship and strove to actively purge all remainders of the particularism of Confucian *guanxi*.[22] The state, formerly an institutional pillar of Confucianism, became its archenemy.

As the CCP attempted to subordinate all ties that existed outside of its purview to an institutional logic of the socialist state,[23] the party dismantled the second institutional pillar of Confucianism, that is, the patriarchal extended family. With its social reform policies, the party weakened the authority of patriarchy. For example, the party banned arranged marriage, footbinding, and concubinage. Together with the unprecedented introduction of women into paid labor, these party policies seriously compromised generational and gender authority within the household.[24] Ties among extended kin were also displaced and in some ways de-legitimized. Examples include the permanent mass resettlement of rural people in urban areas, the erection of spatial and class barriers between urbanites and their rural kin, and the creation of "work units" (*danwei*) that were to function as the new unit of community. In rural areas, the leveling of hierarchical, lineage-based family units and a general attack on Confucian culture also altered kin relations, albeit less drastically. Furthermore, the party prohibited most ritual practices, including banning the practice of ancestor worship, and required that observance of life-cycle events (e.g., marriage) be scaled down considerably, which eliminated manifold ritual practices that cemented the family order.[25] Hence, within a relatively brief time span, Confucian relationships and practices were devoid of their former institutional center and banished to the social and political underground.

Confucian *guanxi* was, in a word, de-institutionalized. But the cultural legacy of *guanxi* survived in fragments, which were drawn upon as people negotiated the newly imposed organizational life of Maoist-era socialism. Somewhat ironically, given the party's resolute mission to abolish Confucian particularism, socialist organizational authority at the grassroots level depended on informal *guanxi* ties. To maintain discipline within the work unit system, work unit managers had to supplement their party-given power with the personal loyalty of selected workers, with whom they cultivated *guanxi* ties through favors in the redistribution of scarce goods and services.[26] In this sense, *guanxi* was co-opted by socialist institutions to function as a political tool.

But work unit managers had no monopoly of *guanxi*. Exchange of goods and services through informal *guanxi* ties proliferated in the underground of socialist institutions, bypassing—and therefore violating—bureaucratic rules and mechanisms.[27] In this context, the exchange of favors and gifts through *guanxi* networks became an escape from state penetration and its disciplining techniques. Its unofficial mobilization yielded a "weapon of the weak" that armed a subtle form of resistance against the omnipotent state.[28] The unofficial use of *guanxi* both reinforced and subverted the socialist order.

The underground nature of *guanxi* practice during this period disguised much of its traces, leaving behind only fragmented evidence. But secondary sources suggest a profound transformation of *guanxi* practice. In contrast to the Confucian era, when each relationship was preordained by family hierarchy and defined with

formal and explicit duties and rights, personal *guanxi* now was to be constructed by individuals. The basis of social relationships shifted from actual, preexisting familial bonds to the creative invocation of familial terms outside of family and kinship. As people developed relations on the basis of mutual experience (friendship or shared organizational affiliation, for example), they imagined such relationships in terms of pseudo-familial ties; this common cultural language allowed for mutual understanding of the relationship and facilitated its consolidation. Thus, the invocation of familial categories offered a cultural vocabulary to negotiate relations of authority and status between nonkin.[29] Although circumscribed by Maoist-era authoritarian, bureaucratic structures, flexible *guanxi* practice allowed individuals an increased degree of latitude to define personal relations. So in this period, personhood and identity were "constantly being created, altered, and dismantled in particular social relationships."[30] In this sense, *guanxi* was not only a political and economic tool, as described earlier, but also a channel for preserving traces of personal identity and relationships under an authoritarian regime.

Guanxi as an informal practice in this period derived general rules from fragments of its Confucian legacy. Stripped of all its formal, ritualistic, and elaborate protocols, the "tactical processes" of *guanxi* ties[31] were flexibly informed by a Confucian sense of morality: the basic principles of respect for hierarchy, reciprocity, and materialization of sentiment. These cultural norms guided exchanges and interactions on the margins of formal institutions. There, people preserved their *guanxi* and reproduced these cultural norms, as they were mutually dependent for access to scarce goods and services. Networked individuals adhered to these cultural rules so that they could continue to rely on each other to conceal their *guanxi* practice from state authorities.

In short, *guanxi* practices continued to proliferate in the socialist period but were cordoned off into a realm of underground activities that defied state regulation. Through the breaking apart of Confucianism during the state-engineered cultural reforms in the Communist era, the cultural rules of *guanxi* had completely lost their original institutional bases. *Guanxi* as a cultural legacy was available solely in its fragments, which could be put to work only with voluntary and creative application. The socialist system limited its scope, but a severely attenuated yet increasingly flexible *guanxi* practice began to flourish in the extra-institutional realm. Although only implicitly, the fragmentation and flexibility of *guanxi* signaled important moments in the early phase of modularization.

The Reform Period

By most accounts, *guanxi* ties have resurfaced in the current Reform era and serve to socially "embed" the rapidly growing Chinese economy. While much recent scholarship looks at the impact of *guanxi* on market relations, the critical

question here is a less studied one: How has the market shaped forms of *guanxi* and expedited its modularization? If the culture of *guanxi* was de-institutionalized and preserved only as a fragmented legacy in the Maoist era, during the reform period its extensive mobilization in the market decisively furthered its modularization. The market "modularized" *guanxi*, as we explain below, by bringing *guanxi* out of the underground and creating much broader contexts for its application. In the process, social actors extensively used *guanxi* as a cultural metaphor for building voluntary market relationships and, as an unintended consequence, began to transpose this mode of voluntary relationship in a wide range of nonmarket, nonutilitarian, social contexts.

Out of the Underground: The Flexible Application of *Guanxi* in the Market

The wide and flexible application of *guanxi* in forging various market relationships has been well documented. For example, scholars have described the use of *guanxi* ties as a labor market mechanism. Yanjie Bian has found a dramatic increase in the use of *guanxi* ties by individuals to both find and change employment since the introduction of market reforms in urban China.[32] In contrast to findings that indicate that Americans tend to find jobs through "weak ties," that is, through relationships with acquaintances,[33] Bian's research suggests that individuals in China are more likely to secure employment through what are described as "strong ties," built on relations of trust with kin or friends. These ties not only facilitate the exchange of information about job availability but also serve to exert considerable influence on decisions about job allocation made on the part of party personnel and firm management.[34] Job search processes in the Chinese labor market are therefore heavily embedded in *guanxi* networks.[35]

At the same time, kinship relations are being transformed into a utilitarian measure of labor discipline in the hands of capitalists. Studies point out the comparative advantages of using interpersonal ties to recruit and organize workers.[36] The use of kin as employees effectively guarantees worker loyalty since the "existence of cultural commonalties and social ties may provide a degree of trust which makes it easier to construct employment relationships based upon asymmetrical reciprocity."[37] Even when the employers and employed are not directly related, recruiting factory workers from the same clan or native village also controls against labor unrest. As part of a network, these workers often feel a sense of personal loyalty and obligation to their managers or supervisors.[38] Similarly, in her research at a highly rationalized service sector workplace, Otis found that workers commonly invoked kinship terms—staff called managers "older sister," much to the liking of the managers—when there existed no actual family relations.[39] The terms signaled emotional bonds, while preserving hierarchy, and were favored by locals over the impersonal bureaucratic title of "manager." These studies suggest that labor-capital relationships are both being negotiated within *guanxi* networks and imagined through pseudo-familial terms.

In fact, Wank describes such uses of *guanxi* as a crucial condition for the process of marketization in the specific context of contemporary China.[40] It is argued that in the absence of a more effective legal system, the language of friendship and pseudo-kin ties offers the means to build the confidence and trust necessary to underwrite cooperation between state actors and investors.[41] Overseas Chinese entrepreneurs also resort to the same cultural vocabulary for developing trust with business partners in China (most notably with party members). Thus, *guanxi* offers a common language for agents of capital and bureaucracy as they attempt to define the parameters of their newly developed relationships.[42]

Similar to the Maoist period, *guanxi* is not only being mobilized among existing social networks but, as a significant step in the process of modularization, has become a cultural language potentially applicable to the building of trusting relationships between any individuals. But through its mobilization by the market, *guanxi* has not only escaped the underground but has radically broadened the scope of its application, thus further generalized as a cultural idiom.

Modularized *Guanxi*: Flexible and Dependable

Through its widespread usage in labor-capital and market-bureaucracy negotiations in late socialist China, *guanxi* is radically multiplied—and modularized—in broad contexts. Individuals who were previously separated by class, regional, and national boundaries now come into frequent contact and interaction. As such, people participate in increasingly numerous networks and relationships. The multitude of contexts renders *guanxi* significantly more flexible and fluid. As a multiply networked individual chooses to engage in certain networks more actively than in others, this relational individual cultivates a stronger agency over his or her surrounding relationships.

The increasing multiplicity of potential contexts of *guanxi* allows individuals to underscore alternative relationships somewhat strategically. While a clear-cut exit from a *guanxi* network is rare, people may minimize their participation in particular relationship at points. Individuals might, for example, cite obligations to one relationship to free themselves from the obligations of another. One is less obligated to fully engage a particular relationship when one plays up an identity that is grounded in an alternative social context. Smart illustrates how the change of context opens up the option of "quasi-exit" from *guanxi*:

> It may be that it is not *guanxi* as an idiom or a form of relationship/interaction that changes so much as the context: in the largely closed community setting of China's villages, short-term manipulation of the idiom of *guanxi* is less likely to be effective and more likely to have repercussions than in urban contexts where relationships can be neglected or discarded with more impunity.[43]

A good example is found in how overseas Chinese investors flexibly draw upon the privileges of being simultaneously "insiders and outsiders" in China.

They can call on their identities as compatriots to access certain networks but claim their identities as foreigners and strangers when they need to deflect demands on their own resources. Hence, investors will emphasize or obscure ties strategically depending on the social context.[44] Alternatively, individuals can withhold their participation in a *guanxi* tie by declining the reciprocation of gifts and favors. Refusing to play the part of a debtor, then, "will enable individuals to have enough freedom in deciding whether to establish personal networks with others."[45] The sense of agency over one's engagement in surrounding relationships is significant for the modularization process; it suggests that the usage of *guanxi* has grown increasingly voluntaristic in nature.

Furthermore, the extensive usage of *guanxi* on the market expands the realm of private friendship. This is because, in the vocabulary of *guanxi*, it is critical that social exchanges are premised on an idiom of friendship rather than through appeals to mutual interest or individual motivation.[46] Gift giving and other favor exchanges are carefully considered in terms of timing and form of presentation so as to carry appropriate signifiers of friendship.[47] In turn, the gradual accumulation of gift and favor exchanges further strengthens friendship. The steady building of personal familiarity and friendship, rather than any one-time opportunity for outright exchange, is a critical feature of *guanxi*.[48] In this fashion, as state bureaucrats and investors mobilize and construct *guanxi* on the market, they are also investing in building meaningful friendships outside of the market. Accordingly, voluntary, flexible, and reasonably dependable relationships sprawl on the scene of late-Socialist China, expanding not only the market but also the realm of private friendship.

While Western social scientists are inclined to be suspicious of the possibility of genuine integration of affective and instrumental relationships, one distinct feature of the culture of *guanxi* is precisely the congruence of the two. Reminiscent of its Confucian origin, the cultural language of *guanxi* "requires" *guanxi* builders to materialize their feelings through material goods and to handle material goods as a gesture of feelings. Since, in this cultural context, "genuine" friendship can only develop through proper materialization of feelings and "instrumental" relationships can only be pursued, and will only be honored, through gestures of friendship, it will be a gross misconception to dichotomize the realm of human relationships into the affective and the instrumental. Instead, in the idiom of *guanxi*, one is legitimized precisely through the other.[49]

In short, *guanxi*'s involvement in the market changes its own nature in two significant manners. On one hand, as people are building *guanxi* with previously unlikely partners and in multiple contexts, they are less dominated by any single relationship and hence cultivate a stronger agency in their involvement in these networks. On the other hand, as *guanxi* develops through largely nonmarket interactions, the growth of *guanxi* networks expands the realm of private friendship that exists outside of the economic sphere. The market, therefore, is modularizing

guanxi by rendering it flexible while keeping it trustworthy. Without the flexibility, the revival of *guanxi* might have brought about a gigantic networked community in an image of reconstructed Confucian feudalism; without the trust,[50] *guanxi* might have created a collective of rent-seeking individuals engaging in purely exploitive and disposable relationships. The balance between individual choice and relational bonds is crucial to the modularization of *guanxi* in this period; *guanxi*, in its modularized form, functions as a cultural idiom for dependable relationships that can be constructed flexibly beyond the boundaries of both kinship and the market.

TOWARD A "*GUANXI* CIVILITY"

Through a long historical transformation, *guanxi* has developed into a cultural idiom that is analogous to civility in Western societies. *Guanxi* originated from the institutionalized ideology of Confucianism, subsequently became de-instituionalized and fragmented, and finally, with its mobilization in the market, has turned into a widely used, free-floating cultural motif. As a common language that signals a shared cultural legacy in today's China, *guanxi* has been radically "modularized," or transformed from a set of rigid rules about primordial ties into a cultural understanding about building relationships between strangers. The modularity of *guanxi* renders its usage voluntary and *guanxi* relationships pluralistic. Drastically different in origin and content, today's culture of *guanxi* nevertheless shares the recognizable features of Western civility: those of a shared cultural legacy, modularity, and pluralism.

As we discussed in the introduction of this article, a culture of civility provides the basic rules for voluntary social engagement. Civility is the cultural source for social cohesion, which, though differently interpreted,[51] is commonly emphasized as a defense against institutionally imposed social order. While in the Confucian period, *guanxi* relationships depended on the institutional power of the state and the patriarchal family, in the Maoist era, *guanxi* remained underground and therefore achieved only limited social cohesiveness. Only now that *guanxi* has resurfaced and sufficiently modularized through the reform period is it manifested as a society-wide, self-regulating, and in this sense "civil" culture. The three basic rules of Confucian *guanxi* that survived through the socialist era constitute the basic grammar of the *guanxi* idiom; but rather than a set of institutionalized rules, the *guanxi* idiom is employed voluntarily and accepted as the common standard for appropriate social interaction. Below, we elaborate on these three rules in their contemporary, generalized form: an integration of the material and the expressive, an emphasis on long-term reciprocity over one-time transactions, and a respect for hierarchies, now understood in terms of "face," with an emphasis on how their application is voluntary and serves as a cultural source of self-cohesiveness among networked social actors.

We discussed earlier the importance of the congruence between instrumental and expressive dimensions of relationships.[52] In a *guanxi* culture, gifts are not to be measured by their monetary value but rather by the degree of affection they convey; in fact, the more distance a gift seems to take from the market, the more valuable it is. The most valuable gifts involve a certain amount of personal risk on the part of the donor (like sponsoring a child in school), some amount of effort to acquire, or time spent discovering the recipient's interests and needs.[53]

The continual transformation and extension of *guanxi* practices from one dimension to the other (e.g., from the expressive to the instrumental and back to the expressive, and so forth) ensures the growth and consolidation of *guanxi* ties, which range in dependability and intimacy from what Yan terms a personal core of family to a reliable zone of close friends to an effective zone of distant relatives and acquaintances.[54] The instrumental (e.g., gifts and favors) and the expressive (e.g., depth of a friendship) aspects of a *guanxi* tie are to be carefully matched to ensure appropriate social exchanges, but at the same time they can be handled flexibly to allow for a gradual adjustment of the relationship. This flexibility enables individuals to alter, over a period of time, the size and density of their *guanxi* network in both their reliable and effective zones.[55]

This rule is self-regulating within the *guanxi* network; the only sanction comes from the disapproval registered by others in the relationship. Hsing's study describes one such instance of noninstitutional sanction.[56] On one occasion, an official refused a gift because it was offered after a favor was requested. This act was construed as a violation of the rule of the balance between the expressive and the instrumental, as the timing placed too much emphasis on the favor request and conveyed little desire for a friendship. The official thus returned the gift, declaring, "it is obvious you are trying to bribe us."[57] The behavior of the gift giver lacked civility in the context of a *guanxi* culture and is sanctioned as such. Yet the sanction is informal and communal; the infraction is not punishable by institutional powers.

The emphasis on the congruence of the instrumental and the expressive leads to a second rule in *guanxi*—that is, long-term reciprocity—as the careful balancing between the two dimensions requires a long process of relationship building. To continue with Hsing's example, the proper way to build a relationship would have been for the gift giver to show his commitment to the relationship through a gradual and subtle process of favor exchanges. Rather than offering a sumptuous article at the beginning of the relationship in "a once-and-for-all fashion," he should have proceeded with giving small gifts and favors as the friendship slowly grew.[58]

While the element of long-term reciprocity finds its roots in the Confucian legacy of ritualized reciprocal obligations, its contemporary application is voluntary and driven by a sense of mutual social dependence. Alan Smart explains why people follow this cultural rule:

I felt strongly that people preferred to always give more than they received. Even if they never "cashed in" the obligations that these prestations theoretically generate, they appreciated having a widely distributed stock of "social capital" invested in their network, not so much that they might be able to receive gifts in the future, but only as a kind of insurance in case they might need some favour or other. . . . Certainly *guanxi* can be manipulated, but when this is done too blatantly, the effort may fail and receive nothing but scorn in return.[59]

A third rule in the enactment of *guanxi* is to save face, a concern resonant with the emphasis on status and hierarchy in the Confucian legacy. Generally understood as a sense of personal dignity and status, *mianzi*, or "face," is achieved through accumulating "the moral superiority" of being a favor giver.[60] One maintains status, or face, through acts that appear giving and generous; one loses face when perceived to be selfish and socially indebted. People go to great lengths to ensure they are more a giver than a taker and in so doing preserve face in social interactions. An economy of face underlies much of the etiquette involved in semi-ritualized drinking, eating, gifting, and other social interactions in China. For example, villagers in northern China maintain detailed lists of gifts offered by fellow villagers on various occasions (e.g., wedding, childbirth) to ensure that a gift of equal or greater value is proffered on the next occasion.[61] At the same time, strategic gift giving can allow someone to register disapproval of another's action (challenging his or her face). For example, a former party official expressed displeasure with a disloyal friend by refusing to attend the wedding of his friend's son. Instead, during the wedding, his wife presented a gift to the daughter-in-law's family. "Li's wife both observed the rule of gift-giving, meeting her obligation to return a gift, and publicly expressed her discontent and anger to the recipient."[62]

In general, face guarantees that favors will be returned; relations flourish through this "enduring indebtedness."[63] The social sanction of losing face is registered in the term *face* itself—a faceless person is deprived of his or her social persona and is soon banished from the *guanxi* networks. Thus, the desire for accumulation is mitigated by the need to maintain face. The importance of face prevents *guanxi* exchanges from becoming extortionist in nature.[64]

In short, the rules of *guanxi* have become a cultural idiom for voluntary social engagement that is free from institutional sanction. Taken together, these cultural rules underscore the primacy of "social positioning" in relationship building. The emphasis on the congruence of the expressive and the instrumental dimensions requires social actors to consciously interpret the nature and depth of each particular relationship and to act accordingly in their interaction with different individuals. The importance of long-term reciprocity further compels social actors to continually adjust their roles in social relationships as they grow and change. The respect for hierarchy and face reinforces the importance of positioning oneself in relation to others in any social engagement. Thus, according to the cultural idiom of *guanxi*, it is impossible to be civil with another without establishing a relational position; civic engagement is always imagined and enacted by locating the rela-

tional self in a social network and performing the appropriate social rituals that come with one's specific location. The idiom of social positioning is therefore the primary language through which civic relationships become imaginable and are pursued in contemporary China.

Guanxi *and Legal Rationality*

Guanxi is not the only language of sociability available in China. As several studies have documented, the codes of legal rational regulation constitute a second language that is being gradually adopted and institutionalized in Chinese society. This observation raises questions about the interaction between *guanxi* and the cultures and institutions of legal rationality. While scholars who subscribe to what can be called a rational-bureaucratic framework view *guanxi* networks as a sign of incomplete marketization and predict its eventual demise,[65] numerous accounts about the Chinese market suggest that the personal and the bureaucratic do not constitute a zero-sum game.[66] As Yang points out in her rebuttal of Guthrie's assertion of the decline of *guanxi*, "*guanxi* must be treated historically as a repertoire of cultural patterns and resources which are continually transformed in their adaptation to, as well as shaping of, new social institutions and structures."[67] To understand the interaction between *guanxi* and legal rationality, it is more fruitful to observe their conflicts and integration than to assume that either one of them can only exist in the absence of the other.

In effect, as the Chinese bureaucracy is arguably undergoing a process of rationalization, *guanxi* links local bureaucracies to the market.[68] As a result of recent reforms that have preserved local socialist bureaucracies but have relaxed central state control, China's local bureaucrats enjoy much flexibility and autonomy from central government levies and policies.[69] Perhaps approximating Peter Evans's "embedded bureaucracy," these relatively autonomous local state representatives cooperate with private entrepreneurs to promote economic enterprise.[70] They exert control over much of the business environment, working both within the broad scope of laws established by the central government and creating strategies to circumvent these laws. This combination of flexibility and boundedness is recognized as key to China's rapid economic growth, especially because of its role in reducing transaction costs.[71]

To ensure that such institutional flexibility is not abused or exploited by investors, local bureaucrats resort to the cultural idiom of *guanxi* to foster trustworthy relationships with potential business partners. Through a multitude of semi-ritualized social acts, potential partners enter into a process of relationship building that combines interests and friendship. The idiom of *guanxi* enables such subtle communications. Abiding by the cultural rules of *guanxi*, investors and state bureaucrats are protected from exploitation; as we have discussed earlier, excessive demands of favors usually break the *guanxi* tie. Thus, the culture of *guanxi* provides norms for social relationships, restricts rent seeking, and facilitates com-

munication between state bureaucracies and entrepreneurs without degenerating into rampant corruption. To be sure, many forms of outright corruption do exist in China, but in comparison to other post-socialist societies, it would appear that this problem is significantly curbed by the confines of strong state institutions and the cultural idiom of *guanxi*.[72] *Guanxi* works in tandem with the flexible boundedness of local bureaucracies and is therefore increasingly integrated into the institutional logic of the rational bureaucracy developing in China.

Contrary to any essentialist assumptions, Chinese people are certainly capable of participating in contract-making and law-abiding activities, and they do not have to do so at the expense of the cultural resource of *guanxi*. Rather, they are inclined to interpret the law through the familiar cultural schema of social positioning. Since the law does not recognize the cultural primacy of social positioning among its citizens, it often appears as an inadequate set of codes for prescribing and describing social relationships. In this sense, all laws are, by definition, "inadequately social" and require appropriate interpretation. As the cultural idiom of *guanxi* is drawn upon to contextualize the law, it has the potential to either motivate public mobilization or to encourage retreat from the public realm altogether—an ambiguity inherent to political potential of *guanxi* civility to which we will return later.

Guanxi and the Construction of Civil Society: Civility, Pluralism, and Political Opposition

Understanding the significance of *guanxi* for a Chinese civil society may be tricky. As we identify how this modularized legacy has developed into a culture of civility, there is the temptation to idealize its promise for a civil society in this rapidly changing nation. At the same time, precisely because civil society is not fully present, there is also the danger of overlooking the social impact of the culture of civility. It is perhaps useful, therefore, to once again remind ourselves of the role of civility in civil society so that we can situate *guanxi* civility in its proper context within our discussion of its potential and contingencies.

Civility, as we explained earlier, pertains to the cultural dimension of civil society. Civility speaks to a morality for social engagement and a tolerance for difference and is valuable as such. However, a climate of tolerance does not necessarily foster political activity. For a culture of civility to develop into a political opposition that forms a critical will with respect to the state, an institutional arrangement that guarantees the autonomy of the associational sphere needs to be established. Furthermore, a process of political mobilization within this sphere has to unfold. We can consider civility as providing a cultural idiom for the interactions within the institutions of associational sphere (which constitutes civil society) and the process of political mobilization (which leads to political society). Yet the culture of civility alone does not engender the institutional developments or the political processes that directly challenge political domination.

In reality, even with a heavy stock of civility and fully institutionalized associational autonomy, examples of a mature civil society always appear to accommodate a mixture of political, nonpolitical, and in some cases parochial articulations. Most often, civil society stages "plurality and inequality, tolerance and discrimination," which go "hand in hand in associational life."[73] As much as civil society might appeal to us as a normative ideal, it is important to acknowledge that the wealth of associations "says as much about tribalism as about concern for common civic good."[74]

Civil society, then, encourages pluralism without necessarily dismantling domination. Trentmann explains it well as he observes that civil society produces an "inegalitarian politics of difference," which "keeps the river of social relations from freezing" but is nevertheless inegalitarian.[75] But the pluralism of civil society is still an important political weapon. "If not entirely free from aggression, these spaces contributed to a new ability to live with difference"[76] and therefore constitute a first line of defense against concentration of power.[77] In this sense, voluntary associations in civil society for any purpose are valuable because they form the basis for the fragmentation and diversity of power.

Building on these qualifications, we elaborate on the potential and contingencies of *guanxi* civility. Generally speaking, *guanxi* provides a cultural language for voluntary social engagement in newly established civic groups that, drawing on Western examples, develop their own organizational formats; at the same time, the potential of *guanxi* civility is largely constrained by the dominant institutional arrangement of domestic politics in contemporary China.

Through an example, let us illustrate how *guanxi* civility functions as a language of social engagement in the "imported" associational context. Cornue's study of the nationwide Women's Hotline, the first of its kind in China, documents that the idea of a hotline is very much a product of transnational flows of NGO—the organization had been directly inspired by the model of Western NGOs and funded with U.S. money.[78] Through the Women's Hotline, women from all over China speak publicly about what have historically been private concerns.[79] As Cornue puts it,

> A new "women-only" relational and cultural space is created as callers are lifted out of their social positionalities while they speak anonymously to "warm-hearted," faceless, disembodied women counselors, who nonetheless are trained in particular points of view. A new women's "family," minus parents, husbands, and child, is created in the intimacy of the interaction.[80]

As the callers are temporarily "lifted out of their social positionalities," they are, drawing upon the culture of *guanxi*, simultaneously inserting themselves into a new social position. Women define the parameters of this novel practice of faceless intimacy by invoking the imagery of a trans-spatial sisterhood. The name

"sister" is more than just a convenient label; it established bonds and hierarchy and gives this imported practice local meanings.

> Deploying the word sister in Chinese automatically creates a relationship pungent with meaning and rank. A woman can either be an older sister, *jiejie*, or a younger one, *meimei*. Callers, if they label the transaction in familial linguistic code, routinely name counselors *jiejie*. The notion of (equal) sisterhood held so dear to Western feminist notions is an unachievable project short of inventing Chinese neologisms.[81]

Conversely, the civility of *guanxi* informs the development of a new kind of sisterhood, steeped in specific local cultural references. Positioning herself as a *meimei* to the counselor, the caller creates for herself a culturally understandable context in which to trust, confide in, and impose her troubles on an otherwise total stranger.

Our own research confirms the observed emergent pattern of *guanxi* civility informing new NGOs. Like the Women's Hotline, the Beijing Migrant Women's Home (*dagongmeizhijia*—literally, "working little sister's home") draws on a vocabulary of kinship to organize nonkin relationships among migrant women.[82] The organization invites rural women who have migrated to Beijing for work to participate in social events or just to spend time socializing in their offices. Similar to the hotline, the home claims to be an NGO but in fact organizationally straddles the state-sponsored Women's Federation and Western funding agencies, receiving support and modes of action from both. Officials who run the agency encourage migrant women to adopt it as a "home away from home" where women might find refuge from their urban social isolation.[83] These displaced women position themselves as quasi family members within the agency; it is being conceptualized as "home," rather than the more bureaucratic "association," "organization," or even "collective," and is mapped by relationships of intimacy, care, support, trust, and shared experience. Accordingly (and not unlike the story of the hotline), young migrant workers rely on the notion of sisterhood to define their relationships with the counselor who runs the daily operations of the home (herself a migrant). Relating to the counselor as "older sister," migrant women confide in her the difficulties they face in the city, including the deeply personal experiences of sexual violence. The language of home and kinship allows them to forge ties with migrants from diverse regions and in the process claim an urban space as their own.

But *guanxi* civility has to operate within the constraints of the institutional logic of state-society relationship in China. Specifically, state-centered political institutions heavily sanction non-state powers and steer these "families" (e.g., the Women's Hotline) or "homes" (e.g., the Migrant Women's Home) away from becoming a political fulcrum. These emergent civic networks or organizations, therefore, seek to prosper through state-society partnership and avoid state-

society confrontation. They vie less for formal independence from the state and concentrate more on developing a "state-friendly" agenda of self-governance, engaging in activities that are consistent with state policies but fall outside of direct state supervision.

Cornue explains this state-society partnership through the example of the Women's Hotline. In her observation, the organization desires partnership with the state because "these groups need the political face (weight) of the state as leverage to accomplish and legitimate their programs to combat deep-rooted cultural and political prejudice as well as snowballing discriminatory market forces."[84] At the same time, these non-state organizations are achieving what the state wanted to but could not realize. Callers are allowed "by the anonymity of the Hotline to move beyond the limitations of family, neighborhoods, and *danwei* and access a trans-China, if not a global community."[85] A meaningful (if not full-fledged) civic group is being negotiated outside of the state but not in opposition to it. Thus, to understand the potential of civic groups in China, the content of activities of a group may be more important than formal independence from the state.[86]

Since most civic organizations seek to prosper through cooperation, rather than competition with the state, the civic sphere is unlikely to provide the basis for a formal, membership-based political society.[87] We should then consider the political ambiguity of *guanxi* civility in situations in which state-society confrontation appears unavoidable. To address this ambiguity, we propose to distinguish between *guanxi*'s potential for the "privatization" and the "publicization" of power in society.[88] *Guanxi* facilitates the privatization of power in situations where people draw on their personal ties to strike deals about issues that are of public concern and should have involved a public discussion. *Guanxi* encourages the publicization of power when people recognize their networks to be a public site of collective bargaining. Actors using *guanxi* to publicize power resort to ties with state bureaucrats or other social groups to mobilize support in a public negotiation or debate rather than to seek favors for personal solutions. The interaction between these two potentials of *guanxi* is key in shaping its political mobilization. The future trajectory, however, has yet to unfold.

Li Zhang's study of an unofficial migrant community in Beijing illustrates these dual tendencies in the political mobilization of *guanxi* ties.[89] Zhang traces how ties based on place of origin, often referred to as "native place ties" by China scholars, enabled the construction and survival of this enclave of migrant workers, serving as channels of information exchange and resources for mutual protection. Migrant leaders built up their power through control of housing and market spaces within the community and by constructing good *guanxi* with powerful figures in various levels of state agencies. At the same time, despite wide internal socioeconomic stratification, native-place solidarity continued to thrive, especially in the face of state attempts to dismantle this migrant enclave. Zhang characterizes the

mobilization of native-place *guanxi* in this struggle as a form of failed clientalism. For Zhang, an ineffective central state left a power vacuum for migrant leaders to occupy. Their relationships with other migrants and with local state bureaucrats worked as an informal mechanism to manage the social and economic lives of the enclave. When the central state decided to reclaim control over the enclave, these personal ties, which Zhang describes as an example of the privatization of power, proved no rival against state power.

Zhang's rich empirical discussion of the case, however, suggests a more complex picture than her theory conveys. As the appeal to personal ties was failing, the migrants began to change their strategy. "Housing bosses and migrants within a housing compound together drafted an urgent appeal in the name of all migrants in the area and submitted it to the All-China-Federation of Industry and Commerce . . . and the National Association for Independent Workers."[90] Furthermore, they actively sought political backing from the local government of their native place.

> The native-place identity became a mechanism through which political alliances between local government and migrants of the same place of origin were created. The Zhejiang provincial liaison office delivered an appeal to the Beijing city government to stop the campaign, and two provincial officials met with the vice directors of the campaign.[91]

In the end, these appeals also failed to stop the demolition campaign, but they differed significantly from the earlier efforts. Instead of appealing to informal ties and seeking personal favors from individual bureaucrats, these appeals brought the struggle into the public realm. Through these actions, migrants transformed their networks into a site of legitimate, collective bargaining.

Our own research also uncovers important instances of the publicization of power based on *guanxi*. To continue with the example of the Migrant Women's Home, we observe that on some occasions migrant women publicly voiced their opposition to the state-enforced temporary permit system, which prevented their permanent settlement in urban centers, and denounced the limited enforcement of labor laws, which perpetuated degrading working conditions and low wages.[92] The creation of a space that they claim as home has built the networks and fostered the identity with which they can vocalize their dissatisfaction. Taking this highly localized forum to a wider public audience, in June of 1999 the home convened the First National Forum on the Protection of the Rights of Migrant Women Workers. The conference provided a public stage on which activists and the migrants voiced criticism of several state policies regarding migrant workers. Furthermore, participants strongly condemned the government-promulgated discourse that blames migrant's socioeconomic marginalization on migrant's "low quality" (*suzhi di*), that is, their lack of skills and education. In what one commentator called an "example of civil society at work in contemporary China,"[93] the

forum raised consciousness about the plight of migrant workers and promoted among the migrants a shared critical perspective. Such instances are significant markers of the potential for *guanxi* networks to become sites of the publicization of power, although they remain vulnerable to state power and are far from a constant social phenomenon in today's China.[94]

These examples suggest that while under an ineffective central state, *guanxi* often facilitates the privatization of power, and *guanxi* can also be mobilized as the basis for the publicization of power. To put it differently (and to be reminded of an earlier point), state laws are mediated through an extensive web of *guanxi* ties, but this "mediation" has alternatively given rise to opportunities of collective bargaining and private forms of negotiation among citizens who attempt to disengage the state. This dual tendency, we suggest, is a crucial ambiguity in the political potential of *guanxi* civility, which is itself highly vulnerable to changing state policies. The specific conditions and mechanisms that shape the further development of this ambiguous potential is an important question whose answer awaits future empirical research.

CONCLUSION

To reiterate, *guanxi* in its modularized form, or as a "generalized particularism," should be recognized as a culture of civility that meaningfully informs voluntary social engagement in the emergent associational sphere in China. At the same time, this culture of civility is highly contingent on the institutional constraints of domestic politics. While the future trajectory of this rapidly changing society is hard to predict, the present offers a scenario of increasingly pluralistic civic activities that are nonetheless rarely oppositional.

Since the concept of modularization is crucial for our understanding of the transformation of *guanxi*, it is apt to consider what the study of *guanxi* can offer in return. For civil society scholars, the modularization of *guanxi* presents two valuable reminders. Understanding the transformation of *guanxi* as a process that parallels the development of Western civility suggests that a culture of civility could have origins apart from the legacy of rational individualism. By the same token, this understanding reminds us of the particularistic roots in the universalistic assumption of Western civility.

Let us return to Gellner's elaboration of modularity for a moment. Gellner's discussion is, in part, inspired by modular furniture. He notes that modular furniture is quite accommodating; pieces of furniture can be bought or replaced at any point in time and yet still fit together as a set. Civil society, observes Gellner, depends on "modular man" just like our office does modular furniture. Modularity ensures both flexibility and togetherness and thus defines the condition of civility.[95]

Gellner's metaphor, however, has some additional qualities that are noteworthy. First, pieces of furniture can only be recognized as modular in relation to

other pieces in the same line. If we, without any other information, see a piece of furniture standing alone, we will have no way of deciding whether it is modular. Modularity is thus a relational feature, existing within a collective rather than a single individual. Second, there are not one but many lines of modular furniture. It is pointless to hold up one particular line of production as the only model and declare all other furniture as non-modular. Modularity does not imply singularity.

Our article illustrates these points. We recognize how *guanxi* has undergone the transformation from an ideological center to a fragmented cultural legacy and, through its voluntary and flexible application, is developing into a cultural vocabulary of civility in China. Though *guanxi* and rational individualism have similarly gone through this historical transformation, we certainly do not deny the differences between the cultures of *guanxi* and individualism; our discussion of the cultural principles of *guanxi* made it clear that *guanxi* civility differs drastically from individualism civility in content. However, we recognize in both the defining features for what counts as a civility: cultural homogeneity, modularity, and pluralism. To paraphrase Gellner, the two represent different lines of modular furniture.

By the same token, this reading of Gellner points to the enduring, if altered and attenuated, role of tradition in the formation of civility. We join recent scholarly efforts that recognize that "in earlier research on the public sphere, the importance of traditions has not been adequately developed."[96] As a critique of the "sharp, unsustainable opposition between tradition and reason in Habermas' writings on the public sphere,"[97] we argue that a culture of civility always has (attenuated) roots in a tradition, as it is conceptualized as a modularized form of a shared legacy. Contemporary civil societies are, in part, founded on civilities that have preserved cultural and social legacies, which are reinvented in the absence of the institutionalized ideological center. Western civility, often taken to be a marker of modernity, does not, after all, represent such a decisive break from its tradition; at the same time, other traditions can become modularized and give rise to different kinds of civility. It would appear that there are diverse cultural sources for civil society.

NOTES

1. Hall offers a clear analytical definition of civil society, which includes "the presence of strong and autonomous social groups able to balance the state," as well as "a high degree of civility in social relations." See John A. Hall, "In Search of Civil Society," in *Civil Society: Theory, History, Comparison*, edited by John A. Hall (Cambridge, UK: Polity, 1995), 1-31. Other scholars have put forth similar arguments. For Bryant, civil society should be understood "in terms of the associations of citizens—social self-organization—between households and state and aside from the market"; with a focus on civility, civic associations are conceptualized to be "conducted within a framework of law and convention." See Christopher G. A. Bryant, "Civic Nation, Civil Society, Civil Religion," in Hall, ed., *Civil Society*, 148). Similarly, Giner's conception of civil society stresses "the network of relatively independent institutions . . . as well as the cultural attitudes of civility and tolerance

which are an indispensable part of [a country's] civic and political culture." See Salvador Giner, "Civil Society and its Future," in Hall, ed., *Civil Society*, 303.

2. Habermas locates a "public sphere" between the institutions of private interiority and public authority. He argues that in the Western past, it was precisely the formation of individuality in the private sphere that enabled participation in spaces of both public sphere and public authority. See Jürgen Habermas, *The Structural Transformation of the Public Sphere*, translated by Thomas Burger with the assistance of Frederick Lawrence (Cambridge, MA: MIT Press, 1989), particularly chap. 2, "Social Structures of the Public Sphere." Within this realm of private individualism, "the political self-understanding of the bourgeois public originated" (ibid., 29). It was through this self-understanding that state control of public functions "was contested and finally wrestled away by the critical reasoning of private persons" (ibid.). Thus, rational individualism, in Habermas's and his followers' understanding, provides the foundation for the development of Western public spheres. It is useful to remind ourselves that for Habermas, theorization about the public sphere is never meant to be abstracted from the specific historical context of the European High Middle Ages; see Craig Calhoun, "Introduction: Habermas and the Public Sphere," in *Habermas and the Public Sphere*, edited by Craig Calhoun (Cambridge, MA: MIT Press), 1-48. By implication, the role of rational individualism should also be understood in varying contexts.

3. Mary Ryan, "Civil Society As Democratic Practice: North American Cities During the Nineteenth Century," in *Patterns of Social Capital: Stability and Change in Historical Perspective*, edited by Robert Rotberg (New York: Cambridge University Press, 2001), 231 and 237.

4. Ibid., 241.

5. Ibid., 242.

6. ªerif Mardin, "Civil Society and Islam," in Hall, ed., *Civil Society*, 295.

7. Bryant, "Civic Nation, Civil Society, Civil Religion," 143 and 145.

8. Ernest Gellner, "The Importance of Being Modular," in Hall, ed., *Civil Society*, 41-42.

9. Gellner, "The Importance of Being Modular." See also Ernest Gellner, *Conditions of Liberty: Civil Society and Its Rivals* (London: Hamish Hamilton, 1994); Adam Seligman, *The Idea of Civil Society* (New York: Free Press, 1992).

10. This is not to say that fragmentation of the Church alone accounts for the historical development of Western civility. In his classic *The Civilizing Process*, Elias traces the long and circuitous development of civility in the West, illuminating a complex web of influences. Moreover,

to understand the control of conduct which a society imposes on its members, it is not enough to know the rational goals that can be adduced to explain its commands and prohibitions; we must trace to their source the fears which induce the members of this society, and above all the custodians of its precepts, to control conduct in this way. (Norbert Elias, *The Civilizing Process* [New York: Pantheon, 1982], 519)

The development of courtly *courtesies* in the form of prohibitions on weapons at the dining table or using table knives in a "warlike" manner arose in part from fears of unchecked knightly aggression and a need to constrain violent behavior. These forms of etiquette achieved a formality and distance of social relations that formed the basis for temporarily checking hostility and are consistent with a somewhat reserved or "cool" civility based on mutual tolerance that individualism-minded philosophers emphasize. For a critique of the argument that locates the origin of individualism-based civility in the history of Christianity, see David Zaret, "Petitions and the 'Invention' of Public Opinion in the English Revolution," *American Journal of Sociology* 10, no. 6 (1996): 1497-555.

11. Ming-cheng M. Lo and Christopher P. Bettinger, "The Historical Emergence of a 'Familial Society' in Japan," *Theory and Society* 30 (2001): 237-79.

12. The Five Classical texts, covering ritual, history, poetry, and cosmology along with the writings of his follower Mencius, comprise the Confucian canon, which was the foundation of Confucian ideology and practice.

13. Jonathan Spence, *The Search for Modern China* (New York: Norton, 1990), 59, our emphasis.

14. Mayfair Yang elaborates,

To be sure traditional Chinese culture did operate with a loose gender binary, as there was severe discrimination against women, especially from the Song dynasty onward. However, this binary did not have the same totalizing, universalistic, and rigid essentialism that modern biology introduced into the Western binary. It was counterbalanced by other equally important categories of social status, age, generation, kinship positioning, and the flexibility and situational construction of yin-yang principles.

See Mayfair Mei-hui Yang, "From Gender Erasure to Gender Difference: State Feminism, Consumer Sexuality, and Women's Public Sphere in China," in *Spaces of Their Own: Women's Public Sphere in Transnational China*, edited by Mayfair Yang (Minneapolis: University of Minnesota Press, 1999); Mayfair Yang, *Gifts, Favors, & Banquets: The Art of Social Relationships in China* (Ithaca, NY: Cornell University Press, 1994), 65; Tani Barlow, "*Theorizing Woman: Funu, Guojia, Jiating* [Chinese Woman, Chinese State, Chinese Family], in *Body, Subject and Power in China*, edited by Angela Zito and Tani Barlow (Chicago: University of Chicago Press, 1994); Ann Anagnost, *National Past-Times: Narrative, Representation, and Power in Modern China (Body, Commodity, Text)* (Durham, NC: Duke University Press, 1997); Xiaotong Fei, *From the Soil: The Foundations of Chinese Society* (Berkeley: University of California Press, 1992).

15. Ambrose Yeo-chi King, "Kuan-hsi and Network Building: A Sociological Interpretation," *Daedalus* 120, no. 2 (1991): 66.

16. Fei, *From the Soil*, 65.

17. Ibid.

18. Dorothy Y. Ko, *Teacher of the Inner Chambers: Women and Culture in China, 1573-1722* (Stanford, CA: Stanford University Press, 1994); Susan Mann, *Precious Records: Women in China's Long Eighteenth Century* (Stanford, CA: Stanford University Press, 1997).

19. In state Confucianism, the political elite were regarded as agents of political improvement who were "no ordinary, economically oriented citizens fallibly organizing themselves to monitor an incorrigible state, but certain saintly super-citizens ready to guide society by taking over a corrigible state or at least controlling society's 'nervous system.' " See Thomas Metzger, "The Western Concept of Civil Society in the Context of Chinese History," in *Civil Society: History and Possibilities*, edited by Sudipta Kaviraj and Sunil Khilnani (New York: Cambridge University Press, 2001), 212.

20. There were, of course, moments of crisis for state Confucianism throughout Chinese history. Metzger noted developments that resulted in the fragmented legitimation of the political center and led the late imperial state to autocratically forbid political activity. First, the civil exam system itself, which flourished as the main mechanism of recruiting officials in the Sung period, also gradually created "a population of well-educated scholars who were not able to enter the bureaucratic, political center and thus . . . poured their energies into local communities" (ibid., 218). Furthermore, in the Ming-Ching period (1368-1912), economic expansion differentiated the economic realm from the polity. But Metzger explains that "this center flexibly persisted for centuries as Chinese civilization dynamically evolved" (ibid., 219). So unemployed scholars and commercial activity

resulted in potential threats to the state, and the state responded by becoming more autocratic.

21. Ibid.

22. Ezra F. Vogel, "From Friendship to Comradeship: The Changes in Personal Relations in Communist China," *China Quarterly* 21 (1965): 46-60.

23. Yang, *Gifts, Favors, and Banquets*.

24. Judith Stacey, *Patriarchy and Socialist Revolution in China* (Berkeley: University of California Press, 1983).

25. Elisabeth Croll, *The Politics of Marriage in Contemporary China* (New York: Cambridge University Press, 1981).

26. Andrew Walder, *Communist Neo-Traditionalism: Work and Authority in Chinese Industry* (Berkeley: University of California Press, 1986).

27. Yang, *Gifts, Favors, and Banquets.*

28. Ibid.

29. Martin King Whyte and William L. Parish, *Urban Life in Contemporary China* (Chicago: University of Chicago Press, 1984), 305.

30. Yang, *Gifts, Favors, and Banquets*, 39.

31. Ibid.

32. Yanjie Bian, "Bringing Strong Ties Back In: Indirect Ties, Network Bridges, and Job Searches in China," *American Sociological Review* 62 (1997): 366-85.

33. Mark Granovetter, "Economic Action and Social Structure: The Problem of Embeddedness," *American Journal of Sociology* 91 (1974): 481-510.

34. See also Bian, "Bringing Strong Ties Back In"; Yanjie Bian and Ang Soon, "*Guanxi* Networks and Job Mobility in China and Singapore," *Social Forces* 75, no. 3 (1997): 981-1005.

35. See also Josephine Smart and Alan Smart, "Obligation and Control: Employment of Kin in Capitalist Labour Management in China," *Critique of Anthropology* 13, no. 1 (1993): 7-31; Ching Kwan Lee, "Factory Regimes of Chinese Capitalism: Different Cultural Logics in Labor Control," in *Ungrounded Empires: The Cultural Politics of Modern Chinese Transnationalism*, edited by Aihwa Ong and Donald Nonini (New York: Routledge, 1997), 114-42.

36. Smart and Smart, "Obligation and Control," 11.

37. Ibid.

38. Ching-Kwan Lee, "Factory Regimes of Chinese Capitalism."

39. Eileen M. Otis, "Embedding Service: Gender, Class, and the Moral Economy of the Socialist Work Unit in China" (unpublished manuscript, Department of Sociology, University of California, Davis, 2002).

40. David Wank, "The Institutional Process of Market Clientelism: *Guanxi* and Private Business in a South China City," *China Quarterly* 147 (1996): 820-38. See also Elizabeth C. Henderson, "Channels across the Taiwan Straits: The Political Preferences and Activities of Taiwan's Investors in Mainland China" (paper prepared for the annual meeting of the Association for Asian Studies, Chicago, 1997).

41. Andrew Walder, "Introduction," in *China's Transitional Economy*, edited by Andrew Walder (Oxford, UK: Oxford University Press, 1996), 1-17; David Wank, "The Institutional Process of Market Clientelism."

42. Contradicting the modernist assumptions regarding the incompatibility of industrial development and the extended family, a number of researchers have illustrated the role of the family in organizing production. For example, Tamara Hareven's study of early-twentieth-century U.S. industrial setting illustrates the conditions under which familial institutions can shape the organization of industrial work. See Tamara K. Hareven, *Family*

Time and Industrial Time (New York: Cambridge University Press, 1983). Likewise, Ping-chun Hsiung's work investigates the family foundations of Taiwan's satellite factory system. See Ping-chun Hsiung, *Living Rooms as Factories: Class, Gender, and the Satellite Factory System in Taiwan* (Philadelphia: Temple University Press, 1996). Hamilton and Biggart demonstrate how family inheritance structures influence the organizational structures of different East Asian economies. See Gary G. Hamilton and Nicole Woolsey Biggart, "Market, Culture, and Authority: A Comparative Analysis of Management and Organization in the Far East," *American Journal of Sociology* 94 (suppl. 1998): S52-S94. Rather than focusing on the organization of family organizations and structures in China, our main focus here is a cultural one. We concentrate on the ways in which familial idioms develop as part of the repertoire that constitutes a culture of civility. For a discussion of uses of family idioms in small Japanese factories, see also Dorine Kondo, *Crafting Selves: Power, Gender, and Discourses of Identity in a Japanese Workplace* (Chicago: University of Chicago Press, 1990).

43. Alan Smart, "*Guanxi*, Gifts, and Learning from China: A Review Essay," *Anthropos*, 93 (1998): 561.

44. An extreme example of this is illustrated by overseas Chinese who usually do not make significant investments in their home village so as to avoid weighty demands made on the basis of kin relations. See Alan Smart and Josephine Smart, "Transnational Social Networks and Negotiated Identities in Interactions between Hong Kong and China," in *Transnationalism from Below*, edited by Michael Peter Smith and Luis Eduardo Guarnizo (New Brunswick, NJ: Transaction Press, 1998), 103-39; Josephine Smart and Alan Smart, "Personal Relations and Divergent Economies in China: A Case of Hong Kong Investment in China," *International Journal of Urban and Regional Research* 15, no. 2 (1991): 216-33.

45. King, "Kuan-hsi and Network Building," 76.

46. For example, as an official and a potential investor enter into a business relationship, they build friendship through nonbusiness interactions. "They usually meet each other in restaurants, 'assessing the bottom line' of one another by drinking together for several runs in various occasions." You-tien Hsing, *Making Capitalism in China*, 142. See also Hsing, "Blood, Thicker than Water."

47. Hsing, *Making Capitalism in China*; Yunxiang Yan, "The Culture of *Guanxi* in a North China Village," *China Journal* 35 (1996): 1-25; Yang, *Gifts, Favors, and Banquets*; Alan Smart, "Gifts, Bribes, and *Guanxi*: A Reconsideration of Bourdieu's Social Capital," *Cultural Anthropology* 8, no. 3 (1993): 388-408.

48. Wank, "The Institutional Process of Market Clientelism"; Smart, "Gifts, Bribes, and *Guanxi*." In building new *guanxi*, people most often draw on shared participation in an organization or group as the starting point (i.e., kinship, shared alma mater, native place, etc.). When shared identities do not exist between two people who want to establish *guanxi*, one might seek an intermediary to make the proper introductions. "Through the intermediary the individual is able to associate with the 'stranger' on relational terms." See King, "Kuan-hsi and Network Building," 74.

49. For an elaboration of this argument, see Smart, "*Guanxi*, Gifts, and Learning from China." Having developed a similar argument, Kipnis persuasively argues that the understanding of how the instrumental and the expressive are integrated in the China case helps us to recognize that the two are often also blended in Western societies. See Andrew B. Kipnis, *Producing* Guanxi: *Sentiment, Self, and Subculture in a North China Village* (Durham, NC: Duke University Press, 1997). For an illustration of the integration of instrumental and affective dimensions of action in a Western context, specifically in the ways individuals imbue money, an impersonal medium of material exchange, with emotional content,

see Viviana A. Zelizer, *The Social Meaning of Money: Pin Money, Paychecks, Poor relief, and Other Currencies* (New York: Basic Books, 1994).

50. There exists an extensive literature on trust. Generally speaking, the issue of trust has been examined in three arenas: the state, civil society, and the market. But arguments tend to fall along a single fault line: Trust is viewed either as a function of self-interest or springing from more complex motivations and institutional arrangements. Levi's edited collection represents an important argument about trust in the context of state-society relations, which underscores trust as either based on calculated individual interests or norms and obligations bound up with citizenship. According to Levi, governments guarantee trust through regulatory oversight (i.e., overseeing contracts), which enables otherwise risk-taking activities. Here, the foundations of trust are located in institutions. See V. A. Braithwaite, "Institutionalizing Distrust, Enculturating Trust," in *Trust and Governance*, edited by V. A. Braithwaite and Margaret Levi (New York: Russell Sage Foundation, 1998), 295-314; Geoffrey Brennen, "Democratic Trust: A Rational-Choice Theory View," in Braithwaite and Levi, eds., *Trust and Governance*, 197-217; Russell Hardin, "Trust and Governance," in Braithwaite and Levi, eds., *Trust and Governance*, 9-27; Magaret Levi, "A State of Trust," in Braithwaite and Levi, eds., *Trust and Governance*, 77-103; Philip Petit, "Republican Theory and Political Trust," in Braithwaite and Levi, eds., *Trust and Governance*, 295-315.

A number of other researchers examine the formation of trusting relations as a source of social capital, which shapes patterns of economic activity. Most widely familiar is probably Putnam's analysis of the connections between divergent civic traditions and social capital in northern and southern Italy, as well as his thesis that links declining trust or "social capital" to U.S. economic performance. Whereas Putnam locates social capital in enduring civic traditions, Sabel argues that, with the proper institutions, any society can generate the social trust necessary for economic enterprise. See Charles Sabel, "Studied Trust: Building New Forms of Cooperation in a Volatile Economy," *Human Relations* 46, no. 9 (1993): 1131-70. Others analyze how institutional mechanisms and specific cultural configurations of trust shape economies. For example, Fukuyama holds that hierarchically organized voluntary associations form the foundations for large enterprises in Japan, while the absence of voluntary associational activity explains the primacy of small business in Spain, France, China, and Taiwan. See Francis Fukuyama, *Trust: The Social Virtues and the Creation of Prosperity* (New York: Free Press, 1996). Focusing on the problem of the absence of trust in market exchanges in southern Italy, Diego Gambetta's study examines the emergence of the mafia to protect market exchange. See Gambetta, *The Sicilian Mafia: The Business of Private Protection* (Cambridge, MA: Harvard University Press, 1993). In contrast to the abundant literature on the role of trust in shaping the economy, there is not much discussion on trust and civil society. This literature tends to adopt an individualistic perspective, viewing trust as a function of a society made up by free, private, and rational individuals. See Seligman, *The Idea of Civil Society*. Our analysis of *guanxi* civility joins recent attempts at critiquing the individualistic perspective for not recognizing the diversity of forms and sources of cooperation and solidarity. For example, see Natalie Fenton, "Critical Perspectives on Trust and Civil Society," in *Trust and Civil Society*. edited by F. Tonkiss et al. (London: Macmillan, 2000), 151-74; for a range of critiques of the rational choice perspective, which recognizes non-self-interested sources of motivations and institutions that guide social cooperation, see Jane Mansbridge, ed., *Beyond Self-Interest* (Chicago: University of Chicago Press, 1990).

51. The issue of social cohesion has been central to the philosophical discussion of civil society. How does an aggregate of individuals engage with one another, if free from external constraints? There are a variety of answers to this question that can be found in the

Western tradition. For Locke, what held human beings together in the form of a civil society was their shared fear for the Christian God. For most of the Scottish Enlightenment scholars, civil society was held together by the interdependence of need. Hegel found both answers insufficient. He claimed to have produced a political equivalent of the Christian community, "united not by fear of God but by belief in the divinity of the political community itself." See Sunil Khilnani, "The Development of Civil Society," in *Civil Society: History and Possibilities*, edited by Sudipta Kaviraj and Sunil Khilnani (New York: Cambridge University Press, 2001), 24; for an extensive discussion of the issue of community, see Adam Seligman, *The Idea of Civil Society.*

52. Andrew Kipnis asserts, "There was a congruence between the size of gifts, the burden of obligation, the strength of feeling that either existed or that the parties hoped to develop, the closeness of the *guanxi*, and the dependability of the *guanxi*." See Kipnis, *Producing Guanxi: Sentiment, Self, and Subculture in a North China Village*, 73; see also Yang, *Gifts, Favors, and Banquets*.

53. Hsing, *Making Capitalism in China*, 135.

54. Yan, "The Culture of *Guanxi* in a North China Village."

55. Ibid.

56. Hsing, *Making Capitalism in China*.

57. Ibid., 137-38

58. Ibid., 137. This is one way that *guanxi* can be distinguished from bribery; exchanges are never final or singular—they are always part of a larger series of future and past exchanges through which mutual obligation is accumulated.

59. Smart, "*Guanxi*, Gifts, and Learning from China," 562-63.

60. Yang, *Gifts, Favors, and Banquets*, 42.

61. Kipnis, *Producing Guanxi*; Yan, "The Culture of *Guanxi* in a North China Village."

62. Yan, "The Culture of *Guanxi* in a North China Village," 14. One scholar succinctly sums up the principle embodied in this detailed protocol: "*mianzi* . . . functions as a site from which hierarchical communication is possible" (Angela Zito, "City Gods, Filiality, and Hegemony in Late Imperial China, Modern China," 13, no. 3 [1987]: 119, quoted in Kipnis, *Producing Guanxi*, 43).

63. Hsing, *Making Capitalism in China*, 9.

64. This is yet another factor that distinguishes *guanxi* from bribery. A respect for face and mutual obligation works against extortion; see Yan, "Reform, State, and Corruption." Even high-ranking officials adhere to the mutuality implicit in *guanxi*; to maintain face, they must follow through on their commitments.

65. Doug Guthrie, *Dragon in a Three-Piece Suit: The Emergence of Capitalism in China* (Princeton, NJ: Princeton University Press, 1999).

66. Mayfair Mei-hui Yang, "Rebuttal: The Resilience of *Guanxi* and Its New Deployments: A Critique of Some New *Guanxi* Scholarship," *China Quarterly* 170 (2002): 459-76.

67. Ibid., 459.

68. You-tien Hsing, *Making Capitalism in China* (Oxford, UK: Oxford University Press, 1998); Smart and Smart, "Obligation and Control"; Wank, "Institutional Process of Market Clientelism."

69. For example, the central government now taxes a relatively small fixed sum of local revenues; local governments can use the remainder as they see fit. In addition, local governments are free to approve and regulate all small- and medium-size enterprises. See Hsing, *Making Capitalism in China*; Wank, "The Institutional Process of Market Clientelism"; Jieh-Min Wu, "Strange Bedfellows: Dynamics of Government-Business Relations

between Chinese Local Authorities and Taiwanese Investors," *Journal of Contemporary China* 6, no. 15 (1997): 319-46.

70. Peter Evans, *Embedded Autonomy: States and Industrial Transformation* (Princeton, NJ: Princeton University Press, 1995). Jean Oi explains that the local state in rural China plays an entrepreneurial role, fostering business enterprises and making investment decisions. She indicates that the institutional changes created by market reform "made local governments in China full-fledged economic actors, not just administrative-service providers as they are in other countries." See Jean Oi, "The Role of the Local State in China's Transitional Economy," *China Quarterly* 141 (1995): 1137. As a result, local governments have an enormous amount of discretion in investing resources. Other scholars have coined the term "bureaucratic entrepreneurs" to describe these local state actors. See Hsing, *Making Capitalism in China*; Lance L. P. Gore, *Market Communism: The Institutional Foundation of China's Post-Mao Hyper-Growth* (Oxford, UK: Oxford University Press, 1998).

71. Smart, "Obligation and Control"; Wank, "The Institutional Process of Market Clientelism." While local state leaders' newly acquired autonomy gives their government offices exclusive access to many capital resources, they are also responsible for promoting growth of their locales. Since the central government now provides minimal subsidies or infrastructure to local governments, local bureaucrats are invested in maximizing local revenues for the survival and well-being of their own government. See Nan Lin, "Local Market Socialism: Local Corporatism in Action in Rural China," *Theory and Society* 24, no. 3 (1995): 301-54; "The Role of the Local State in China's Transitional Economy"; Wu, "Strange Bedfellows." While control of property, licensing, utilities, customs, taxes, and employment through government offices allows local officials to seek rents of various sorts from investors, the opportunities for rent seeking are limited by the same local government institutions that enable them. The combination of resources controlled and disbursed through the local state means that, while some corruption exists, officials are less likely to sabotage public assets by selling them off and pocketing the profits, as in Russia.

72. In China, this particular fusion of culture and institution has generally served the economy well, and while the specter of corruption lurks, the problem is clearly not as great as in Russia and various eastern European transitional states. In Russia, the weakening of state institutions has resulted in an institutional power vacuum to be filled by the Russian mafia, which controls much of economic exchange through extortion. In comparison, graft on the part of local officials is relatively minor. See Sun Yan, "Reform, State and Corruption: Is Corruption Less Destructive in China Than in Russia? *Comparative Politics* 32 (1999): 1-29.

73. Frank Trentmann, "Introduction: Paradoxes of Civil Society," in *Paradoxes of Civil Society: New Perspectives on Modern German and British History*, edited by Frank Trentmann (New York: Berghahn, 2000), 17.

74. Ryan, "Civil Society as Democratic Practice," 229.

75. Trentmann, "Introduction," 23.

76. Ibid., 17.

77. Ryan, "Civil Society as Democratic Practice"; see also Charles Taylor, "Two Theories of Modernity," *Public Culture* 11, no. 1 (1999): 153-74.

78. "The WH was supported by funds that . . . [were] raised largely from the United States" and functioned under the supervision of the state. See Virginia Cornue, "Practicing NGOness and Relating Women's Space Publicly: The Women's Hotline and the State," in *Spaces of Their Own: Women's Public Sphere in Transnational China*, edited by Mayfair Mei-hui Yang (Minneapolis: University of Minnesota Press, 1999), 72. As a nongovernmental organization (NGO), the hotline receives no state money, but "it is subject to varying degrees of state intervention" (ibid., 73).

79. Cornue, "Practicing NGOness."

80. Ibid., 80.

81. Ibid., 90, no. 11.

82. Author's field notes, 1999.

83. Migrant women, with their long hours of work in the city and the isolation from friendship and kinship, experience a sense of anomie. One migrant woman expressed this feeling eloquently: "I feel like I have no roots: It's like a sharp wind cut me from my string and now I'm left to float in the empty sky." Eileen M. Otis, "The Construction of a Gendered Space of Liminality in China's Unregulated Service Sector" (unpublished manuscript, 2002).

84. Cornue, "Practicing NGOness," 86.

85. Ibid., 88.

86. Richard Madsen, *China's Catholics: Tragedy and Hope in an Emerging Civil Society* (Berkeley: University of California Press, 1998); Thomas Gold, "Bases for Civil Society in Reform China," in *Reconstructing Twentieth-Century China: State Control, Civil Society, and National Identity*, edited by Kjeld Erik Brodsgaard and Davis Strand (Oxford, UK: Clarendon, 1988), 163-88.

87. Gramsci, Habermas, and others tend to regard civil society as the basis of political society, which in turn serves to assert civic power against state power. Habermas, *The Structural Transformation of the Public Sphere*. Cohen and Arato put it succinctly: "The mediating role of political society between civil society and the state is indispensable, but so is the rootedness of political society in civil society." See Jean Cohen and Andrew Arato, *Civil Society and Political Theory* (Cambridge, MA: MIT Press, 1992), xi-x.

88. Of course, the importance of *guanxi* for the development of Chinese civil society has been recognized and elaborated by many before us. Due to space limitations, we cannot offer a complete review of this literature. Briefly speaking, scholars hold different views on the potential for a set of *guanxi*-based associations to develop into a basis of civil society. Many scholars who recognize the importance of *guanxi* over institutional autonomy in civil society are skeptical of its having much political potential at all. For example, according to Unger and Chan, the rise of independent associations in China should be understood as a sign of corporatism instead of a nascent civil society. See Jonathan Unger and Anita Chan, "China, Corporatism, and the East Asian Model," *Australian Journal of Chinese Affairs* 33 (1995): 29-53. Similarly, for Wank, the emergence of private business does not necessarily empower civil society at the expense of the state:

In some key respects the power of the local bureaucracy is buttressed by the emergence of private business even as central state control recedes. . . . The emergence of "autonomy" in the overall political configuration does not so much entail the increasing autonomy of society vis-a-vis the state but rather the heightened autonomy of communities composed of alliances between local officials and certain private actors vis-a-vis the central state. (See David Wank, "Private Business, Bureaucracy, and Political Alliance in a Chinese City," *Australian Journal of Chinese Affairs* 33 [1995]: 71)

Heeding the corporatist features of Chinese society, some scholars nevertheless seek to understand ways in which the extensive webs and modularized cultures of *guanxi* may escape the corporatist order. Mayfair Yang's classic study of *guanxi* in particular emphasizes the political potential of *guanxi* networks. Yang argues that *guanxi* networks serve to neutralize state control; such horizontal ties challenge the mechanism through which state power imposed itself on society. See Yang, *Gifts, Favors and Banquets*. For other relevant discussions on the nature of Chinese civil society, see Kevin O'Brien and Laura M. Luehrmann, "Institutionalizing Chinese Legislatures: Trade-Offs between Autonomy and Capacity," *Legislative Studies Quarterly* 3, no.1 (1998): 91-108; Philip C. Huang, " 'Public

Sphere'/'Civil Society' in China? The Third Realm between State and Society," *Modern China* 19, no. 2 (1993): 216-42; Mayfair Mei-hui Yang , "The Resilience of *Guanxi* and Its New Deployments: A Critique of Some New *Guanxi* Scholarship," *China Quarterly* 170 (1999): 459-76; Frederic Wakeman, Jr., "The Civil Society and Public Sphere Debate: Western Reflections on Chinese Political Culture," *Modern China* 19, no. 2 (1993): 108-39; Gordon White, Judi Howell, and Shang Xiao-yuan, *In Search of Civil Society: Market Reform and Social Change in Contemporary China* (New York: Oxford University Press, 1996).

89. Li Zhang, "Migration and Privatization of Space and Power in Late Socialist China," *American Ethnologist* 28, no. 1 (2001): 179-205.

90. Zhang, "Migration and Privatization of Space and Power in Late Socialist China,"193.

91. Ibid., 193.

92. Author's field notes, 1999.

93. Tamara Jacka, "Other Chinas' China's Others: A Report on the First National Forum on the Protection of the Rights of Migrant Women Workers, June 16-18, 1999, Beijing," *New Formations* 40 (2000): 129.

94. In a similar example, Elizabeth Perry studies the role of native-place connections in early-twentieth-century labor activism in Shanghai. Perry argues that native-place networks, which tended to channel workers from similar regions of origin into similar occupations, shaped worker movements and political outcomes. While native-place networks did sometimes fragment workers based on their region of origin, it did as much to mobilize workers along the very same lines of identity. Shared occupation and residence reinforced bonds of solidarity, which proved a power resource for labor activism. In fact, when workers from similar native places were placed in different lines of work, they were often able to ally across these occupational boundaries. Perry argues that native-place alliances account for the more than two thousand strikes in Shanghai between 1918 and 1940. Although this article focuses on late-socialist China, Perry's study shows that the potential for *guanxi* networks to serve as a site of collective action could already be documented in the interregnum between dynastic and communist rule. See Elizabeth J. Perry, *Shanghai on Strike: The Politics of Chinese Labor* (Stanford, CA: Stanford University Press, 1993).

95. Gellner, "The Importance of Being Modular."

96. Zaret, "Petitions and the 'Invention of Public Opinion' in the English Revolution," 1541.

97. Ibid.

Ming-cheng M. Lo (mmlo@ucdavis.edu) is assistant professor of sociology at the University of California–Davis. She is the author of Doctors within Borders: Profession, Ethnicity, and Modernity in Colonial Taiwan *(University of California Press, 2002). She is currently researching civil society formations in the East Asian context, as well as the intersection of ethnicity and professionalism in an Asian-American immigrant community.*

Eileen M. Otis (emotis@ucdavis.edu) is an assistant professor of sociology at the State University of New York, Stony Brook and has recently completed a dissertation titled "Serving the People: Gender, Class, and Ethnicity in China's Emergent Service Sector." The dissertation is based on more than one year of fieldwork in two cities in mainland China and examines the roles of global and domestic market forces in forming a sex-segregated service sector, as well as women's responses to these newly created low-status, low-wage jobs.