

Characters of the Story

It is not unusual for an ethnographic account to open with a story about the ethnographer traveling to the field, and anthropologists with different theoretical orientations may employ a similar writing strategy of this kind.¹ In so doing, the anthropologist as an author creates, among other things, an ethnographic authority that rests on the fundamental assumption, implicit or explicit in writing, that these experiences are out there in reality. It is by now a commonplace to argue that ethnography is as much a particular genre of writing, with its own historical conditions of emergence, as it is based on the actual experience of the ethnographer; however, what is not as clear as some might have thought concerns the nature of experience itself. An examination of how ethnographic materials are obtained by personal experience, situated in the large context of relations of power, does not answer the question of what experience—both of the people under study and of the ethnographer—is supposed to be. That is, by focusing too much on the question of how ethnographic materials are obtained, one may have pushed aside another important domain of inquiry on what there is. Even if we know that there is a relation of power that sets up the context for some to become the object of knowledge, we still need to know what is actually out there, to be collected or experienced by the anthropologist in the field. A student of Malinowski might have said that there were three kinds of action and interaction out there in the field: what people do, what they say, and what they say about what they do. According to such a scheme of classification of what there is, two layers of reality are distinguished: what people do and say on the one hand and how people talk about what they do on the other.² What people say is taken here as part of what they do: for example, talking about the forthcoming election in a community is action. This is different from what they say about what they do in that it is meant to reason with one's own action or interaction, to give it an

account in a culturally coherent way, to provide a discursive justification for action. If such a distinction is maintainable, I shall argue that there are in fact two possible modes of anthropological inquiry, with one focusing on the description of what people do and the other focusing on how they comment on their own practices. Any ethnography necessarily consists of, consciously or not, a combination of these two modes of inquiry: very few—if any—ethnographic works are purely descriptive of what people do, lacking some kind of account of how the people under study explain or interpret their institutions or systems of behavior. However, in terms of an ethnographic awareness of this possible difference in focus, anthropologists do not always prioritize how people comment on their own practices.³ This experience, from the perspective of the ethnographer, is the experience of hearing or listening to—rather than watching or seeing—the way in which a cultural world is shaped. In other words, fieldwork can be either based on the mode of (participant) observation, a metaphor of empirical science that prioritizes the eyes of the observer, or based on (participant) understanding, scientific in another sense that gives a significant power to the ears of an anthropologist. The field project, on which this book is written, focuses on the commentaries of those under study—that is, on how the business world of everyday experience in Beihai or South China in general is talked about by those who are part of it.

These commentaries are not to be treated as gossip; instead, they will be considered constituent elements of lived experiences, moments of articulation of a story about oneself and others within a larger picture of society and history. It is true that how people comment on their own practices depends on the occasions for which these comments are produced. That is, there is always a “who question” whenever we wish to understand the effects of these comments. However, another question must also be raised: the question of the narrative structure by which a certain kind of speech is able to be produced. Instead of simply providing an ethnographic description of what was going on in Beihai, I focus my analysis on the form of these comments or stories. Two theoretical assumptions underlie my analysis, which I will elaborate in chapter 4: first, stories told on various daily occasions consist of characters, units of plots, and sites of plotting constituted in a particular structure of narrative, historically situated and culturally specific. A combination of characters, units of plots, and sites of plotting is essential for the narration of certain kinds of stories, but these elements are not necessarily actual in

the sense that they were acted out in a specific time and place—although they might have been. They are real in that they constitute the conditions of possibility to be part of the reality envisioned, and this is the focus of my analysis. Second, my discussion is based on the assumption that, following David Carr and others, the actual experience itself is structured in and as a narrative; an analysis of the narrative structure as a historical form of social existence therefore provides a real possibility for understanding the mode of existence itself.

By orienting my analysis in such a theoretical direction, I do not mean to overlook the question of ethnographic coherence, which is indeed often the problem of some theoretically challenging ethnographies.⁴ A coherent ethnographic description is a central concern for me; however, according to my understanding, ethnographic coherence means a full treatment of the functions of the characters that make possible the telling of the story of urban (high-tech) development in contemporary China. That is, ethnographic examples are governed by a theoretical thread that stitches the story of who one is and what one wants to be in a new discursive domain.

What Is a Character?

What is a character? In his influential book on the condition of our moral chaos since the Enlightenment, *After Virtue* (1984), Alasdair MacIntyre provides some interesting ideas for how a character can be defined and why it is necessary to consider such a definition for a sociology of culture. To be sure, *After Virtue* and his other works have little to do with any sociology of culture in a conventional sense; instead, they are concerned with rewriting the history of modernity by compiling a genealogy of Western morality and/or moral philosophy.⁵ My reading of MacIntyre's work, though by no means constrained by his intention as an author, has helped me frame the central questions that I hope to raise in this ethnography, which ground my theoretical inquiry embedded in the ethnographic materials still unfolding. I will begin with a particular point about the character in *After Virtue*.

MacIntyre refers to Japanese Noh plays and English medieval morality plays as examples of what a character is supposed to be. To my mind, there is nothing more adequate than using the Beijing opera or perhaps other kinds of local operas in China as such examples of what a

character is. Unlike those in modern movies, characters in these plays are immediately recognizable to the audience in the sense that the characters possess a stock of qualities that have defined them as certain characters, which in turn define possible developments of a plot. The interpretation of these plays depends on a culturally specified preunderstanding of these characters. MacIntyre particularly points out, “*Characters* specified thus must not be confused with social roles in general. For they are a very special type of social role which places a certain kind of moral constraint on the personality of those who inhabit them in a way in which many other social roles do not” (1984, 27). This difference is important. Social roles—for example, professional ones such as accountant or manager—are not characters; they lack the stock of moral qualities presupposed to be part of their possibilities of being such personalities defined as characters. In contrast, the official, as represented by Nee Chuzhang and Tu Chuzhang, is indeed a character because there is a stock of presupposed moral qualities—powerful and corrupt, among others. As MacIntyre continues to define the difference, “In the case of a *character* role and personality fuse in a more specific way than in general; in the case of a *character* the possibilities of action are defined in a more limited way than in general” (1984, 28). Social roles may thus possess some qualities that define what they are, but the definition in such cases is more general than in the case of characters. It is possible to say that characters are a very special kind of social role.

Why is it necessary to make this distinction? MacIntyre suggests that it is essential in outlining cultural differences: “One of the key differences between cultures is in the extent to which roles are characters, but what is specific to each culture is in large and central part what is specific to its stock of *characters*” (1984, 28). In applying this argument to contemporary China, the comparison is not between two different cultures but between two (or more) different historical forms of social experience. That is, one may follow MacIntyre in arguing that one of the key differences between the Maoist revolutionary period and the period of economic reforms after Mao’s death in 1976 lies in the difference between the two historically distinguishable stocks of characters.

MacIntyre seeks to define characters as masks worn by different traditions of moral philosophy in the West—that is, he seeks to explain how these characters have embodied moral messages as relatively stable images in a given time or place. The embodiment of the moral message

through a set of characters constitutes the moral language of everyday life, which is different from the explicit articulation of moral philosophy. Inspired by MacIntyre's discussion, I seek to develop an analysis of the characters as a particular mode of anthropological understanding of society and history. Despite the differences in our orientation, MacIntyre's discussion is very useful for an articulation of the character as a central category for my ethnographic description. In his discussion, two distinctions are drawn. One is between individual and social role, and the other is between social role and character. The first distinction possesses a clear difference: what an individual believes does not necessarily conform to his or her public role. That is, the relationship of individuals to their social roles is mediated by a number of internal elements, such as psychology or personal history. Conversely, in the case of a character, a different kind of relationship exists: precisely because characters are already socially determined from outside—that is, they cannot be mediated by an individual's experience—they serve as a means by which culturally (or historically) specific modes of understanding are possible. “A *character* is an object of regard by the members of the culture generally or by some significant segment of them. He furnishes them with a cultural and moral ideal. Hence the demand is that in this type of case role and personality be fused. Social type and psychological type are required to coincide. The *character* morally legitimates a mode of social existence” (MacIntyre 1984, 29). This is to say that characters are, as it were, appearances of certain cultural (or moral) qualities presupposed as such by the members of a society. There is a fundamental difference between MacIntyre's discussion of the notion of a character and an earlier trend in the anthropological studies on culture and personality that essentialized the fixed features of different cultures.⁶ MacIntyre's point is that moral beliefs and ideas are of two kinds in a given culture. One lies in, for example, its philosophical articulation that is not directly accessible in everyday life, while the other type consists of images stored in a number of characters whose meaning is directly accessible in everyday situations.

The Maoist revolution offers an illustrative example. The landlord was a character through which peasants were to understand the suffering of their own lives, to understand what exploitation had been, to understand the direction of the future for the People's Republic. Especially during the land reform of the early 1950s, the character of

the landlord not only was associated with greediness and cruelty but also always received an image, in both narrative and visual representations of the revolution, of a mean-looking appearance. The landlord as a character was indeed an ideological character, specifically designed by the Maoist government for its political purpose; however, how such a character functioned in society differed little from other kinds of characters. During the Maoist revolution, the image of the landlord invoked an emotional (moral) response from ordinary peasants whenever it was presented, either in mass meetings or in the revolutionary dramas. Such a response came from the ideological assumptions attributed to the character of the landlord, whose behavior and attitude, no matter how different in specific cases, could always be anticipated according to the structure of feelings. For example, the landlord as a character in a revolutionary drama would always represent the counterrevolutionary force. There was no possibility in representing the landlord as a character as favoring the revolution in making, although everyone knew that in reality many revolutionaries came from landlord family backgrounds and not every landlord was actively engaged in counterrevolutionary activities. The landlord as an embodiment of the counterrevolutionary force was presupposed by the members of the society as a whole. The character of the landlord is not an individual or a social role. It is an image essential to the making of the communist ideology. In everyday life, such a character acted as part of the language of the revolutionary ideology. The point is that there are two modes of moral (ideological) representation: an ideological discourse, often in writing or in speech, and a set of images made through the creation of the characters.

Having defined the character as such, I seek to provide an ethnographic sketch of the characters essential to the telling of the Beihai story of urban (high-tech) development as an example of the rapid change in today's China in contrast to the logic of practice during the Maoist revolution. In so doing, I assume that MacIntyre's notion of character can be applied in a more general way to an analysis of society in flux. I also take up *After Virtue*'s general theoretical stance in arguing that the moral or the ethical has to be understood in a broad rather than narrow sense to mean the very grounding by which we are able to be what we are.

Characters do not exist in isolation. There is always a set of characters whose full meaning can only be understood in relation to each other at a given historical moment. Characters may be considered the

essential referential points according to which the stories about oneself and others may be told. This is the fundamental significance of my discussion of such a notion. An implicit assumption in my approach is that ethnographic accounts under the contemporary condition of life are only possible through an analysis of the stock of characters and the relations between them. The phrase “contemporary condition of life” means to indicate the shift taking place in our mode of existence, caused by globalization or capitalist global expansion, at the present moment. For example, one theme of David Harvey’s influential *The Condition of Postmodernity* (1990) focuses on what he called “space-time compression” and the transcultural character of flexible accumulation of capital. Under such a condition, the conventional anthropological method—participant observation in a specific locale—is quite impossible, partly because it is increasingly difficult to assume the existence of what James Boon called “island-like cultures” (1982, 15), places or groups of people in isolation.⁷ However, this problem cannot be solved by asking the ethnographer to travel with, for example, the floating population, a term describing the increasing volume of rural-urban migration in contemporary China; instead, what must be done is to make a conceptual reorganization that allows the anthropologist to focus on the stock of characters, where the boundaries between local and global, regional and national, and so forth, have little relevance. We should focus on the renovation of a particular society’s stock characters rather than following around our subjects of research in a physical sense or simply increasing the scales of our analysis.

By this discussion of the notional importance of character, I have also meant to criticize, implicitly rather than explicitly, a popular theoretical tendency in the sociological studies of and in China that has always focused on the emergence of new social roles, such as peasant entrepreneurs and professional households. The weakness of such analysis lies in its blindness to the difference between character and social role, of which the latter is simply a matter of fact brought about by the changes in the sphere of economic and political life. Such analysis, if ironically called sociological, does no more than the official classification, recorded in government statistics, does or wishes to do. “The poverty of theory” in this case—to reverse the meaning of a term borrowed from E. P. Thompson (1978), who was arguing against the conceptual abstraction of Althusserism—is precisely the poverty of theoretical understanding.

Who Is in the Story?

We have given a considerable theoretical significance to the notion of character as a category of ethnographic analysis. A set of characters is relatively stable at a given historical moment; however, in the case of China, the question of regional and local diversity must also be taken into consideration. Some regional or local differences regarding the characters in the story of development do exist. There are two regional features in the Beihai story of urban (high-tech) development. First, Beihai is far away from the center of political power, Beijing, China's capital. As those in Beihai often said to me, "The emperor is not nearby," meaning that things that could not be done in Beijing might be done in Beihai. I heard so many complaints from managers at different levels in the Beihai Star Group that it was difficult to do anything in Beijing, from business negotiation to entertainment. Conversely, in Beihai, everything was said to be much easier. As the manager of the massage parlor owned by the Star Group once said to me, "Oh, don't believe it. Those people from Beijing—once we had some here—are so inhuman. They wanted something but they didn't have the guts to ask for it. In the karaoke bar, they spent hours wondering whether they could have girls singing with them. When I brought them to the massage parlor, no girl liked them because they didn't know how to take their pants off. Cash and fuck! This is what these girls want. They waited and waited, but in the end everyone did it. What is this? Why didn't you just go for it? A waste of time, theirs and mine. And those girls'. Unbelievable." This comment suggests that local officials, such as Nee Chuzhang or Tu Chuzhang, had little hesitation in going to places, such as massage parlors, where one might receive sexual services. In the case of an official from Beijing or other centers of political power, some degree of hesitation might have been the case.⁸ This means that the official character in Beihai, in a sense, wore little clothes for his desires. By saying this, I mean that ethnographic descriptions of this book may be taken as an account of naked desires and practices. The nakedness here means that there is little need to hide what one wishes to do—for example, in the case of government officials accepting entertainment provided by businessmen. This was not always the case when dealing with the officials from Beijing. This is by no means to suggest local officials in Guangxi were worse than those in other places in terms of corruption but simply that these officials wore no masks.⁹ A second regional feature is that the

Beihai area was far less developed than, for example, its neighboring province, Guangdong. A feeling existed among those in the less developed areas: to develop, every possible means should be allowed to be tried; moral values cannot exist without material sufficiency. This is indeed a reflection of a long tradition in Chinese moral philosophy linked to the doctrine of Confucianism, which said that virtue and morality came after the provision of food and clothing. This regional feature is representative of those in China who considered themselves as being left behind by the train of development (see Liu 2000, 1–16). The ethnographic description, therefore, is not cast from the perspective of an “already” but from the perspective of a “not-yet.” Justification for action in Beihai was often articulated from this “not-yet-ness”: a combination of desperation for quick material gains on the one hand and disregard for the regulations, official or customary, in controlling the modernizing process on the other.

The Beihai story will be colored by these two regional features, which will bring out some striking characteristics of urban development that outsiders to this region might not see as “normal.” What concerns me is not the truth of urban development in terms of what actually happened but the conditions of possibility in telling a story about it, in which each character functions as a unit constituted in the whole of the Beihai story of urban (high-tech) development. One might also say that the focus is the truth condition of the narrative structure characteristic of today’s China. Stories have different versions, told by different people or groups of people on different social occasions, but the structure of these stories, the way in which they are told, is historically stable. In this sense, the Beihai story is narrated, ethnographically and theoretically, in the singular. The plurality in terms of versions of this story is a given condition for us to search for a historically situated structure of social existence.

Under these two assumptions—the regional characteristics of Beihai and the focus on the narrative structure—three fundamental characters are identified as essential to the telling of the Beihai story of urban (high-tech) development: *chuzhang* (the section chief); *laoban* (the boss); and *xiaojie* (the miss). One must bear in mind that these are characters, not social roles defined primarily according to professional or occupational differences. For example, a *laoban* could be in charge of any kind of business, but as a character it is defined as the embodiment of the newly emerged personhood who is in charge of his fate by paying

for others, a character different from any identifiable personhood in the stock of characters of the Maoist revolution. *Chuzhang*, in a narrow sense, indicates a particular official position but, as I will explain in the following section, as a character it signifies and resembles the official kingdom. A character is a function of understanding; social roles are not. Social roles are located in the real domain of experience; characters reside in the domain of understanding. The word *chuzhang* is a title: when it is used to mean a social role, it is made in contrast to other official titles. In contrast, when it is used here to signify the character of the official world as a whole in relation to *laoban* and *xiaojie*, it performs a crucial function of understanding in the telling of the Beihai story. Similarly, *xiaojie* can be used to name any young woman; as a character it occupies a specific location in the narrative structure of the Beihai story, referring particularly to those who worked in entertainment establishments.

Characters are defined in relation to each other as a functional whole constituting a structural necessity in telling the Beihai story of urban (high-tech) development. There are possibilities in further dividing them into subcategories or adding more secondary characters to this whole, but it will not change the fact that the elementary (narrative) structure of the Beihai story is determined by the wholeness of these three characters. They are not main characters in the ordinary sense of the term; rather, they are the main characters of a structural necessity. The structural necessity means that the relations within this functional whole are necessary and internal to the possibilities of telling any stories about urban development in Beihai (or in South China in general). In mathematical language, one would say that this whole of characters is a necessary condition for telling the Beihai story, but it may not be sufficient. In another sense, to say that it is a structural necessity means to emphasize that the relations between these characters, rather than the identification of each character in question, are essential in the constitution of this wholeness. Not the characters themselves but the relations between and among them define the narrative structure of the Beihai story. In specific versions of telling a story about business and society, an individual may refer to a social role as the representative of a character; in such cases, the social role is only the name of the character that functions to make the story able to be told. Social roles, in other words, designate an actual significance in its economic or political sense,

whereas, in the case of characters, they function as the necessary means of understanding.

Someone in favor of the theoretical image of fluidity and multiplicity of reality might challenge my definition of characters and narratives as forcing a conceptual straitjacket on the body of real life. A dreadful conceptual error involved in this charge is that it is blind to the difference between things referred to by words and words referred to by words—that is, the difference between the actual and the conceptual. It is a truism to point out that concepts help us organize experiences but are not themselves the experiences. The expression of an experience, linguistically or not, may take a different form as a result of a different conceptual scheme employed in organizing it. This experience may vary according to the situation in and the perspective from which it is experienced by a person or a people; however, this is not the same as saying that there is no way to organize them in a coherent way to illustrate more effectively its characteristics. In arguing for the specificity of their particular brand of historical ethnography, Jean and John Comaroff have provoked us by using Edmund Leach as an example of the difference between the experiential and the conceptual, of which there are two different orders of things. In their comments on Leach's landmark work, *Political Systems of Highland Burma* (1954), Comaroff and Comaroff write,

Leach would have scorned any postmodern suggestion that, because the world is experienced as ambiguous and incoherent, it must therefore lack all systematicity; and that, because social life seems episodic and inconsistent, it can have no regularity; that, because we do not see its invisible forms, society is formless; that nothing lies behind its broken, multifaceted surfaces. The very idea would probably have struck him as a lamentable failure of the analytic imagination. *Political Systems of Highland Burma*, remember, set out to disinter the dynamic structure underlying a diverse (dis?)array of social arrangements and representations, values and events; to show that, if our models are supple enough, they should make sense of even the most chaotic and shifting social environment. . . . We require good grounds for claiming the *nonexistence* of a system or a structure—the fact that we are unable to discern one at first blush is hardly proof that it is not there. Here,

then, is a preemptive counterchallenge to the deconstructive impulse of the 1990s: Absence and disconnection, incoherence and disorder, have actually to be demonstrated. They can neither be presumed nor posited by negative induction. (1992, 23–24)

I am not concerned here with a general response to what may be called postmodernism, which represents a very diverse field of inquiry that can by no means be considered as constituting a unified theoretical space.¹⁰ Nor am I as comfortable as the Comaroffs were in using the term *deconstructive impulse* only in its negative sense. I am concerned with the coherence of conceptual tools that one must bring to the ethnographic analysis. What is important, as far as I can see, is not to confuse tool with material or concept with experience. This confusion arises when one cannot distinguish a model from what it represents, an old problem wearing a new suit in our own age.¹¹

The (Holy) Trinity of Characters:
Chuzhang, Laoban, and Xiaojie

The Character of Chuzhang (Chief)

Those whose object of inquiry concerns China cannot avoid the question of “the limits of state power” as Stuart R. Schram (1987) put it or “the reach of the state” as Vivienne Shue (1988) phrased it, no matter from what disciplinary perspective the inquiry is made.¹² Regarding the current transition under the name of economic reforms that has greatly affected the topological features of social and political landscape of that vast country, a political scientist might ask the question of the extent to which the individual was allowed more autonomy in deciding or taking responsibility for himself (see Davis 1995, 10). A sociologist might ask questions concerning certain newly emerged social problems, such as the increasing unemployment or the (re)emergence of prostitution, or questions about economic disparity or the formation of new social identities. As an anthropologist, however, I ask a different kind of question regarding the problem of the state: What are the characteristics of the character representing the image of the official world in everyday imaginations of state power? By asking the question in this way, I have presupposed that the effect of the state must also be understood in and as an

image in everyday life—that is, as an embodiment of the ideology and morality of the state. Ordinary people in daily life might not be able to articulate the effect of the state, but they are always capable of portraying a character, consciously or not, as an image of the official world to tell a story about what is going on around them. This everyday understanding of the state through its image is a form of implicit knowledge that requires no definition from the point of view of those who are part of the social world under state control.¹³ *Chuzhang* is a character that represents this official image through which everyday understanding of the state's effect is made possible.

Chuzhang consists of two Chinese characters and is best translated as “section chief” or “chief.” The *chuzhang* occupies a strategic location in the bureaucratic machine of government administration. If the bureaucracy can be viewed as filled in by two layers of officials, those primarily making decisions and those primarily carrying them out, the *chuzhang* is situated at the juncture of the power to decide and the responsibility to carry out these decisions. Those below the rank of *chuzhang* have less responsibility in making decisions but more in carrying them out; those of higher rank have more responsibility in making decisions but less in carrying them out. The *chuzhang* is strategically located between these two layers of officials. This is a key characteristic of this particular official title. The bureaucratic machine under examination in this case is at the level of a city, the same level as a district in the countryside. At lower levels of government administration, such as a county (*xian*) or township (*xiang*), the title for those who stand between the two layers of officials may differ. But there is a stratum of officials strategically located between the two layers of officials in the Chinese bureaucratic machine, and as far as the Beihai story is concerned, this stratum is called *chuzhang*. The significance of this category of officials lies in the fact that it consists of a relatively large group, which means that, on the one hand, it is not impossible to become a *chuzhang*, and, on the other hand, the rank is a significant marker of one's place because of the power to decide.

Although a *chuzhang* is usually in charge of an office, as in the case of Nee and Tu, this title may also be given as a recognition of the rank to other officials. Even bureaucrats who cannot be promoted to be in charge of an office would still hope to receive the title of *chuzhang* at some stage of their careers. To be an official at the *chuzhang* level is a desirable but also achievable dream for many or most people working

for the bureaucracy. I heard plenty of stories about officials who would refuse to retire unless they received the title of *chuzhang*. Anyone working for government bureaucracy would be shamed to fail to reach to that rank before retirement. Part of the reason for this shame was that important discussions or meetings regarding government policy making were often organized for officials of this rank and above. Those who lacked the rank of *chuzhang* would not attend those important meetings and would lack advance knowledge of new policies. Exclusion from these meetings means that one is not yet in the circle of real power. Without this title, even if one is part of the bureaucracy, one is not an agent of official power. *Chuzhang* can be divided into *zheng chuzhang* (chief) and *fu chuzhang* (vice chief). In the bureaucratic ladder of government administration, the difference between them is registered significantly as far as benefits are concerned—for example, use of a government car. Someone outside the bureaucratic system, however, will not always recognize such a difference. In the case of the industrial division of the Planning Committee of Guangxi, for example, Nee was *zheng chuzhang* and Tu was *fu chuzhang*, but managers from the Beihai Star Group addressed both men as *chuzhang*.

Practically speaking, if an entrepreneur needed to establish official connections, he would target the various kinds of *chuzhang* because, unlike lower-ranking officials who had little power to make decisions, the *chuzhang* was part of the power structure that made decisions and, unlike higher-ranking officials who did not oversee implementation of decisions, the *chuzhang* could help to move things around in the business world. It is not simply that reaching higher-ranking officials is more difficult but also that when a decision is made, the *chuzhang* is in charge of implementing it. The implementation of a decision requires both experience and practical knowledge, which higher-ranking officials no longer possess. In Haihun's dealings with the Guangxi Planning Committee, the key persons were the two *chuzhang* in the industrial division. As Haihun said to me, if they were willing to help, they could always convince their superiors that what they did was necessary, because their superiors would not know what was going on in the world of business operation. It was sometimes necessary to look after those working under the two *chuzhang* in the industrial division but, in general, subordinates could not refuse to carry out the *chuzhang*'s decisions. In other words, keeping good relations with those working under the *chuzhang* would be a friendly gesture but was not necessary.

The practical significance of the *chuzhang* lies in the fact that they have something to offer—that is, they control government resources. Despite the economic reforms intended by the government to create a market system under which the state would no longer directly control economic activities, the state's role and function have remained extremely powerful in the distribution of economic resources.¹⁴ For example, when the state was trying to encourage the development of a private sector that would help transform the existing economic structure entirely based on the state enterprises, government officials decided how to redistribute these public assets. When the government tried to help develop certain areas of private industrial development, a number of favorable economic policies were established—for example, encouraging high-tech industrial development. In the case of Guangxi, the provincial government decided to encourage entrepreneurs to invest in high-tech industries by offering tax exemptions and low-interest bank loans. These favorable policies created in fact a game of social or political investment—that is, a game of securing a government loan with tax exemption, which would almost assure business success. Successful applicants would not receive loans and exemptions simply because they had investment opportunity and/or better technology; rather, being chosen by the government to develop enabled these entrepreneurs to obtain sufficient capital for success. Many individuals or small private companies hoped to get something from the state, but only a small proportion succeeded. The Beihai Star Group had great success in this game of inclusion.

How these policies were actually carried out was largely decided by those *chuzhang*, who decided which companies would receive state favors. This decision was never made in a vacuum; it was always made in a theater of desires (see chapter 3). The power of the *chuzhang* lies in their power to choose. The *chuzhang* as a character representing the image of the official world chooses to distribute state resources. Such power also enables the *chuzhang* to choose where and how he wishes to be pleased. As Tu Chuzhang once said, “A lot of times, things are not so different. Everyone is in a similar situation to begin with, without much capital or resource. It is we who decide which company is to be given these favorable policies. This is like a random choice. If we choose a company, it will certainly flourish. If we don't want someone to go ahead, we will always be able to think of something to stop him. To the government, punishment does not need an excuse.” Even if this is only

a partial truth, it is very clear that a good relationship with Tu Chuzhang is necessary to develop one's business. As a result, whenever possible, Haihun would always like to have Nee or Tu spend a weekend holiday in Beihai, for which the company would pay. Such exchanges were not unusual, as many others informed me during my fieldwork, because, compared to what the company received from the tax exemption and low-interest bank loans, the cost of such entertainment was insignificant. What surprised me, at least at the beginning of my fieldwork, was the fact that there was nothing secret about such exchanges.

It may not be unusual in China that, when a favor is asked of someone, the recipient will treat this person to a good meal. As I have argued elsewhere, food and its presentation constitute a system of signification that not only allows people involved to communicate their emotions and feelings but also makes them aware of the social norms of behavior on various occasions (Liu 2000, 83–106). However, the entertainment for *chuzhang* is never simply confined to eating but also often involves the provision of sexual services. In a general sense, one may argue that the everyday business world in today's China is sexualized in two senses. First, almost every conduct of human behavior—social, political, or economic—especially if it is concerned with the officials, can be talked about in sexual metaphors. Second, in the operation of the business world, *xiaojie*, the young women working in various entertainment establishments, have become a necessary condition for business operation. I will now return to the earlier example in which a Beijing official was reluctant to accept sexual services to show how sex could be a troubling yet exciting moment of business practice in the everyday world of experience:

It is much better here [in Beihai]—I mean, in terms of doing business—because nothing is hidden. What they want, they let you know immediately. In Beijing, they want the same thing, but they don't say it. They wait for you to say it. But even if you offer something to them, they will not take it as it is; instead, they will wait for you to offer one more time. We had this experience with a Beijing official coming to us last year, when we were trying to get listed on the stock market. He was about fifty and perhaps never had been treated the way we treated him. Because of his importance to us, we had assigned two managers to accompany him wherever he wanted to go. We got him the best food we could find

in the world, and all different kinds of rare animals, protected by the state law, would be cooked for him if he wished to have them. In the evening, we brought him to the best nightclub in Beihai, and one of our directors had reserved a *xiaojie* for him, a beautiful young girl with a double master's degree in quantum physics and sociology. We even thought that he might like someone whom he could talk to. This was a *xiaojie* of the highest quality who could talk about theory of relativity or Max Weber when having sex with you, you know.¹⁵ We also asked this girl to dress up in a uniform, pretending to be a college student. She did everything we told her to do. Nothing worked. He liked this girl but refused to take her to his room. While in the club, he sat there like a stick and went to the bathroom every other minute—yes, literally, every other minute. We thought that he had some sort of problem with his kidney or bladder. Anyway, it was too dark to see the expression on his face. Whenever the girl placed his hand on her leg, he stood up and went to the bathroom. No matter how much we said to him that this was Beihai, not Beijing, he still refused to take anyone to his hotel. At one time, we thought he didn't like this girl we had prepared for him, and we brought many different girls for him to choose from, but he still refused. He went to the bathroom even more frequently than before. Our director didn't know how to handle this guy. We even thought this must be a good guy who just didn't like it—a good government official, perhaps, but we couldn't figure out why he had to go to the bathroom so many times. He didn't drink very much. After he went back to his hotel room, we got this relativity-Weber girl to call his room, pretending to be someone else and asking him whether he wanted some kind of intimate service. You know what? He asked how much. What a strange guy! Why didn't he just take one from the club? If it were Nee Chuzhang or Tu Chuzhang, there would have been no problem of this kind. They would just tell us straightaway what they wanted. The Beijing officials are all bullshit but pretend to be flowers.

Such is a portrait of the character of *chuzhang* as an image of the official. Despite the other elements involved in this comment, it clearly shows that, from the perspective of those in business, entertaining relevant officials was a crucial part of business practice; and this entertainment

went far beyond simply feeding the official rare animals. It is quite obvious that they believed that it was necessary to entertain the officials in charge to receive business opportunities or favors. Such entertainments would not simply help one's business but would hold the key to business success. It is through this conception of a particular kind of reciprocity—concerning not only the actual power of *chuzhang* but also the structure of economic transition—that the Beihai story is able to be told. However, this does not mean that every business conduct needs to be done this way or that each government department would have the same kind of attraction for those in the business world.

The *chuzhang* is a character in the Beihai story of urban (high-tech) development. It is not simply a layer of administration; it is the layer of administration that performs an extremely important function in connecting the official kingdom to the business world. To say that the *chuzhang* is a character means that it is neither an individual nor a social role; rather, it is an image of the official itself through which everyday imagination about how things are supposed to be operated is produced. As a character, the *chuzhang* is seen as someone of real power, able to decide on crucial matters, overseeing the implementation of government policies, knowing the rules of the business game and possessing a considerable amount of practical knowledge, directly controlling the process of distributing government resources, choosing which company will receive state favors, needing to be entertained—someone who pleases when pleased.

The Character of Laoban (Boss)

As a term of address for an employer, *laoban* had been part of the business vocabulary in traditional Chinese society but was abandoned during the Maoist revolution because of its exploitative connotation. Under the Maoist rule, everyone was supposed to be employed by the state or its agencies, and those who were in charge of a state work unit were supposed to be called *lingdao* (literally, "leaders").¹⁶ *Laoban* returned to the inventory of everyday language after economic reforms were launched in the late 1970s and private enterprises began to emerge. The term was more likely to be used in privately owned companies or businesses. The political significance of this term does not lie in its function in designating an employer but rather lies in its representation of a character who owns a business or is in charge of the situation in which this term is

called for. On daily occasions, a number of terms were used in the Beihai Star Group—*zong jingli* (general manager), *jingli* (manager), *dong-shizhang* (chairman or director)—but all of them differed from *laoban*, which maintained the essential meaning of being a boss. In particular, this term connotes a sense of being in charge of a situation, for example, being responsible for paying for others. When a group of people goes out for dinner or entertainment, one person usually pays the bill, and waiters and waitresses in particular would call this person *laoban*. As mentioned in chapter 1, when Haihun was entertaining Nee and Tu at the nightclub, they always followed others in calling Haihun *laoban*, although at other times they called him Lao Hai. (Lao means “old” or “older” and is commonly added to someone’s surname as a way of showing respect.)

The person who pays is in charge; the person who is in charge owns; the person who owns takes responsibility for what happens; the person who takes responsibility for what happens is *laoban*. It does not mean that this term of address cannot be used, as a metaphor, by someone who addresses a person in charge, such as an official calling his superior, but in the story of development, particularly in South China, the word’s connotations are determined by the emergence of an image of someone who is in charge by virtue of ownership. Who could be considered *laoban*, for example, in the Beihai Star Group? In general, this question is implicitly asking who owns the company, who has the final say on payment and expenditure. To answer these questions, it is necessary to take a brief look at the company’s structure. The Beihai Star Group is a corporation with six subsidiaries, mainly producing electronics but also with other business interests, such as real estate development. The idea was to build a modern shareholding company controlling these subsidiaries via purely financial means. The daily management of, for example, the electronics factories was not part of the responsibilities of those working in the company headquarters in Beihai, although the managers or directors at the headquarters were more likely to be seen as *laoban* simply because they were significant shareholders. The company headquarters was in an eight-story building at the center of the city, with eighteen departments under seven divisions or offices: Office of the General Manager, Office of the Board Secretary, Division of Finance, Division of Sales and Marketing, Office of Development, Office of Management, and Office of Construction and Property Management. The general managers were supposed to be in charge of the

overall operation, and they worked with other members of the board of directors under the board of supervisors.

The head of each department or office may be considered a *laoban*, but in the headquarters the real *laoban* were the two general managers (*zong jingli*): Panton, in his late thirties, and Haihun, in his early forties. Both men owned a significant proportion of the company's shares. To call someone *zong jingli* is to acknowledge his title within the hierarchy of the management, but its connotation is different from that of *laoban*. *Laoban* is not simply someone in the highest management position; if it were, the term would lose its signifying function. *Laoban* is a character, whereas *zong jingli* is the name of a social role. The difference between these two is that the former signifies and is signified by the agency of private ownership, whereas the latter does not necessarily do so.

The managers in the Star Group can be divided into two further groups, those in charge of a whole department and those in charge of only a section of a department. Those in charge of whole departments were sometimes also addressed as *zong jingli* within their own departments. Once after a meeting of all the top managers, an employee called the manager of the Division of Finance *zong jingli*. Panton overheard and said, half jokingly, "If you are a *zong jingli*, he should also be a *zong jingli*," pointing to another manager, "and he should also be a *zong jingli*, and everyone here should be a *zong jingli*. If so, what am I to be?" One of them quickly responded, "You are our *laoban*, and that is how we should call you. Let me be the first: *Laoban*." Everyone agreed and began to call Panton and Haihun "*Laoban*" in an obvious flattering tone. "Wait a moment," Panton continued. "If you call me *laoban*, can you tell me what it means?" No one attempted to answer. Panton then said,

I don't think that *laoban* is a bad term, but it has been so overused that it has become vulgar these days. Everyone is now called *laoban*, including those selling clothes or desserts in the streets. Don't you think it is funny? *Laoban* should be this specific character; he must possess a combination of three essential qualities. To be entitled to be called *laoban*, he must first be an owner of a substantial amount of property and capital; second, he must have some kind of taste in high culture—I mean, well educated—as well as know modern skills of management; and finally he must possess a group of talented followers working for him. One cannot be a *laoban* without his supporting managers just as an emperor cannot

be an emperor without his generals. You are all my generals. I rely on every one of you for daily management, and I pay you for doing so. Without any of these three qualifications, one cannot or should not be called *laoban*. Therefore, government officials should not be called *laoban* because they own nothing but their own positions. Those selling clothes or desserts on the streets may have some money in hand, but they have no taste in culture, and their education level is zero. It is a joke to call them *laoban*. Haihun and I deserve such a title. We have property, taste, and followers.

Everyone applauded this excellent definition of *laoban*.

Panton's casual response to the question of what *laoban* should mean later became accepted wisdom among the company's managers. Two very basic aspects of this conception of what *laoban* meant are that a *laoban* is a private owner of capital and that there must be people working for him. However, it is interesting to note that Panton stressed two further qualifications: first, a *laoban* should not be simply a rich man but must have a high taste in culture; second, he must possess modern management skills. Both of these qualities depend on receiving a good education. The emphasis on education as an essential quality for the managers of a private company, if not an entirely new phenomenon, is a striking feature of the Beihai Star Group, perhaps partly as a result of the nature of its business—electronic technology. In a more general sense, my field experience showed the emergence of a new kind of private entrepreneur who saw education as a significant predictor of business success.¹⁷ In the administrative hierarchy of the Beihai Star Group, education functioned as a very important criterion in the selection of managers. One of the most significant characteristics of this company was that all the managers received some sort of degree from a university or a college. Among the five top managers, including Panton and Haihun, three had doctorates, one held a master's degree, and the other held a bachelor's. The average level of education of the managers in this company was much higher than in other enterprises. Both Panton and Haihun received their Ph.D.s in the early 1990s, and their authority in the company arose at least partly from their status among the best educated. An assistant manager once said to me, "I greatly respect our *laoban*, not only because they are good people, but because they know everything and have connections everywhere. I am happy to work for them, because they have knowledge that I don't. I got my M.A. in economics;

I will not work for a peasant entrepreneur who knows nothing about economics no matter how much I would be offered, because I will not learn anything from a peasant.¹⁸ But I am learning every day from our *laoban*. When you go out with them, you will be respected because they are respected.” Haihun himself truly believed that his doctoral degree increased his opportunity to succeed in business negotiations, and he said, “When I was in Beijing, talking to those officials, who tend to be arrogant, it was helpful to have a Ph.D. Every time I implied that I had a Ph.D. in economics, they became a bit modest, a little bit nicer, because they knew they could not babble nonsense as if no one understood what was going on. They could have done that to someone who was not well educated; they could not do that to me because I have my degree.”

The general level of education in the Beihai area was quite poor; it was striking to know that the Star Group management was full of doctors and masters. If this case were representative, it would leave the impression that one's success depended on the level and quality of one's education. Indeed, people who were considered incompetent for their jobs often were said to have failed to receive enough or proper education. For example, the chief accountant was one of the core managers and had received a master's degree and worked extremely hard for the company for many years. However, after 1997, when the company was trying to be listed on the Shenzhen stock market, his performance was doubted because he knew very little about the stock market economy. When Panton or Haihun talked about him, they always said that he should have more training in a broader field of economics and finance or he would not be able to deal with the expansion of the company's business. I was indeed impressed by this orientation toward education as an essential quality of a manager. To me, this may be taken as a sign of a shift in the (mainland) Chinese business world, where education has begun to be considered a key element for success. Of course, one should be aware of the extent to which such a generalization can be made. When one looked into the situation of Beihai or Guangxi in general, one would find that it was quite unusual for a company to be managed by people with graduate degrees.

The word *education* may also have a different connotation for the employees of the Beihai Star Group. A higher degree may have real functions in making business connections. Many classmates of Panton or Haihun in different fields of economics and finance have become

either university professors or government officials, positions in which they may help the development of Panton and Haihun's business. In this sense, the doctoral degree was not only a certificate of esteem but a passport into another world of necessary connections. One day when I was having lunch with Haihun in a Beihai hotel, a man joined us. Haihun introduced the man as a classmate at the Southwestern University of Economics and Finance, but he was in fact trained, as I later discovered, in a different field and was several years younger than Haihun. The men knew each other through a common friend who also graduated from the same university. This person, Mayuan, was now working in the Beihai local government's Office of Institutional Reform and had first come to Beihai to work through Haihun's connections. After becoming an important local government official, Mayuan helped Haihun in obtaining important business information and further connections.

Why did Panton and Haihun become businessmen after receiving so much education? Did many young people in those days not believe that education would help very little in their efforts to succeed in the business world? Panton's and Haihun's differing experiences provide good examples of the change in values among Chinese intellectuals. Panton was twenty-nine when he received his doctoral degree in economics from a provincial college. Everyone in the company believed that Panton was never interested in becoming a professor or an official of any kind, because he was, from the very beginning, constantly in search of pleasure and power in the business world. He was said to have studied for a doctoral degree because he thought that graduate school was a good place to begin his business practice. Indeed, he used those years in graduate school for traveling and looking for opportunities to establish his own business. Even before he graduated, he found himself a position in a promising young company in Hainan, a new province made independent of Guangdong by the central government as the largest economic free zone for further experimental reforms in the early 1990s. Immediately after his graduation, he went to Hainan, worked for that company for a couple of years, and then created his own business and moved to Beihai. Panton had no illusions about the usefulness of nonpractical knowledge. He never mentioned to anyone the subject of his doctoral thesis.

Haihun's experiences in becoming an entrepreneur were quite different because he had always prepared himself to be a scholar. When traveling, he often brought a book, reading sometimes Malthus and

sometimes Confucius. In his hotel room, a book would often be lying open on his bed. In Nanning, when I was traveling with him, he was reading a Chinese classic on military strategies. Unlike Panton, his becoming an entrepreneur was unexpected, and a full account of his story will be provided in chapter 5. Briefly, Haihun received his bachelor's degree from a small provincial college of economics and finance, and after graduating he became a lecturer at the same college for a couple of years. He then went on to the Southwestern University of Economics and Finance for a doctoral degree in the field of Marxism and demography. He was supposed to return to the college to teach, and the college, even in his absence, promoted him to associate professor and increased his salary. But Haihun did not return; he paid the required compensation to leave the college and became a businessman. Haihun remembered a conversation with a college classmate that helped make the decision. This friend said,

Let me tell you the truth, the only truth, nothing but the truth. Nothing exists in this world except things that can be bought by cash. What have you been doing all these years? Teaching? Talking to students? Reading Marx? But for what price are you doing this? What have you received by doing this? You have been reading Marx, but you have never understood him. What Marx has taught us? You actually do not know—although you have read *Capital*, and I haven't. The spirit of Marx is historical materialism. This is what we all know. "Historical" because we are still in an early stage of socialist or capitalist development, which means that we don't have enough things for everyone and that who gets what depends on how much one invests—in whatever means. "Materialism" means that there is no truth beyond what can be measured in cash. If you continue to do what you have been doing, you will be in the dustbin of history. Wake up! Marx told us that the material condition of life is the first order of existence; the spiritual development of our civilization is secondary. We are still in a primary stage of socialism, like the Party says. That is the lesson you should learn from Marx. The primary stage of development. I bought my parents a new house in Beijing, and I could get them anywhere for a visit any time I like—to let them enjoy the best hotel and food. Can you? You cannot. Every month, you sit in darkness, nervously counting your tiny salary and calculating how

much you may put in the bank as savings. If your father is ill, you will not be able to bring him to a good hospital; you will be in a hopeless situation, begging people here and there for help. These people will do whatever you ask if you pay them. I can pay a man to eat his own shit. This is what I learn from Marx and how I understand historical materialism. Look, I know you are a good son, but to be a good son these days means that you are able to bring your father on a trip without being worried about the cost of the airplane ticket or hotel bills.

This comment contains not only an ironic materialistic interpretation of history and society but also an emphasis on the stage of development. China is said to be at the primary stage of accumulation, and knowledge has little value in itself. Haihun became a businessman in 1992. His father was hospitalized in July 1998, and Haihun went back to Taiyuan, his home city, to look after his father, who was guaranteed the best possible treatment in the hospital because Haihun was able to offer several doctors cash and free holiday trips to Beihai. “Everyone in the hospital took my father,” as Haihun said proudly, “as their own. I could not imagine this if I were still teaching in college.” Similarly, many employees at the Beihai Star Group headquarters took their *laoban* as no less than a symbolic father. The appearance of the *laoban* would stir a feeling of nervousness if not fear. When waiting to get into the elevator, no one would go before Pantou or Haihun if either or both of them were there. It was a common experience to see people holding doors for their *laoban*: *laoban* is first.

Once, at the dinner table, two managers were chatting with each other while I was present. One said to the other, “I don’t particularly like this term of address, *laoban*, which does not sound good to my ears.”

“Because you just came out of school, and you are not used to the real world,” the other said.

“What is this? To call someone *laoban* sounds like he is the master and we are servants.”

“You think you are not?! We are servants. What do you think you are? Your salary is paid by the *laoban*—not by anyone else. Don’t be naive in thinking that you are not a servant. The sooner you realize this, the better for you.”

Thus understood, *laoban* as a character in the Beihai story is a mas-

ter who has servants whose fate is supposed to be decided by this master. The master owns the company; the master decides who is paid and how much; the master takes responsibility for the growth of wealth. If one had illusions, one would be left out of the stream of "historical materialism." This was the significance of the *laoban* as a character. This character is the agent of capital. What is an agent? R. G. Collingwood long ago distinguished instruments (what or who carries out action) from agents and patients. Agents command an action to be carried out and/or take responsibility for that action (1942, 8). Economic reforms gave birth to the character of the *laoban*, an agent of market and capital who is no longer entirely generated by the genetic codes of the state and the habitus of socialist practices. The moral image of this agent in everyday imagination is represented by someone who by virtue of paying and owning decides and cares for those working for him. In this sense, those who are paid by a *laoban* become his servants.

The Character of Xiaojie (Miss)

Xiaojie, consisting of two Chinese characters, is a term with two basic meanings in today's China. In a general sense, it means "miss" and can be used to address or refer to any young woman; in a specific sense, it means the young women involved in the various kinds of entertainment businesses—waitresses, hostesses, and so on. The distinction between these two senses of the term can only be established by context. For example, someone trying to catch a waitress's attention in a restaurant would probably say, "Xiaojie, please bring me another beer." However, if someone in a nightclub or a karaoke bar were asked whether he wanted a *xiaojie*, the term would refer to some kind of sexual service, though not necessarily genital sex. *Xiaojie* thus symbolizes a variety of roles that are all defined in terms of "the second sex" in the sense that it is always a means for achieving business success and never the end in itself.

The services that *xiaojie* provide include a very wide range of activities, many of them far beyond what would be considered prostitution in its usual sense. For example, a formal lunch or dinner for an important guest would often require an accompanying *xiaojie*. Later sexual service might be implied, but not necessarily: the presence of a *xiaojie* was considered necessary when entertaining socially or politi-

cally significant guests. Someone unaccustomed to being fed by a *xiao-jie* might feel embarrassed or even intimidated by the presence of several young females from which he could choose. If this were the case, one would most likely be laughed at by others as “uncivilized” (*bu kaihua*).¹⁹ It is not important here whether sex or prostitution is involved; rather, it is important to understand that the function of *xiaojie* as a character is intrinsic to business practice, not because it helps but because it is an integral part of the practice itself. Why? This question cannot be answered without considering the importance of changes in the Chinese economy that have resulted in the emergence of a double structure, reflected in the ideology of “one country, two systems.” In this structure, two economies coexist: the market economy and the state economy. To explain this phenomenon, it is necessary to understand how South China’s businessmen conceive of official power.

During a summer 1999 trip to Haikou as part of my fieldwork in South China, I heard a story from a young man who went to search for opportunities in Hainan in 1992, just after it was declared an independent province for further reform experiments. The story reveals much about how businesspeople conceive of official power:

When I first got down here, I knew nobody, because the person who brought me here left for prison because of some kind of fraud in his investment in his real estate business. The early 1990s were really something. A lot of people carried guns because there were so many desperate people trying to make something out of their adventures in Hainan. It was crazy. Well, I had to find a job because I gave up my work in Beijing. I was bored and then came down here. I forget how I got my first job, but I remember an important lesson given by my first boss. He taught me this very, very important lesson that has made me successful. When I went to his office for the first time, before he said anything to me, he threw on the table two notes, a hundred yuan note and a two yuan note, and asked me: “What is the difference between them, and how can one make money?” I was puzzled by his abrupt way of asking me this, although I did have a degree in economics. I did not want to say anything stupid, because I sensed that he was not looking for any book knowledge or political economics, so I kept silent for a second. Then I said to him frankly that I didn’t know

what he meant but I was ready to learn from him. He stared at me for a while and said to me that he was glad that I did not give him any shit such as the principles of macroeconomics. “Listen, fuck your college knowledge. This is Hainan, a real world. I have not finished my elementary school, but I have made three million in one year. If you ever wish to work for me, never fuck me with your knowledge from college. Open your eyes and look at these two notes.” I looked at them again, carefully this time: on one side of the two yuan note there is a print of two faces of ethnic women, and on the other side of that note there is a scene from the Hainan Island, tropical forest; on one side of the hundred yuan note there is a print of the faces of four great men of China—Mao Zedong, Liu Shaoqi, Zhu De, and Zhou Enlai—and on the other side of that note there is a picture of a huge mountain of North China. I still didn’t know what I should say to him. He then said to me, “Stupid guys who come to Hainan can only make small money—this money,” he picked up and flipped the two yuan note above my nose, “and small money is here in Hainan, exactly as it is printed on this note—two yuan.” He then continued, “To make big money, you need these, you understand? The big men, the official men, the government. It is they that make the business world go around! If one cannot make use of them, one will never be successful in business. But this does not mean that small money has no use. You understand what it means by printing these two fucking girls on this two yuan note? Do you understand? What moves the great men around is women—*xiaojie*. This is the meaning of this two yuan note: with it one can make an effective transaction. A lot of men come to Hainan for money and women, but they do not understand the secret relationship among money, women, and the officials. If one has money, one may be able to get women, but one may not be able to get *real* women, you understand? Real women are the *xiaojie* that not only fuck but fuck in right places *and* at right times to make you rich. If one gets *real* women, one will certainly get money, a lot of money. Therefore, the first thing for you to do is to find real women and control them, and then you will find where big money is, and then you will get big money by means of *xiaojie*. Not the other way around, you understand? *Sex is the weapon that destroys anything and everything it wishes*. Great men in particular.”²⁰

Sex is the weapon that destroys anything and everything it wishes. This is the ideology of an era in the history of the People's Republic marked by the unique shape of development in Beihai or Hainan or South China in general. Two assumptions are apparent in this conception of business and society: first, the effect of the government, much more than simply its (govern)mentality, is real; second, there is a very fundamental assumption about the nature of men as captives of their sexual desires. Government officials were seen not only as men but also as special men who were particularly driven by the desire to consume women, precisely because the officials lacked the kind of freedom that businessmen had. Implicit in seeing the world this way is an assumption that the official world is a male world. It is an empirical truth that in places such as Beihai were there very few female officials in charge of significant offices for the local government. Therefore, for businessmen to assume that officials would be male is not groundless. The message of this teaching is explicit: one can only make big money by allying with government officials. By working hard or selling clothes on the streets, one could only expect to make small money.

There is a logic in this particular understanding of business and society. It is not the case that, as many people have assumed, businessmen have money first and then become interested in women. It is the other way around: those who have made a fortune for themselves know how to employ sex as a weapon for their success. For example, the Beihai Star Group operated a successful massage parlor that provided the company the most crucial part of its initial capital accumulation. "If one has real women, one will get big money" means that the *xiaojie* is not outside the process of wealth making but is inside this process as an integral part of money production.

Haihun once told me a story about a couple of government officials from Nanning who were for the first time entertained by the company. "They were good officials," as Haihun said, "because they had never been treated in the way they were treated in Beihai." They were invited to come to Beihai to inspect a factory owned by the Beihai Star Group. Both men were in their fifties and received massages after dinner. Haihun said,

Can you imagine how they enjoyed it? In their fifties, to be massaged by young girls of eighteen! After a hot bath, to be treated with care and respect by a girl of their choice. What an experience

for them! That was their first time having sauna and massage. When they came out of the room, the two old men were almost in tears because they had never had such a relaxed experience. They told me that it was a world beyond language and expression. They are not bad men, and they did not wish to have sex with these girls. They enjoyed the massage to their hearts and bottoms. They never dreamed of such experiences like this. They had good job, good life, and good other things, but they never had this kind of experience. What is economy? This is economy. The function of “the invisible hands.”

Haihun became friends with these men, who ultimately supported all of the Beihai Star Group’s development plans for the small price of this massage experience. People outside China may not understand the significance of this example. For officials of this generation, who have been in the government office for many years, to visit a place like a massage parlor means a great adventure in their life. They could only have this experience in Beihai, because they had no money to go to this kind of place on their own and because they feared being caught if they went to a place not operated by their friends.

One should not consider the relationship of *xiaojie* to *laoban* as that of female to male, for what is essential to the female-male relationship is the gender difference, which is a relation of two terms, although often unequally constructed. In contrast, the *xiaojie-laoban* relationship contains a third element, the *chuzhang*. One typical plot involving this trinity of characters in the Beihai business story would be as follows: The *laoban* needed some kind of favor from officials and tried to build a good relationship with the *chuzhang*. The *chuzhang* was then invited for dinners and entertained by the *xiaojie*, who were of course paid by the *laoban*. After the *laoban* and the *chuzhang* became familiar with each other through singing and other entertainment, the *chuzhang* granted a business favor to the *laoban*. In such a plot, the *laoban* should be considered an agent, defined as someone who makes a decision and takes responsibility for it; the *chuzhang* should be considered a patient, on whom the *laoban* carries out action; and the *xiaojie* is an instrument in the sense that the action takes effect only by means of her involvement. Understood in this way, the *xiaojie* as a character in the Beihai story differs from the other two in that it is never considered an end in itself; rather, it is by definition a means of business success. To be acted on or

to act on are both ends, not simply means, but no such ends can be conceived in the character of the *xiaojie*, even from the perspective of the *xiaojie* themselves. I often heard that a *xiaojie*'s purpose in being involved in such business was to make some quick money to open her own business. The relation between "to act on" and "to be acted on" is one of active versus passive, whereas the relation between the end and the means is one of agents/patients versus instruments. The character of the *xiaojie* as an instrument of business practice is a nonhuman being in the sense that it does not have to follow the moral codes of the human world, the world of agents and patients. It is like any other goods or commodities that may be purchased.

This is not to suggest that a *chuzhang* will never conceive of himself as an agent. What is suggested by this analysis is confined by the views of those who have been in business—that is, I hope to lay out the *laoban*'s view of the world of business and society, not only because the *laoban* were newly born of the economic reforms but also because the *laoban*'s vision of the world could serve as a significant indicator for the future direction in which China will travel.

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A Theater of Desires

Office of the General Manager

Each character in the Beihai story of urban (high-tech) development is associated—in both the real and the metaphorical sense—with a setting in which his or her practice of everyday business is supposed to be carried out. The real sense of a setting means the physical environment in which a character is situated—that is, an environment or a place to work. In contrast, the metaphorical sense of a setting indicates a site of desire and imagination essential to the functioning of a character being told in the story. In this latter sense, it is not simply an office or a massage parlor where one works; instead, it suggests the location of an image that partially defines the content of this image as a character. This metaphorical sense of a setting means a background, an immediate background, from which the character stands out. Two kinds of backgrounds may be distinguished here. The broad social and economic background is the setting of my writing. This immediate background constitutes a necessary part of the character, like a canvas to the portrait: without each, there will be no painting. This immediate background of the character is already part of the character. For example, when one talked about *xiaojie* in Beihai, one would inevitably think of the entertainment establishment as part of her character. This distinction between the two forms of backgrounds or between the two senses of setting is crucial for the understanding of plot in telling stories about urban development in South China. The most elementary form of plot—that is, articulating events and persons into a narrative whole—is placing a character in his or her immediate background and then situating this background in the larger picture of society. As an example, the office of *laoban* (the office of the general managers of the Beihai Star Group) is illustrative.

Observers of the changes taking place in the last two decades of twentieth-century China may still remember that when private enterprises began to emerge on the surface of economic life in the 1980s, a large number of “handbag companies” (*pibao gongsi*) came into existence. They were so named because they had no offices of any kind and moved from one place to another, doing business in locations such as private homes or restaurants, mainly because they did not start with a large amount of capital (most financial resources were still tightly controlled by the state). Most of these handbag companies were based on what may be called the mode of household production, a kind of family business through friends and acquaintances. These companies also operated in this manner because they did not wish to spend their money on offices. Few cared for where they worked: their sole purpose was to accumulate capital for further operation. However, this image of household entrepreneurs without offices stands in absolute opposition to the image of a successful *laoban* in today’s Beihai business world. If one were in Beihai at the turn of this century, one would no doubt have the feeling that the *laoban* were competing with each other not only in economic or financial performance but also in decoration and ornamentation of their offices. Self-image, as they often said, had become quite important (cf. Bourdieu 1984). For example, the headquarters of a company came to mean a lot more than it had previously. It was a symbolic expression of power and wealth. The office of the general manager has therefore become the symbol of a symbol—the headquarters of a company.

The Beihai Star Group’s headquarters was an eight-story building. Some floors were prepared to be rented out to others as office space, although they were not yet occupied in 1998 because business was slow as a result of the Southeast and East Asian economic crisis and as a result of overconstruction, which had produced many empty buildings. The headquarters building was completed only in 1996. More accurately, the completion was incomplete: the building had been planned as twenty-four stories, but Beihai’s real estate development fever had cooled down in 1993–94, when Vice Premier Zhu Rongji ordered the sudden withdrawal of all loans and investments. Realizing the difficulty facing the company, the Beihai Star Group decided to seal the building at eight stories. The structure was beautifully designed—white, a bit flashy, decorated with artificial marbles. It shone under the daytime sun; at night, several huge neon signs singled

out the building in the dark. The biggest neon sign atop of the building said, “Star Massage.”

When I went to the Star Group headquarters for the first time, I was stopped at the door by a “policeman”—a doorman dressed in an exact replica of the city’s new police uniform. He was quite polite and simply grabbed my shoulder and forcefully turned me around to see my face, since he did not know me. I was released after Haihun arrived and explained who I was. Then I noticed that this was a huge hall that looked more like a hotel entrance than the headquarters of a company. Several more “policemen” in uniforms stood around. I went with Haihun to the elevator, which impressed me even further with the luxurious intentions of the original plan for the building: the door of the elevator bore an engraved picture of two naked women—of the Western body in a posture of a ballet dancer. Haihun saw me staring at the picture and explained that the elevator had originally been obtained for the company’s massage parlor. The massage parlor opened in 1993, soon after the Star Group was formed. The original plan would have moved the massage parlor up to the twenty-fourth floor to allow guests to enjoy Beihai’s night scene, but when the plan was changed, the elevator was no longer needed for that purpose, and managers now used it to go up to their offices.

All the offices were located on the eighth floor. Outside the elevator was another huge reception area that looked very much like those in Hollywood movies: spacious, clean, and extremely well organized. A computer sat on a receptionist’s desk, behind which sat two girls who looked like they were just out of high school and who had joined the company because someone had recommended them to Panton, as I later learned. To the left of the reception area were a number of small rooms used as offices by the managers or section chiefs; to the right were several conference rooms as well as the general managers’ offices. Haihun’s office was next to Panton’s, which was in turn next to the board of directors’ conference room. Everything was brand-new and compelled visitors to feel this brand-newness, which left no trace of anything preceding it. While standing in the middle of these offices, I could not sense anything that might help me trace a past of any sort indicating what the company would have been like before these arrangements were made. I also could not tell what sort of future this newness indicated. This feeling of being there, in the space of a business world, left a strong impres-

sion that nothing temporal existed except the presence of a present order of things.¹

Except for a very refined wooden master desk and a pair of Italian leather sofas, everything touchable in Haihun's office was made of artificial marble. The master desk was huge enough to play table tennis on. The desk contained only a telephone and a color television. Behind the desk was what they called the *laoban* chair, a comfortable, movable chair, much higher than the chairs or sofas for guests. I was told that the *laoban* chair had been ordered from Hong Kong and the desk and sofas from Italy. When I was looking around, amazed by the high quality of the furniture, two local government officials came in to talk about whether Haihun would like to make a contribution to help some of the region's poor children return to school.

"Of course we do," Haihun said after offering the men cigarettes. "Beihai is our home. Whatever the government wants to do, we will go along with it, to support you, you know."

"We know that Haihun Laoban always understands our problem, and this is why we have always tried to do our best to promote your company's image," one official said.

"No problem. Why don't you just go to talk to Xiaohua, who is our special accountant in charge of this kind of matter?" Comfortably sitting in his chair and overlooking the officials, Haihun pushed a button somewhere underneath the desk. A secretary came in and asked, "Anything?" "Ask Xiaohua to come," ordered Haihun. I was sitting next to the window on a temporary chair, much lower than Haihun.

A few minutes later, Xiaohua came in. She was slender, not very tall, and wearing a long silk skirt and high heels, a very calm young woman, indeed. She spoke in a clear but soft voice: "Anything I can do, Laoban?"

"Oh, there is something that you need to help them with. Just do as we usually do," Haihun said to her.

What did they usually do with this kind of demand from the local government? Xiaohua seemed to know the answer very well, and she did not say anything more but brought the two officials to her office.

After they left, Haihun had a long telephone conversation, and I began to notice some construction problems with this splendid building. New air-conditioning equipment had been installed a few months earlier, but it seemed that when the building was designed, there had been no plan for having such equipment or at least not equipment of this kind.

The region's climate was close to tropical, and for seven or eight months of the year air-conditioning was required. The air-conditioning pipes and wires hung down from the ceiling; a window was broken to allow some pipes to exit the room, but the window looked as if it had been broken by a thief—the hole was too big for the pipe. I then noticed that my hands were wet, and I found that there was a leak somewhere close to the window. I thought the moisture came from the air-conditioning equipment, but I was later told that leaking was a severe problem for the entire building because the roof had not yet been properly completed. It had been only temporarily sealed because the company still hoped to complete the twenty-four-story building. Whenever it rained, damage to the Italian sofas became a serious possibility. Haihun spent more than an hour on the phone, and I continued looking around without knowing what to do. A carpenter who came to fix the lock on the door saved me from my dreariness. The lock had not been properly placed, and sometimes Haihun could not get in, although his secretaries often found the office door wide open. The carpenter was the person who made the door; the locksmith had already left the city. The man did something with the lock and a few minutes later told Haihun that everything was fixed—an easy job, he said. But it was fixed in the sense that we could not get out through the door, as we discovered an hour after the carpenter left. Another door connected to Haihun's personal secretary's office, but this door was locked and the secretary had gone home. Haihun had to call someone to come to open the door from his secretary's office so that we could get out.

It was about 5:00 in the afternoon, and people began to leave their offices. As we came out, we saw Xiaohua. She smiled at us and tried to close her office door with her right foot because the door was extremely difficult to close and had to be pushed very hard. Xiaohua kicked the door with her high heels as if it were the only way to shut it. She did not succeed at first. She then put her red handbag on the floor, moved back a little, like a soccer player preparing for a penalty shot, and then kicked and pushed the door closed. Xiaohua then locked it and smiled at us once more and left. Why were there so many problems with the doors and windows of this brand-new building? Was it simply a coincidence, or was it something more significant regarding the symbolic value of the *laoban*'s office? It is clear that as far as the *laoban*'s office is taken as a site of desire, what signifies the power of the *laoban* is not the perfection of details but the glamour and splendiddness of his work space. It does not

really matter whether there are leaks; what is most important as a symbol of power and wealth is the marble, the Italian leather, the master desk—the content of what he owns.

Banquet of Turtles

The significance of banqueting in Chinese society, past and present, need not be reiterated. Social and political relations are eaten (see, e.g., M. M.-H. Yang 1994); cultural events are marked by a calendar of food (see, e.g., Liu 2000, 88–89); ethnic and local groups are signified by their kitchen habits or table manners (see, e.g., Chang 1977). Food and table manners constitute a very crucial part of socialization that not only produces ties that link people together but also creates significance for the relations thus established. The practice of business life in Beihai is no exception to this general observation, but in addition to what has already been said on food and eating in Chinese society, I will emphasize: *power is eaten*. As a result, dining together is the first step toward or the minimum requirement for knowing one's location in the network of power relations, either real or symbolic. This sense of power, different from the Foucauldian notion of power as the essence of being in society and history, means at once the sweeping force, anywhere and everywhere, and the dynamic hierarchy, *here* and *now*, required for the specific moment of a configuration of Beihai business practice.² The banquet is a site of such configuration; it is a location where one's desire is being desired; it is a battlefield for symbolic struggles. It is important to remember that this is not simply lust or individual greed; it is the function of a character as told in the Beihai story. When thus told, they are considered characters, to be desired. This "toldness" is only possible from the perspective of a "telling." The plot of the story is already a desired description of what ought to be. In other words, the character in the story is always an embodiment of a desire that is in turn being desired by another character. As far as the function of the character is concerned, it is not a thing or an object but the desire of another that sets the story in motion. In this sense, one must say that the symbolic struggle involved is a struggle of power. This sense of power has little to do with political domination or exploitation but a great deal to do with symbolic control and subordination.³

The banquet is an essential part of the practice of business life in

Beihai. In a normal situation, the banquet represents the very beginning of what was called “a golden production line of entertainment” (*huangjin liushuixian*), designed for entertaining government officials or business partners and including three crucial steps. First, the guest would be invited to a banquet. What was provided or ordered for the guest would depend on his or her status. For people like Nee and Tu, I was told that some ordinary but good food would be enough because they did not care too much about what they ate. Their demands for Beihai centered less on food and more on singing, dancing, and other forms of entertainment. Normally, when a government official was brought to Beihai, especially someone from Beijing or another big city, a proper banquet would be appropriate. The second step was to bring the guest to a karaoke bar or nightclub, where they could sing or dance while drinking with hostesses. It was surprising for me to find out that many officials, such as Nee and Tu, were great singers, perhaps partly as a result of their frequent practice in such places. Whenever they were singing, they often took on a very serious mien, entirely absorbed in the performance, as if they were becoming sober. The karaoke party would go on until midnight, and then the third and final step in the entertainment production would be to bring the guest to a massage (sauna) parlor for relaxation, potentially including sexual services. That local business people called this chain of entertainment “production” rather than “consumption” seems to suggest that the phenomenon was really part of business itself.

Those who came to Beihai for food were usually tired of the kind of food offered in ordinary restaurants. When an important guest was invited, it was necessary to find a restaurant that would cook and serve rare animals. In Guangxi, people prefer the taste of nonordinary meat. The first meal to which I was invited when I arrived in Beihai was at a very stylish restaurant inside a grand hotel. I was taken to dinner by Haihun’s secretary, Hexiu, an elegant young woman in her late twenties. She ordered a very large plate of stir-fried chrysalides, blackish and oily, some looking as though they were still alive. Perhaps I was initially taken for someone with some sort of significance, or this may have been a common way of entertaining guests from North China, where people were not in the habit of eating fried insects of this sort. I hesitated but could not begin. Hexiu lifted her head and with a mouthful of chrysalides mixed with tofu and vegetables, said, “Gooooood, ah?” She had been raised in this area and knew the best thing to order.

Because Beihai was a seaside city, shrimp and crab were not considered very special; however, turtle was significant in the hierarchy of food offerings. The best way to cook it was by steaming. As I was told by a manager, Beihai's local police chief was particularly fond of steamed turtle; every month or so, an excuse must be invented for him to be invited to have turtle. He also liked other kinds of rare animals and birds, which were supposed to be protected by law, but turtle was his favorite. Other officials might prefer monkey, snake, bear, tiger, or other animals. Although laws prohibited the consumption of many animals, they continued down the throats of businessmen and their guests. One young man who was always asked to accompany officials on their visits, said, "You see, people like rare animals because they are good for health. They eat these rare animals not because they simply taste good, you know, but because they are nutritious."

"Really? But a lot of things are nutritious, such as carrots," I said.

"Well, that is different. How long can you live? How long does a turtle live? See the difference? A turtle lives for a thousand years, but you cannot live more than a hundred. You see the difference? Then you understand why he likes turtles. You eat more turtles, you will be likely to live longer. This is what I mean when I say they are good for health. This is what everyone believes and why everyone enjoys turtles."

"If so, one should not eat chrysalides. They live only for a few hours, if I am right."

"You are wrong. They eat chrysalides not for that purpose. Young women in particular like them because they are supposed to be good for one's skin. You know, you don't want have skin like a turtle's, do you? Then you have to eat something like chrysalides for a change. Eating them helps keep your skin young precisely because they live only for a few hours. After you have enough turtles, you must have something else for different parts of your body." He was completely serious, and he continued, "Each animal, especially rare animals, has its own potential to increase your health. Snake, for example, is good for your kidney, and the kidney of the snake is good for your eyes. The only danger is that if you eat too much turtle, although you may live longer than others, you might also become more like a turtle in character or appearance. Don't you think that those officials look a bit like rare animals? I guess that part of the reason is that they have eaten too many such animals."

There are a number of metaphors or unconscious implications of this philosophy. As far as food was concerned, official guests favored

rare animals. It has become a sensational topic: despite the central government's efforts through various laws forbidding the consumption of rare animals, eating them continued. Who was eating them? Officials, among others. Why were these rare animals favored? Because they were considered good for one's health? No. Because they were rare, expensive, difficult to find. This was the true reason for them to be favored. The guest came to taste the rareness of food. Having rare animals was power, as was offering them. The host and the guest were on two sides of the power relationship whose name is *rare*: rare in the sense of scarcity and in the sense of nobility. To swallow rare animals is a sign of being in control—or, rather, a sign of control of being.

Singing in the Karaoke Bar

The second step in the golden production line of entertainment was to bring the guest to a karaoke bar, usually located inside a nightclub. The term *yezonghui* (nightclub) usually referred to an establishment including a bar; a dance hall with a platform for some sort of professional or semiprofessional singing or dancing performance, often erotic; and a number of private karaoke rooms. However, small karaoke bars sometimes existed without other facilities. When locals said that they went to sing in a karaoke bar, they commonly meant that they went to a nightclub but sang in the karaoke rooms, which were rented out by the hour. Most people going to karaoke bars came in groups and would choose to have a private room. Each of these private karaoke rooms bore a name—for example, the House of Roses. These rooms differed in decoration and in size. Nee and Tu were invited to sing in the club's largest room, the Emperor's Suite. There were about thirty people altogether, including the *xiaojie*, but the room did not seem particularly crowded.⁴

As the guests entered the room, a woman—often slightly older—would come to talk to the person who was supposed to pay the bill later. In most cases, she knew the guests and would begin the conversation by complaining that they had not come to see her for a long time, even if it had only been a few days. While this conversation was going on, the headwaiter would come in and ask what kind of drink he could offer the guests. Imported wines and spirits were much more expensive than local products, and if someone had a taste for whiskey, for example, the cost of the entertainment might be much higher than the usual. Each room