

The Chinese dream: Chinese capitalism, Taiwanese enterprises and identity politics

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Abstract

Starting from the "Chinese dream," a political initiative proposed by General Secretary of the Chinese Communist Party (CCP) and PRC President Xi Jinping, this paper looks at how the dream is constructed through capitalist and nationalist discourse, as well as its implications for Taiwanese enterprises and cross-Strait identity politics. Contending that Xi's Chinese dream marks a transition from the dream of foreign investors at the early stage of China's opening up, to a dream featuring "Chinese" investors after the astonishing rise of the Chinese economy, the paper seeks to unravel its relations to business operations in mainland China and its impact to Taiwanese enterprises. Based on fieldwork in Taipei, Shanghai, and Beijing, the paper examines Taiwan's ambiguous double role both as "foreign" and "Chinese" capital investor under the Chinese government's united front strategy, as well as what is not seen and is excluded in the political rhetoric of "the Chinese dream."

From the “China dream” to the “Chinese dream”

We must make persistent efforts, press ahead with indomitable will, continue to push forward the great cause of socialism with Chinese characteristics, and strive to achieve the Chinese dream [Zhongguo meng] of great rejuvenation of the Chinese nation.

Xi Jinping, CCP General Secretary and PRC President

“Zhongguo meng,” the Chinese dream, is a key slogan in China's recent political initiatives first proposed by Xi Jinping in 2012. Its presence was ubiquitous during my fieldwork in Beijing and Shanghai from 2013 to 2014, from the annual Chinese *lianghui* (plenary meetings of China's top legislative and consultative bodies, so called “two sessions”) to newspaper headlines, TV commercials, advertising boards on high streets, and even posters in *xiaoqu* (community neighbourhood) – literally, everywhere.

One of the most important visions of the Chinese dream, defined by Xi, is “a great rejuvenation of the nation,” a dream yearning for a Chinese nation that resembles the glorious “celestial empire” China built up until 1840 when Britain launched a war against the Qing dynasty to protect its opium trade. It was a time when China regarded itself as the “celestial land” and its neighbour states such as Japan, Korea, Vietnam were drawn into a China-centred international system. However while the glory of such an ancient Chinese celestial empire was built upon a “tributary system” (Fairbank and Teng 1960, Hamashita 2008) whose member states yielded to China's cultural and economic influences with a network of foreign and trade relations, and its legitimacy was based on allegiance and trust of the Confucian philosophy of politics,

rather than an authoritarian centralized regime (Wang 2014), this paper contends that one of the challenges of Xi Jinping's Chinese dream is its nationalist vision that struggles to solidify the identity of this modern state,¹ while still being haunted by an imperial dream of its past.

Against such a backdrop, this paper examines the ways in which Xi Jinping's Chinese dream initiative is constructed in mainland China and its implications for cross-Straits identity politics, when Taiwanese enterprises under the CCP's united front strategies play a double role that vacillates between a foreign enterprise's "China dream" and a Chinese enterprise's "Chinese dream."²

In August 2014, H, Chairman of a Taiwanese enterprise in Shanghai, was bursting with excitement upon telling me about a new business project that they just obtained when we dined at a Taiwanese restaurant in Shanghai. Having moved to Shanghai from Taipei to run the business for twelve years, H still preferred casual polo shirts on most occasions, which made him look more like a golfer - as he indeed is - than a swanky Shanghai businessman. His low-keyed appearance, however, was a striking contrast to his prominent family background in Taiwan. H's father is one of Taiwan's top real estate developers whose large enterprise group covering a wide range of business from commercial and residential building construction, to hotel chains and an entertainment theme park. Since 2003, Horace has been in charge of his family's newly launched cosmetics business and its affiliated factory in Shanghai, while sometimes also getting involved in the group's property business.

We have a project here, if you know the concept of the "Great Hongqiao,"³ the Hongqiao Airport Terminal 2 is in fact a giant, an exaggerated type of CBD (Central Business District) that you seldom see anywhere else in the world. Looking at worldwide airports, they usually are located 30 minutes driving distance from the CBD. But here – exaggeratedly, the terminal 2, the maglev train, the high-speed train, the bus, the subway... all transportation except shipping gathers here. They estimate

¹ Western modernist theorists such as Gellner (1983) have contended that nationalism arises

² *Zhongguo meng* literally can be translated as either "the Chinese dream" or "the China dream." China's state media has used "the Chinese dream" to introduce Xi's initiative (<http://www.xinhuanet.com/english/special/chinesedream/>, <http://www.chinadaily.com.cn/china/Chinese-dream.html>). "The China dream," on the other hand, has been used by Studwell (2002) to refer to Western fascination with lucrative business opportunities in China, as well as by Callahan (2013) in his discussions of multiple versions of dreams in China about China's future: from official discourse to the very nuance and vibrant discussions going on among citizen intellectuals who, as a new liminal group neither officials nor dissidents, discussed the China model, the China dream, the China path, to influence public policy. In light of Xi's proposal in 2012, this chapter argues that there exist differences between the dreams of "foreigners" on China and the dreams of the "Chinese" people on their own nation, a transition that is particularly prominent after China's economic and political rise. In other words, "the Chinese dream" is used to refer to the dream of the Chinese people, especially Xi's initiative to call for a great rejuvenation of the Chinese nation, while "the China dream" refers to foreigners' "gold rush" in China.

³ "The Great Hongqiao" is an idea originated from building a traffic transit complex in the west side of the Hongqiao airport. It not only aims to connect the Hongqiao airport with the national high-speed railway and various types of transportation, but also is a large and multi-functional business district geographically covering several Shanghai districts such as Minhang, Qingpu, Jiading, and Changnin.

the visitors flow rate to hit 1.3 million per day in the future, from today's 700,000 per day... This commercial complex, so far prominent real estate developers in mainland China have taken a piece of land there... we took one too. We will use it for commercial purpose, mainly offices to rent. Properties at this location will definitely increase values in the future, because it can be used as the headquarters...

Fascinated by such an “exaggerated” CBD that can rarely be seen worldwide, he went on explaining the business opportunities it is expected to bring about, as well as their plan:

Mainland Chinese labourers head into town by (normal) train, and wealthy people by high-speed train or airplane. Terminal 2 is therefore an airport that connects Shanghai to the whole mainland... so basically this place is Shanghai's window to the Yangtze River Delta Economic Zone... If your headquarters is based here, your staff can simply walk to the office after getting off the high-speed train. We took a piece of land and will build it into a 240,000 square-metre complex.

240,000 square metres? The number was too large for me to conceptualize. “Is it larger than the Metro City?” I asked almost reflexively while looking at this 8-floor gigantic shopping mall where our restaurant was based. Located in central Xujiahui District, Metro City is a hemispherical-structured mall that puts together many restaurants, shops, as well as a cinema on one of the top floors in this pivotal commercial district in Shanghai.

“Certainly larger than this mall,” he said affirmatively.

Later on, I was told that the floor space of this landmark shopping mall was only one sixth of “240,000 square meters.”

I began to realize the large commercial profits behind this project and the various interests that may get involved. “Incredible. You must have really good political and business *guanxi* (networks of influence) here to get this project, don't you?” I said. “Of course, our enterprise group is well known to *lingdao* in Shanghai, the office for Taiwan affairs. We know most of the *lingdao* here,” he laughed and said. *Lingdao*, literally meaning “leaders,” is the salutation used in mainland China for government officials.

Since China opened its market in 1978, its large market has attracted tremendous cash flow from Taiwan that not only contributed to China's economic growth, but also fashioned symbiotic relationship between cross-Strait Taiwanese businessmen and mainland China's united front agencies that use mainland China's enormous economic opportunities to win over their minds. As an informant who has significant business influence across the Strait told me, “For a Taiwanese property developer, a single construction project of one hundred units is impressive enough in Taiwan. But in China, a project of two to three thousand units is a normal case.” The huge inflows of foreign investments have been crowned as “the China dream” in Western rhetoric, indicating the long-existing Western fascination with abundant opportunities in this large and ancient continent (Studwell 2002).

Or more precisely put, the fascination comes from those foreign investors who are

able to deploy their *guanxi* and influences to get new projects in mainland China, as the case of H has shown, or those enterprises that have occupied a foothold in this lucrative market since the early stage of the opening up. Recent foreign divestment trends prove this well. Decades after China's opening up, the downsides of the rapidly growing Chinese economy have begun to rise: with the rising cost of labour, bureaucratic government systems, as well as increasing Chinese local competitors who learned skills from their foreign competitors and offer better product prices, "China loses its lure,"⁴ foreign investors lament. As GE President Jeffrey Immelt also commented on the difficulties this American multinational business giant encountered in mainland China: "China is big, but it is hard. [Other] places are equally big, but they are not quite as hard."

While China has gained beyond-imagination economic growth over these years, Western attention on its development has also been drawn away from early interests in the Chinese markets, to recent concerns over China's attempt to "buy the world." In other words, this is a new version of the dream: "the China dream" that was once celebrated by foreign capital has now become "the Chinese dream" featuring the rise of the Chinese capital. Western rhetoric on China's competence to fulfil the dream is divided, however. While some economists warn about state-sponsored Chinese corporations buying up commodities across the world to seize control of resources (Moyo 2012), others take China's rise as another economic cycle following the economic rise of the United States and Japan. Scholars such as Peter Nolan (2013) assert that China is still far from "buying the world." He argues that while global firms are deep inside the Chinese business system, Chinese firms by contrast have a negligible presence in the high-income countries. In other words, Western companies are "inside China" but Chinese companies are not yet "inside the West":

In sum, 'our' giant firms are deeply 'inside' China... despite significant progress, China has not yet nurtured a group of globally competitive 'national champion' firms with leading global technologies and brands that can compete within the high-income countries...in other words, 'we' are inside 'them,' and 'they' are not inside 'us'. (Nolan 2013: 140).

Though Nolan pointed out the structural factors that prevent China from buying the world, his assertion of China's incompetence has its blind spot, as he put China (they) in comparison with the whole high-income "Western world" (we). Such a binary opposition may have under-estimated China's actual impact – the recent move of the UK and other European countries to join the China-backed investment bank in defiance of U.S. pressure is one such example. Moreover, while claiming that Western global companies are deeply "inside China" and Chinese state-owned enterprises lack global competitiveness, how "Western" these companies remain during their localization process in mainland China, and whether these Chinese state-funded companies rely on free-market logics to compete with "Western" companies, are another question. It is therefore not yet clear who controls whom when "we" are "inside them" but "they" are not yet "inside us."

From the China dream to the Chinese dream, Taiwan has played an ambiguous double role both as "foreign" and "Chinese" capital investor under the Chinese

⁴ *The Economist*, 25 January 2014.

government's united front strategy. The experiences of Taiwan, which is considered to take part in this capitalist game as both a "China" dream dreamer and a "Chinese" dream dreamer, therefore offer alternative views on the trajectory of today's Chinese capitalism. Observing the dynamics between economy and society from an anthropological approach, this paper explores what is unseen in economic models and numbers and argues that the mainland Chinese authorities are stitching up economic development with the nationalist and communist construction of "Chineseness," a strategic political and economic initiative best exemplified in the vision of "the Chinese dream."

The Chinese dream: a nationalist and capitalist discourse

Language and public speech are among the ways in which the Chinese dream is performed in accordance with the Chinese state's script. In March 2014, a rather chilly evening with spring having just set in across Beijing, a number of significant business people from Taiwan were having cordial discussions on local "unspoken rules" upon exchanging their business experiences at a private dining room in a centrally located restaurant. "They (mainland Chinese officials) don't like us using the term '*yuanzhumin*' (Taiwanese aboriginals)," reflecting on ten-year personal business experiences in Beijing, one complained. "How come?" I asked, trying to push the conversation forward while this topic caught my attention. In Taiwan, a trademark of "*yuanzhumin* hand-made" more often than not adds extra value to those exotic aboriginal souvenirs. "They regard Taiwanese aboriginals as one of the Chinese ethnic minorities," another one answered, "they don't use the term 'aboriginal' here. They use 'ethnic minorities' instead."

The usage of "language games" is not a recent move in cross-Strait politics, however, and has constituted a field of cross-Strait political contestation. Whether it be "Taiwan, a province of China" in international organizations, or "Chinese Taipei" in international sports games, Beijing has contended Taiwan to be part of China with such moves that intend to downgrade its international status. Described by Chang (2009) as "*mingfeng zhixu*," which literally means "setting orders by rectification of names," the rationale behind mainland Chinese exercising political power via names is rooted in the Chinese Confucian teachings: "if names be not correct, language is not in accordance with the truth of things. If language be not in accordance with the truth of things, affairs cannot be carried on to success." (Chang 2009: 116). What's creating issues behind such rectification of names, therefore, is who defines "the truth," as *yuanzhumin* and *shaoshu minzu* carry totally different historical contexts across the Strait: in Taiwan, the significance of the term *yuanzhumin* comes from a process by which the mainstream Han Chinese in Taiwan render respect to Taiwanese aboriginals by recognizing them as the original inhabitants of the island, following a self-reflection of the Han Chinese colonial history in this island, and a long process of democratic development that seeks cultural diversity. A denial of the term is to de-historicize such a historical and cultural context and makes the differences between Taiwan and mainland China unseen.

Lianghui, the annual plenary sessions of the National People's Congress (NPC) and the National Committee of the Chinese People's Political Consultative Conference (CPPCC), also represents an important occasion in which the Chinese dream is constructed in domestic politics through public speech, whereas those that

are excluded from the dream were turned into silence.

A few days after these Taiwanese business people's meeting, *lianghui* were convened in Beijing. The issues of Chinese ethnic minorities also spread to this important national meeting as an aftermath of the Kunming incident on 1 March 2014, a severe conflict between Xingjiang Muslims and Han Chinese that left 33 people dead. The information about the incident was limited, apart from reiteration by the state-controlled media that "the government will step up efforts to crack down on terrorist activities, and will ensure the security of our citizens." Complementary to the limited information was a one-minute silent tribute at this national meeting live on China's state-owned CCTV and delivered to every corner in China. According to the official media, this marked the first time this important meeting paid a silent tribute to normal Chinese citizens. A senior Chinese official told the state-run media, "the decision to pay a silent tribute in such an important and serious national meeting is a silent protest - it signals a tougher measure that this new generation of leadership would take against separatism to ensure the safety of the citizens as well as the prosperity and stability of our nation." In other words, the silent tribute served as political performance to ignite nationalist sentiments: it filled in the absence of open and public discussions on ethnic minority issues and justified the official discourse that treated the conflict as a matter of "terrorism" while simplifying the long-standing complicated relations between Han Chinese and ethnic minorities.

In contrast to the silent tribute, however, was the Chinese officials' reiteration of the Chinese dream: the term repetitively appeared in different mainland Chinese officials' public address in this important political event, and reportedly 16 provinces addressed the Chinese dream as their policies on this occasion (*Renminwang yuqing jiankongshi* 2014). Public reiteration of personal stance as such is typical of mainland China's *biaotai* culture. Literally, *biaotai* means to "speak out the stance," but as a characteristic unique to the Chinese political culture, it is difficult to find an equivalent English concept in Western politics. Beijing-born Chinese historian Zhang Lifan once commented on the *biaotai* culture as "the way of survival in the (Chinese Communist) system":

*If you know how to biaotai, how to stand in line, you can keep your government position and stay safe. This is the secret. The real problem, therefore, is not whether you are corrupted, but whether you are politically correct. This has always been the conventional thinking of the Communist Party of China... This is in fact a culture about lies and this is just how this system works. No matter you are truly convinced or not, you pretend to admire it whole-heartedly, and to advocate them without hesitation.*⁷

This is to say that, similar to the silent tribute, the *biaotai* culture is also a political "performance," though its "repertoire" has been pre-determined. Therefore, the "gesture" of *biaotai* entails more significant political meaning than its content, as its rhetoric has already been constructed. For those who perform *biaotai*, it is a political-correct gesture that confirms the legitimacy of the Chinese authorities; while for the ruler, it is an art of government, or what Foucault (1991) calls "governmentality," and serves as "disciplinary power" that regulates conducts of

⁷ Zhang Lifan's interview with the Voice of America, 20 August 2014.

individuals through “technology of the self.” In other words, it is through such performativity of “speaking out” one’s political stance that a “regime of truth” pervades the society and the mechanism of bio-politics is exerted over the individuals. The performative nature of the *biaotai* culture therefore predestines a Chinese dream that excludes diverse voices in the mainland Chinese political and cultural setting.

What kind of Chinese dream is performed under such a *biaotai* culture in mainland China? As this paper mentioned earlier, the slogan of the “Chinese dream,” while first proposed by Xi in 2012, was defined as a dream of “great rejuvenation of the Chinese nation.” The dream is a nationalist one, as he said, “to realise the Chinese road, we must spread the Chinese spirit, which combines the spirit of the nation with patriotism as the core and the spirit of the time with reform and innovation as the core.” It is also a dream for China’s economic development, while Xi further elaborated its vision in 2013: “by 2020, China's GDP and per capita incomes for urban and rural residents will double the 2010 figures, and the building of a moderately prosperous society in all respects will be completed. By the mid-21st century, China will be turned into a modern socialist country that is prosperous, strong, democratic, culturally advanced and harmonious; and the Chinese dream, namely, the great renewal of the Chinese nation, will be realized.”⁸

While Chinese students are encouraged to write their dreams on “dream walls” that appeared in some schools and universities, residence communities are also a good place for propaganda – at a *xiaoqu* (community) close to my place, where a majority of the residents were foreigners, a Chinese-English bilingual poster put on a community board at the entrance said, “build core values with one heart, and realize the great Chinese dream with one mind.” On the top of the poster was another communist slogan, “stick to the party’s mass line, and build a civilized city nationwide.” The rhetoric of the dream is often poetic and sentimental, though its vision is abstract - in the media, the Chinese dream is constructed as one that is not only national but also “everyone’s” dream in order to appeal to personal identities. The 2013 CCTV commercial series, for example, featured the Chinese dream with the slogan: “Life is changed by dreams, and our homeland is beautiful through dreams. The Chinese dream, my dream.” The mainland Chinese *Workers’ Daily*, after the 2014 *lianghui*, commented it as picturing “a new mission of reform under the Chinese dream” which “offers strong motivation and spacious room for the dream of great rejuvenation of the Chinese nation to be realized, and for everyone’s dream to blossom.”⁹

The statistics of Baidu News showed that in the year before the 2014 *lianghui*, a total of 50.8 million news reports featuring the Chinese dream can be found on this Beijing-based Chinese language news website. The Chinese authorities’ media censorship on the media rhetoric of the Chinese dream, however, was best exemplified in the *Southern Weekly*’s 2013 New Year’s Special editorial, in which the publication’s new year message initially entitled *Chinese Dream, Difficult Dream* was renamed *Searching for the Dream* after submitting to the propaganda department, with several revisions such as *Dream Makes Life Shine, We are Closer to the Dream than Any Other Times*.¹¹

⁸ Xi Jinping’s speech at the opening ceremony of the Boao Forum for Asia 2013.

⁹ “Zongguomeng xiade gaige xinshiming.” *Workers Daily*, 3 March 2014.

¹¹ The censorship process was revealed by their staff in several overseas media such as BBC,

Unlike the fancy rhetoric of the dream constructed by the Chinese official media, in the Chinese young generation's minds, the Chinese dream is filled with a more realist and capitalist imagination. A survey conducted by Zhejiang Academy of Social Sciences shows that young people in Zhejiang province take well-known Chinese entrepreneurs as the top role models of their Chinese dream, such as Alibaba Group founder Ma Yun and Tencent founder Ma Huateng.¹² The dream was also a topic of heated debate among Chinese scholars - while some dissidents commenting in the overseas media described it as "a dream of the communist red regime, a GDP-first dream," most others celebrated its collectivism and nationalism upon lamenting China's suffering since the Opium War. A comparison between the American dream and the Chinese dream reveals such a nationalistic and solidary-based understanding of "Chineseness":

The Chinese dream is about the prosperity of the nation, while the American dream is about the wealth of the individuals. The goal of the Chinese dream is the rejuvenation of the nation, while the goal of the American dream is the success of individuals. The Chinese dream must be realized by Chinese people ourselves, whereas the American dream uses the talents and resources of other countries. The Chinese dream is about the harmonious happiness of the masses, whereas the American dream is about the freedom and enjoyment of individuals. The Chinese dream is endowed with a deep sense of history, while the American dream is only about the realistic experience. The Chinese dream relies on the efforts and abilities of all, while the American dream depends on encouraging individuality. The Chinese dream is for the glory of the nation, while the American dream is for the glory of individuals (Shi 2013).

Whereas the American dream is a dream for individuals, the Chinese dream is a dream for the collective, focusing on the prosperity, the rejuvenation and the glory of the nation. As individual differences such as ethnicity, culture and inequality are downplayed under a vision of the nation's great rejuvenation, the dream constructs a "Chineseness" embedded in the mainland Chinese society that not only intends to weave the national identity but also builds up rules in Chinese society.

The above analysis shows that the Chinese dream has been constructed through mainland China's *biaotai* culture that intends to interpellate nationalist subjectivity as well as through unspoken rules that create disciplined subjects. Further to the construction of the discourse, the next section of this paper looks at how the Chinese dream is connected to Chinese capitalism, and furthermore, to cross-Strait business operation and Taiwanese businessmen.

A truth regime of "Chineseness"

Each society has its regime of truth, its "general politics" of truth – that is, the types of discourse it accepts and makes function as true; the mechanisms and instances which enable one to distinguish true and false statements, the means by which each is sanctioned; the techniques and procedures accorded value in the

Free Radio Asia, Radio France International, etc.

¹² "Zhejiang qingnian yanzhong de 'zhongguomeng' han 'gerenmeng'" ["The 'Chinese dream' and the 'personal dream' in the eyes of Zhejiang young people"] *Zhejiang News*, 29 April 2014.

acquisition of truth; the status of those who are charged with saying what counts as true.

Michel Foucault (1980: 131), "Truth and Power"

Impressed by the Chinese "unspoken rules," Taiwanese businessman B, former President of the Greater China Region at a top U.S. multinational high-tech company, compared the different game rules between Chinese and Western business circles: "when we negotiate with American officials, we often start with wine and then proceed to liquor, whilst for Chinese officials the opposite is true," he laughed and said. B's experience indicated how different types of drinks deepened business partnership on different occasions – and for different purposes in different cultures. If that is true, probably our continuing the conversation from a northern Chinese cuisine restaurant to a nearby Starbucks for a cup of coffee was a good sign for engaging in deepened conversations. "Do you know *erbu*?" Amidst the coffee maker noises, jazz music and a hubbub of voices in this overcrowded American coffee house filled with incessant sounds of coffee brewing, B took a pen and wrote down "*erbu*" in Chinese on a paper.

Erbu refers to mainland China's intelligence department, which literally means the "second department" of the People's Liberation Army General Staff Department. The first bureau of *erbu* is known to be in charge of intelligence about Hong Kong and Taiwan. B did not talk further about this sensitive institution, though the topic of our discussion began to cover China's united front strategies and their surveillance on foreign business in mainland China. B is among those Taiwanese who started working in mainland China at the early stage of the opening-up. Having gone through the 1996 Taiwan Strait Crisis when mainland China conducted a series of missile tests in the waters surrounding Taiwan, B acknowledged that his role as a Taiwanese working in China was awkward at that time: "I was wondering whether I would be put into the concentration camp once the conflict was heightened." While his position as the head of a top US technology company was prominent, he was also vigilant about the information security in his office. I therefore asked him whether he was worried about espionage in the office. "My staff was 'protecting' me," he answered in a joking and sarcastic manner, referring to his activities under surveillance by his mainland Chinese staff and therefore his safety of life was also being watched.

B has good reasons for such concerns. At the early stage of the opening up, foreign enterprises that operated in mainland China recruited their local employees through the government's foreign investment service centre that provides consulting services for these foreign companies and institutions. In Beijing, the centre was the early form of its current Investment Promotion Bureau and also serves as a communication platform for CCP members who work in foreign enterprises. An insider therefore described the institution as taking charge of "penetrating" foreign business with their "informants." Such a surveillance system in some ways resembles China's current move to build up Communist Party branches in foreign enterprises,¹³ especially since

¹³Party groups have long played an important role in state-owned enterprises, but in recent years along with the growing influences of China's "Two New" Organizations (new economic and new social organizations) the Communist Party has made efforts to increase its presence in private businesses.

2005 when the Party began to launch its “campaign to educate party members to preserve their vanguard nature” (baochi dangyuan xianjinxing jiaoyu).¹⁴ The CCP enterprise branch spread into private business and foreign companies ever since,¹⁵ especially in major cities such as Beijing, Shanghai, Shenzhen where large enterprises tends to cluster.

“When your company reaches a certain size, they propose to launch the Party branch,” a Taiwanese CEO in the manufacturing industry told me, confirming that the Party branch was often set up upon request from higher authorities. According to the CCP’s constitution, companies with more than three Party members among its employees should set up a branch. For foreign enterprises, this is taken as a localization measure, including “recruiting” a Communist Party Secretary (*dangwei shuji*) for the branch who is often a retired CCP cadre. The Party branch is “the strongest form of China’s organization in an enterprise, which helps foreign employees to understand the CCP, and to realize how to connect with the Party’s political resources if you would like your business thrive in China,” said China’s official paper *People’s Daily* quoting a Communist Party Secretary at Beijing’s foreign enterprise.¹⁶ This not only explains the function of the CCP enterprise branch, but also reveals an important game rule of so-called “Chinese capitalism”: for enterprises that “would like to have business thrive in China,” the key to success, more often than not, is the “Party” rather than “free markets” or “fair competition” that Western capitalism advocates. This also implies that the “Party-state” system, by which I mean that the Communist Party, which controls and integrates all other political organizations and institutions in China, has also been embedded in Chinese capitalism.

Capitalism, however, is an economic system that aims to maximize profits for entrepreneurs and stockholders. How does it manage to connect itself to such a “Party-state” system?

Upon visiting enterprises that set up a Party branch during my fieldwork in Shanghai, it was interesting to observe a reproduction of the *biaotai* culture, from enterprise publications to banners in the staff’s canteen. For local mainland Chinese-owned enterprises, it seemed easier to embrace such a Communist branch: in a Shanghai-based local Chinese owned enterprise’s Party branch, which quite impressively was just located next to the company president’s office, a number of Communist tutorial materials on the table immediately caught my attention, including books featuring Xi Jinping’s speeches such as *Studying Series of General Secretary Xi Jinping’s Important Speeches* for the employees to study, as well as a standard

¹⁴ According to *China Daily* (22 October 2008), this is a campaign by the CCP to “educate its members to stick firmly to the principles of the Party and serve the people so as to keep the Party’s vigour and leading role in the country.” “From January 2005 to June 2006, the country’s 68 million Party members participated in the special education program. They refreshed their knowledge about the important theories of the Party at different periods, solidified their loyalty to the Party and improved the efficiency of the grass-root organizations of the Party in serving the people.”

¹⁵ Wal-Mart established its CCP branch in 2006 and Carrefour in 2012, as stated in *Wall Street Journal* (19 Dec. 2006) “Wal-Mart Bends to Party Rules in China, Allowing Store Cells” and *China Digital Times* (1 July 2012) “Carrefour Cozies up to the Party.”

¹⁶ “*Waiqi jinru dangzhibu shidai*” [“Foreign enterprises enter an era of Party branch”] *People’s Daily*, 26 June 2012.

Party's booklet with the Communist symbol hammer and sickle on its red cover in which activities of their members were recorded. Eulogies to the Communist Party also appeared in internal publications of these companies, such as "Learning Comrade Lei Feng," "a CCP member should deeply understand General Secretary Xi's spirit in his speech." At the dining canteen where the workers meet during lunch time, a large banner printed with Communist slogans filled the wall, encouraging workers to "Learn from the spirits of the Eighteenth National Congress of the Communist Party of China" and to "Consolidate power by development."

In celebration of the nation's founding anniversary, a Japanese manufacturing company's party branch responded to Xi's Chinese dream by holding an event entitled "Strong Nation, Wealthy People, the Chinese Dream." One of the issues of its internal publication, named "The Party's Publication," was also themed with National Congress of the CCP and made the following *biaotai*:

Article 1: Reflections on learning from the Seventeenth CCP National Congress

The Party's Seventeenth National Congress was successfully convened. This is an important event of our Party and the nation. As an enthusiastic member of the Party in a foreign enterprise, I pay attention to its convening at every moment, learn its spirits promptly, and consider seriously how its convening poses an influence on a foreign enterprise's development in China. This is for us to think about how to better fulfil our duties and to contribute to a harmonious society.

Article 2: Chinese road, worldwide attention

"The Chinese road" creates an Oriental miracle. It not only gains support from China's 1.3 billion people but also wins more and more comprehension in the world. "The Chinese road" draws China closer to the world while China's development and prosperity is increasingly and closely bound up to the world. "The Chinese road" pushes forward the world's stability and development, and China's great economic achievement shall become the inspiration of other developing countries. The success of "the Chinese road" is a significant achievement of human civilization for its contribution to a peaceful development and its creation of a harmonious world.

Article 3: The meaning of Chang'e 1

"The Chang'e Program," as China's first Lunar Exploration Program, is a demonstration of Chinese people's courage to challenge the world's tough problems and a sublime form of Chinese people's spontaneous and creative spirits. China's status as a great nation that maintains the world peace is also further confirmed.

The nationalist and communist discourse constructed by these enterprise Party branches therefore reflects a triadic structure in which the CCP, the state and capitalism are intricately connected. Such a triadic structure, on the one hand, means that a nationalist discourse of "Chineseness" which the Chinese state intends to construct is connected to capitalism via the CCP. On the other hand, the cooperation between enterprises and the Party-state system also means that some enterprises and people are more "privileged" than others – as the mechanism concentrates resources for those inside the system but excludes those outside. Chinese economist Wu Jinglian (2016) has criticized such a mainland Chinese state-controlled capitalism in which the government officials' use of authority creates space for rent seeking while resulting in government corruption, a phenomenon that he terms "crony capitalism."

In the cross-Strait context, the survival of Taiwanese business therefore depends on whether the enterprises can fit well into the rules of “Chinese capitalism,” in which a Communist truth regime of Chineseness is constructed by the mainland Chinese government and is performed in daily lives. “Truth” and “power” are therefore enmeshed with each other to construct such a regime of “Chineseness.” As Foucault (1980) has suggested, “we are subjected to the production of truth through power and we cannot exercise power except through the production of truth.”

Some Taiwanese enterprises, however, “perform” better than others with their subjectivity being enmeshed into such a regime of Chineseness. Taiwan’s Want Want group is among those enterprises that set up a party branch in their mainland Chinese bases. A brief article published in their corporate publication Want Want Monthly in mainland China recorded a meeting between its chairman Tsai Eng-meng and Wang Yi, director of the mainland Chinese Taiwan Affairs Office, which not only performs *biaotai* culture, but also revealed a lot more beyond their interactions:

*At the beginning of the meeting, the Chairman briefly introduced the group’s acquisition of Taiwan’s media group China Times to Director Wang Yi. The Chairman said that one of the purposes of the acquisition was to use the power of the press to advance cross-Strait relations... Director Wang Yi responded that if the group has any future needs, the Taiwan Affairs Office of the State Council will certainly render full support, not only willing to help the growth of the group’s original food business, but also willing to assist the interflows of television programs across the Strait.*¹⁷

Tsai Eng-meng, Taiwan’s richest man according to Forbes Magazine’s 2015 ranking, has built a sprawling business empire based on the mainland Chinese markets and has once said in a media interview that he cannot wait for Taiwan’s merger with China: “I really hope that I can see it.”¹⁸ Tsai’s statement, made before Xi’s proposal of the Chinese dream, pointed to the overlapping of Taiwanese businessmen’s “China dream” and a “Chinese dream” that has long time been constructed in the mainland Chinese united front system: to better put into practice the “China dream” of a cross-Strait Taiwanese businessman like Tsai in mainland China, he or she is expected to fulfil a “Chinese dream” that is to comply with mainland China’s one China principle – or to say the least, to “perform” a politically correct “Chinese dream.” In light of how cross-Strait economic interactions is entangled with politics, scholars such as Wu (2012) has also argued that there exists a “cross-Strait political business alliance,” whereby interest groups composed of businessmen and politicians have attempted to interfere with Taiwan’s policy making, particularly while cross-Strait Taiwanese businessmen become dependent on mainland China’s economic benefits.

The “double status” of cross-Strait Taiwanese enterprises that vacillates between “foreign (Taiwanese) capital” and “Chinese capital” therefore opens a space for a mechanism similar to the “compradors” back in Qing Dynasty, when a group of local native business elites who act in the interests of foreign capitalists and of Qing government officials in return for their own profits. Nonetheless in terms of identity

¹⁷ *Want Want Monthly [Wang wang yuekan]*, December 2008.

¹⁸ “Tycoon Prods Taiwan Closer to China,” *Washington Post*, 21 Jan 2012.

politics, this paper suggests that the double status also involves a fluid formation of subjectivity when “truth” is multiplied during these enterprises’ cross-Strait operations and their subjectivity cannot be determined by an all-encompassing truth regime of Chineseness constructed by the CCP. In my fieldwork visits, Taiwanese enterprises that were reserved about setting up a Party branch expressed their concerns about the cross-Strait political sensibility and being labelled as a “red enterprise” back in Taiwan. Compared to mainland Chinese and foreign enterprises, they are cautious about the political intentions of such measures. A Taiwanese businessman in the manufacturing industry, for example, said that they set up the branch with some restrictions to downplay its political influences, such as no propaganda revealing the set-up, no endorsement of the organization under the company name, no use of the members’ time at work, etc. “It only affects those few people in the company who are CCP members,” another Taiwanese CEO whose company has a larger market share in Taiwan told me, having hoped to minimize the side effects of setting up the Party branch in the enterprise.

This again shows that although some Taiwanese enterprises rely heavily on mainland Chinese markets and “perform” the Chinese dream better than others with their subjectivity being enmeshed into such a regime of Chineseness, for some Taiwanese businesses even if a branch is set up, it functions more like a “performance” for them, of which the purpose is to stay in line with the mainland Chinese *biaotai* culture. The strategic performance as false compliance renders the possibility to undermine the truth regime of Chineseness while Taiwanese businessmen seek to survive Chinese capitalism under the CCP’s united front work.

Conclusion

In this paper I have examined how the mainland Chinese authorities are stitching up economic development with the nationalist construction of “Chineseness,” a strategic political and economic initiative best exemplified in the vision of “the Chinese dream.” I argued that the game rules constituted by a nationalist and communist Chineseness have become a disciplinary mechanism that regulates Taiwanese business in mainland China. However I have also contended that there exist more complexities in such a trade-off relationship between Taiwanese businessmen and the CCP government, as there are also those whose subjectivity stand upon performing false compliance and coping with the CCP. This reveals the diverse spectrum of the identities of cross-Strait Taiwanese businessmen, as opposed to the common belief that they are often pro-China. Although the CCP has intended to construct a truth regime of Chineseness that penetrate into the mainland Chinese society and foreign business in mainland China, I have suggested that it is not a discourse with no means to escape in the cross-Strait setting whereby transnationality has multiplied “truth” in a heterogeneous form. The dissemination of power can be observed from “performance” as false compliance of Taiwanese enterprises as well as various local resistance occurring in Taiwan.