China deconstructs

Over the last ten years China's economy has grown faster than that of any other nation. By the early part of the next century it is widely suggested that it will be the largest in the world. Yet, as it verges on becoming an economic superpower questions are being asked about China's identity.

This challenge to identity has been triggered by the Chinese economic reform and in particular the decentralization of economic power. The uncertainty surrounding succession politics is bringing the crisis to a head. This book examines the process of internal and external bargaining by analysing reforms in China's political economy. This is done through analysis of key regions, and their external connections, as well as how the outside world is interacting with this less tightly-knit China.

Decentralization has caused a number of fault lines to appear in the structure of authority because power has flowed from Beijing and into the provinces. However, the break-up of China would benefit few, either inside or outside the country. If the outside world believes that it can best accommodate China's rising power through mutual interdependence, then the strongest ties will be woven with the different regions of China.

David S.G. Goodman is Director of the Institute for International Studies at the University of Technology, Sydney and is author of *Deng Xiaoping and the Chinese Revolution*.

Gerald Segal is Senior Fellow at the International Institute for Strategic Studies and coordinator of the ESRC Programme on Pacific Asia. He is also the author of more than a dozen books on China.

China deconstructs

Politics, trade and regionalism

Edited by David S.G. Goodman and Gerald Segal



London and New York

First published 1994 by Routledge 11 New Fetter Lane, London EC4P 4EE

Simultaneously published in the USA and Canada by Routledge 29 West 35th Street, New York, NY 10001

© 1994 David S.G. Goodman and Gerald Segal

Typeset in Times by J&L Composition Ltd, Filey, North Yorkshire Printed and bound in Great Britain by TJ Press (Padstow) Ltd, Padstow, Cornwall

All rights reserved. No part of this book may be reprinted or reproduced or utilized in any form or by any electronic, mechanical, or other means, now known or hereafter invented, including photocopying and recording, or in any information storage or retrieval system, without permission in writing from the publishers.

British Library Cataloguing in Publication Data
A catalogue record for this book is available from the British Library.

China deconstructs: politics, trade and regionalism / edited by David S.G. Goodman and Gerald Segal.

p. cm.

1. China—Economic conditions—1976— 2. China—Economic conditions—Regional disparities. 3. China—Foreign economic relations. 4. Regionalism—China. 5. China—Economic policy—1976— I. Goodman, David S.G. II. Segal, Gerald, 1953—HC427.92.C4638 1994
330.951—dc20 94–21698

ISBN 0-415-11833-6 0-415-11834-4 (pbk)

Contents

	List of figures List of tables List of contributors Preface	vii vii x xiii
1	The politics of regionalism: economic development, conflict and negotiation David S.G. Goodman	1
2	'Reports of my death have been greatly exaggerated': the history of the death of China John Fitzgerald	21
3	Reform and the restructuring of central-local relations Dali Yang	59
4	Economic reform and the internal division of labour in China: production, trade and marketing Anjali Kumar	99
5	The many worlds of China's provinces: foreign trade and diversification Brantly Womack and Guangzhi Zhao	131
6	Guangdong: Greater Hong Kong and the new regionalist future David S.G. Goodman and Feng Chongyi	177
7	Regionalism in Fujian Simon Long	202
8	Shanghai and the Lower Yangzi Valley J. Bruce Jacobs and Lijian Hong	224

vi Contents

9	North China and Russia Michael B. Yahuda	25
X10	Xinjiang: relations with China and abroad Peter Ferdinand	27
11	Regional economic integration in Yunnan Ingrid d'Hooghe	286
12	Deconstructing foreign relations Gerald Segal	322
	Index	356

Is China breaking up?

For the last ten years China has achieved a more rapid rate of economic growth than any other country. It is likely that within a generation, China will have the world's largest economy. Yet, at the moment when China looks set to regain its former power, serious questions have to be asked about the continuing integrity of China. The challenges posed by economic reform, succession politics, and new forces of political liberalism are compounded by China's strategy of greater interdependence with the regional and global economy.

The writers of this book analyze the factors that might lead to the break-up of China. They provide key data about economic activity and external connections of the major regional forces. Their analysis provides essential reading for those concerned with the prospects for China, and the future stability of East Asia.

David S.G. Goodman is Director of the Institute for International Studies at the University of Technology, Sydney.

Gerald Segal is Senior Fellow at the International Institute for Strategic Studies and coordinator of the ESRC Programme on Pacific Asia.

Cover design: Shaun Loftman

Asian studies/Chinese politics/Economics/ Development studies





11 New Fetter Lane London EC4P 4EE 29 West 35th Street New York NY 10001 Printed in Great Britain

