THE CHALLENGE OF THE RISE OF CHINA
1998 ASIANetwork CONFERENCE KEYNOTE ADDRESS
A SYNOPSIS

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Ezra Vogel, Henry Ford II Professor of the Social Sciences and Director of the Fairbank Center for East Asian Research at Harvard University, gave the keynote address at the opening dinner of the ASIANetwork Conference, April 24, 1998, at the Hickory Ridge Conference Center, Lisle, Illinois. The Editor thanks Cathy Benton, Religion, Lake Forest College and Beloit College, for writing the synopsis of Professor Vogel's address. Benton teaches courses in Asian religions and Asian literature. Her research interests include Hindu mythological texts, the culture and literature of the Roman Catholic community in India, and the cross-cultural communication issues that emerge in the context of international business.

Introduction

Gregory Guldin, Pacific Lutheran University, who introduced Professor Vogel, noted that he is "one of the foremost social scientists specializing in East Asia today, with a depth of understanding, linguistic competency, and sophistication rarely matched." Vogel's book, Japan as Number One: Lessons for America, published in 1979, is read widely for its survey of and analysis of the social conditions, economics, and politics of Japan since 1945.

Among his many publications, the following relate specifically to Vogel's keynote address: The Four Little Dragons: The Spread of Industrialization in East Asia, 1991 (The Edwin O. Reischauer Lectures of 1990); One Step Ahead in China: Reischauer Under Reform, 1989, and Chinese Society On The Eve of Tiananmen: The Impact of Reform, 1990, which he edited with Deborah Davis.

Ezra Vogel began his presentation by promising to share his thoughts and experiences in three areas: how he got into East Asian Studies in the first place, the rise of China, and our mission as teachers of Asian Studies.

Vogel and Asian Studies

Ezra Vogel wrote a sociology dissertation at Harvard on emotionally disturbed children of Italian-American and Irish-American families, and upon its completion, Florence Kluckhohn suggested that he go abroad. The Foundation of Psychiatry gave him a grant to spend two years in Japan, one year doing language study and one year interviewing Japanese families. In time, the Japanese families learned how to "be interviewed," and he and his family became simply friends with them. The friendships begun at that time have lasted more than forty years.

When he returned to the United States, Vogel was offered a job in the Department of Psychiatry at Yale, but realized that he really wanted to pursue Asian Studies. Learning that there was a need for sociologists to study China, Vogel returned to Harvard as a first year graduate student to learn Chinese, a language learning process he acknowledges pursuing even today.

Senator Joseph McCarthy's investigations in the 1950s meant that potential scholars were afraid to study Communist China, so there were many fellowships available. The dearth of Chinese scholars meant that people like Vogel were hurried through their studies and into faculty positions much too quickly.

In subsequent years, Vogel has continued reading and doing research in both cultural areas, Japan and China, as well as administering the Fairbank Center for East Asian Research at Harvard.

The rise of China

The Chinese domestic scene

The rise of China is certainly among the big issues for the next decade. After 1949, the Chinese made lots of progress, particularly in establishing an infrastructure, heavy industry, and water power. But only since the reforms of 1981 has real economic development taken place. These reforms took the lid off the motivation to amass wealth, and with the help of overseas Chinese, the Chinese were able to negotiate a steady transfer of technology.

The relaxation of trade restrictions in China coincided with a need in the countries called the Four Dragons (Korea, Taiwan, Hong Kong, and Singapore) to find new sources of cheap labor. These countries had
built their economies on labor intensive industries, but by the late 1970s, their labor costs were quite high. When the Chinese reformed their trade laws, companies from the Four Dragons began building factories on the other side of the border to take advantage of the low cost of labor in the PRC. For example, old factories that had produced farm machinery were redesigned to produce consumer goods, especially in eastern coastal areas.

However, the Chinese government had problems getting support for these reforms from the cadres who were heavily overstaffed and seriously underpaid, but still fearful that they would lose their jobs if consumerism gained momentum. In order to head off this resistance, the party let the cadres stay in power with the proviso that they figure out ways to pay themselves.

A wide open era of trade ensued, with entrepreneurship through the local government units. Clothes, food, radios, and other consumer goods were produced and sold in the markets, but corruption emerged as money making was increasingly tied up in the various local governments. The standard of living rose, and while there was great public support for reform, China had not built a modern system to implement such reform.

State enterprises are currently taking too much money out of the banking system by never repaying their loans. The banking system itself is undeveloped, with no mechanisms for determining good loan risks. People are restricted geographically because the social services (e.g. subsidized housing, medical care, and food) are provided by local units, making it difficult for families and individuals to move to areas with more plentiful jobs. A social development fund should be established that would be distributed over a broader area, but local units are not ready to relinquish their control. Because state salaries are so low, corruption and side businesses have become more lucrative than attending to governmental duties. It will take several decades for the government to bring wages in line with the accepted standard of living in order to offset the pull of corruption.

Although there is much optimism about economic progress now, in several years the Chinese will realize that the problems created by their lack of a modern system are working against their potential economic success.

China and the international scene

The Chinese wonder why the United States is "picking on" China and its human rights violations when North Korea, for example, has a worse record of human rights violations. So the Chinese conclude that the Americans are worried that China is becoming too strong, and the American protests are a way to slow China down. Again, the Chinese believe that the concern in the United States over patent rights issues stems from a wish to diminish the current transfer of technology.

The Southeast Asian attitude toward China is different from the American one. The Southeast Asians know that they are going to have to deal with China as a power in the future. They believe that ultimately the United States will decline to play a strong role in this part of the world, while China will agree to be the big player. Therefore, the wise course of action is to accommodate the Chinese wherever possible.

President Clinton pushed hard on the Chinese human rights issue while running for the presidency, setting his position in direct contrast to that of George Bush who did nothing after Tiananmen Square. But once in office, Clinton realized that it was not so easy to push human rights issues without consequences. The United States needs China's support to deal with other trouble spots such as North Korea and Pakistan.

The American policy toward Taiwan became more sympathetic after Tiananmen Square, which led the Taiwanese to conclude that they could assert their greater independence from the PRC. In 1996, the PRC became nervous about this situation and shot missiles toward Taiwan. In sending warships into the area in support of Taiwan, the American government was making a decision to play a stronger role in this area of the world. As a result, the PRC is also taking its relationship with the United States more seriously.

Our mission as teachers

The study of Asia ideally leads to a sense of history and culture. Asian Studies should impart to the students a grasp of the complexity of Asia, so that they respond out of an understanding of this complexity, rather than turning to stereotypes. We need to train people to reject biased media images. Asian Studies programs must foster an understanding of Asia not as groups of cultures, but as people. In the future, American businesses will need employees trained in Asian Studies who will see people as people, not as stereotyped images. Business and government leaders must understand how to integrate our lives with those of people in Asia.

Question period

Question: In the absence of socialism what will be the glue that will hold together Chinese society?

Vogel: Materialism, making money, will provide a common motivation, and the party will be the core of
organization. Nationalism can get out of control, especially when combined with anti-Japanese sentiment. But anti-Japanese feelings must be curbed, because China needs Japanese investment.

**Question:** How deep is the sense of Han superiority? What is the future of minorities?

**Vogel:** The feeling of Han superiority runs very deep. When Jiang Zemin came to Harvard a few months ago, the Chinese students were divided in their sentiments about their government. But as soon as they saw the Tibetans demonstrating, they were absolutely united against the Tibetans. Other minorities (e.g. the Mongols, Koreans) are not as hot a problem as the Tibetans who are getting foreign support. The other minorities are only 6-7% of the population and live in out-of-the-way places.

**Question:** How are the Chinese recovering from the Cultural Revolution?

**Vogel:** There are a number of problems for everyone, including figuring out how to live with the people who turned in their colleagues and neighbors. Another challenge is that of coping with the effects of Tiananmen Square. So many people have been implicated in both the Cultural Revolution and Tiananmen Square that it is very hard for anyone to speak out. There is a long tradition of holding grudges in China, but life has to go on and move beyond the cycle of endless retribution.

**Question:** What are the prospects for increasing freedom and democracy?

**Vogel:** The government sees their importance, and will take small steps on the local level, but they will not talk about these issues. The leadership wants to control people, and they do not encourage dissidents. On the other hand, we should have no illusions. The leadership will put people in jail and shoot them if necessary to keep order.

At the same time, intellectuals and think tanks in China are exploring lots of new possibilities. There is vitality amongst the greater range of ideas being discussed. Many Chinese who go abroad see that dissension can exist without getting out of control in other countries, but the fear is that anarchy might erupt more easily in China because it is such a poor country.

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**PRE-EMBARKATION AND DISEMBARKATION**

**PREPARING FOR STUDY IN ASIA AND RETURN**

**1998 ASIANetwork CONFERENCE PLENARY**

**Elisabeth Benard**

Asian Studies, University of Puget Sound

Elisabeth Benard directs the Pacific Rim/Asia Study-Travel Program. Once every three years, students venture to Asia for nine months of rigorous academic and personal inquiry. While visiting eight Asian nations, the group engages in a multicultural experience that forces its members to confront novel systems of culture, economics, politics, religion, and philosophy.

Benard describes the preparation for the program and the follow-through upon the students' return to the University of Puget Sound. John Holt, Bowdoin College and David Vikner, The United Board for Christian Higher Education in Asia were also presenters at this plenary.

**PRE-EMBARKATION**

**Ropes' course-low level**

When the group meets together, arrange a ropes' course. This is "outward bound" exercise lasts one day. For your purposes, the "low-level" option is the best because you want to know how group members will interact with each other. The "high-level" course develops individual rather than group skills.

As the leader, do not participate in all activities so that you may observe the group. Observe who takes initiative, supports and encourages others, simply follows, or wants to be alone. Observe who anticipates situations and the tactics necessary to accomplish the task, who is resourceful, and who gets frustrated easily. These tendencies will manifest during the study abroad program. Certain challenges in the ropes' course will