



China

cultural note

written Chinese does not have a future tense, or any other verb tense. Therefore, the sentence "Wo mai shu" can mean: I bought a book, I buy a book, or I will buy a book. Time frames can only be determined by the context of the sentence, or by time indicators like "tomorrow." Be very specific on times and dates for appointments, contracts, and so forth.

Country Background

History

The Chinese boast the world's oldest continuous civilization, with more than 4,000 years of recorded history. Beijing (old Peking) has been the capital of China for over 800 years and is the country's political, economic, and cultural hub.

China was ruled by strong dynasties for thousands of years. The first recorded dynasty, the Hsia, existed around 2200 B.C., and the last dynasty, the Ch'ing, ended in 1911. Some of the most important cultural achievements in history were produced during this time, i.e., papermaking, the compass, gunpowder, and movabletype printing.

After the fall of the last dynasty, Sun Yat-sen founded the Republic of China and was succeeded by Chiang Kai-shek in 1927.

Mao Tse-tung's Communist forces took control in 1949 and established the Communist government that still exists, although events-from the massacre in Tiananmen Square in June of 1989 on-have shown an increasing popular demand for democratic reform.

China has been divided into twenty two provinces, five autonomous regions, and three municipalities.

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dragon Bones" (actually tortoise and cattle bones) have long been dug up by Chinese farmers and sold for their medicinal properties. In 1899, "Dragon Bones" inscribed with Chinese hieroglyphics were collected from the fields around Hsiao T'un. They proved to be from the Shang dynasty (ca. 1766- ca. 1122 a.c.) and had been used to predict the future. Questions were inscribed on the bones, which were then drilled and heated. The resulting cracks revealed the answers. Now, almost 4,000 years later, the excavations of the Shang Oracle Dragon Bones are still uncovering many more treasures from China's Bronze Age.

Type of Government

The People's Republic of China has a Communist government. There is a single legislative house, the National People's Congress; all members belong to the Communist party. The National People's Congress elects the Standing Committee, which holds executive power and is made up of the premier and leading ministers. The premier is the head of the government; the president is the chief of state. The position of secretary general of the Central Committee of the Chinese Communist party is also an office of great power; it is often held by the current president.

All aspects of life are controlled by the Communist regime, which is highly centralized and authoritarian.

Language

The official national language is standard Chinese, based on the Mandarin dialect. It is spoken by more than 70 percent of the population. Many Chinese speak the Cantonese, Wu, and Kejia dialects. Each of the fifty-five, officially recognized minorities speaks its own dialect or language. English is spoken by many business people.

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although spoken Chinese has many dialects (some of which are as different as English is from German) there is one common written language. Therefore, many Chinese movies have Chinese subtitles, so that Cantonese-speaking Chinese audiences can understand the Mandarin-speaking actors.

Religion

Although the government encourages atheism, the Chinese constitution guarantees religious freedom (within certain constraints). Buddhism, Islam, and Christianity are the three major formal religions practiced in China. However, even larger numbers of Chinese believe in traditional Chinese philosophies, notably Confucianism, and folk precepts such as Taoism.

Confucianism, although not a religion with a divine deity, has great influence on Chinese society. Confucius was a Chinese scholar and statesman who lived during feudal times over 2,000 years ago. He established a rigid ethical and moral system that governs all relationships.

Confucius taught that the basic unit of society is the family. In order to preserve harmony in the home, certain reciprocal responsibilities must be preserved in relationships. These relationships are between ruler and subjects, between husband and wife, between father and son, between elder brother and younger brother, and between friends. Since all but the last are hierarchal, rank and age are very important in all interactions. All actions of the individual reflect upon the family, and filial devotion is of utmost importance. The virtues of kindness, propriety, righteousness, intelligence, and faithfulness are deeply revered.

Demographics

China has 1.17 billion inhabitants (1992 estimate), making it the most populous country in the world. One quarter of the earth's population lives there. Although there are many

minority groups, over 91 percent of the population is ethnic (Han) Chinese. China has implemented a rigorous birth control program that limits couples to only one child.

Cultural Orientation

Cognitive Styles: How the Chinese Organize and Process Information

The Chinese are generally circumspect toward outside sources of information. They usually process information through a subjective perspective, derived from experience—unless they have been educated at a Western university. Universalistic behavior that follows the Communist party line is demanded under the Communist government. The favoritism shown to Communist party members is overtly particularistic.

Negotiation Strategies: What the Chinese Accept as Evidence

Faith in the Communist party line is the dominant source of truth in all negotiations. In general, truth is subjective, and one's feelings are a primary source of the truth. Facts are accepted, but not if they are in conflict with the other two sources.

Value Systems: The Basis for Behavior

China is a truly collectivistic culture dominated by the Communist party. The following three sections identify the Value Systems in the predominant culture—their methods of dividing right from wrong, good from evil, and so forth.

Locus of Decision Making

In a centrally controlled economy, responsibility rests with the government planners and the Communist party, but individuals are held responsible for their decisions within the system. Local decisions are made by the head of the collective, and members must behave accordingly. Collectives are insular, closed entities in which individual goals are subordinated to those of the collective. In the pockets of free enterprise, businesses are experimenting with freedom from party rule but not from the collectivist way of thinking.

Sources of Anxiety Reduction

The family, school, work unit, and local community are the basic social structures that give stability to one's life. There is a strong commitment to the extended family. The state, rather than religion, dictates the symbols of wisdom, morality, and the common good. One can feel secure in the hands of the state. However, there is a very high social consciousness of face. Strict obedience to parents and the Communist party are an absolute rule. Harmony must be maintained at all costs.

Issues of Equality/Inequality

Relative to the general population (over one billion), the number of people who are powerful members of the Communist party is small. There has always been some concern about inequality in a system in which equality is the purpose, but being a member of the party is the only avenue to a position of authority. Free enterprise is purported to breed inequality and uncertainty, but there are isolated pockets where it is allowed to flourish. Age is the only noticeable interpersonal indicator of inequality because it is still revered. Women are purported to be equal to men, but economic and social inequalities continue.

Business Practices

Appointments



punctuality

It is very important to be punctual in China, not only for business meetings, but for social occasions as well. Lateness or cancellation is a serious affront.

- Remember that written Chinese does not have tenses, but there are many words to indicate the passage of time-tomorrow, now, and so forth.
- It is important to establish contacts in China before you invest in a trip. The U.S. Department of Commerce/East Asia and Pacific Office can assist in arranging appointments with local Chinese business and government officials, and can identify importers, buyers, agents, distributors, and joint venture partners.
- The best times to schedule business trips are April to June and September to October.
- Business and government hours are 8:00 A.M. to 5:00 P.M., Monday through Saturday. However, a five-day workweek has been initiated in some large cities.
- Shop Hours: 9:00 A.M. to 7:00 P.M., daily. Most stores in Shanghai stay open until 10:00 P.M.
- Between noon and 2:00 P.M. everyone takes a break. Everything stops, including manually operated elevators and switchboards.
- Do not plan business trips during the Chinese New Year, since many businesses close for a week before and after the festival. The date of the New Year varies according to the lunar calendar.



Negotiating

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be prepared for the Chinese to supply an interpreter. If possible, bring your own interpreter as well to help you understand nuances in the discussion.

Avoid slang or jargon, especially figures of speech from sports. Use short, simple sentences, and pause often to make sure that your exact words are understood.

- Expect to make presentations to many different groups at different levels.
- Have at least twenty copies of your proposal available for distribution when you arrive. Photocopy facilities in China can be difficult to find.
- Use black and white for your collateral materials, since colors have great significance for the Chinese. U.S. executives have a reputation for impatience, and the Chinese will drag out negotiations well beyond your deadlines just to gain an advantage. They may try to renegotiate everything on the final day of your visit, and they will continue to try for a better deal even after the contract is signed.
- Never exaggerate your ability to deliver, because the Chinese believe humility is a virtue-and also because they will investigate your claims.

- Most Chinese will not make any important decisions without first consulting the stars for an auspicious day and hour.
- Be patient. Expect to make several trips to China before negotiations are final. The Chinese are very cautious in business matters, and will expect a strong relationship to be built before they close a deal.
- Weights and measures are mainly metric, but several old Chinese measures are still used.
- Bring business cards with a translation printed (in Mandarin Chinese) on the reverse side. Gold ink is the most prestigious color for the Chinese side. Never place a person's card in your wallet and then put it in your back pocket.
- When entering a business meeting, the highest ranking member of your group should lead the way.
- The Chinese expect the business conversation to be conducted by the senior officials of each side. If subordinates interrupt, the Chinese will be shocked.
- Familiarize yourself with all aspects of China before you arrive. The Chinese appreciate Western visitors who demonstrate an interest in their culture and history.
- Be patient, expect delays, show little emotion, and do not talk about your deadlines.
- At the end of a meeting, leave before the Chinese.

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relocating management-level employees to Shanghai is extremely expensive, and keeping them there can easily run \$300,000 a year. Be sure to thoroughly prepare not only your employee but his or her entire family for the cultural differences they will encounter before making such an investment.



Business Entertaining

- Business lunches have become more popular, but you will probably be treated to at least one evening banquet. You should always return the favor.
- Banquets at restaurants can be ordered in varying degrees of extravagance. Be sure to reciprocate at the same price per person as your Chinese host spent at your banquet-never surpass your host in the degree of banquet lavishness.
- Most banquets start between 6:30 and 7:00 P.m. and last for about two hours. You should arrive about thirty minutes before your guests-they will arrive on time.
- If you are the guest, always arrive promptly or even a little early.
- Business is not generally discussed during a meal.
- Never begin to eat or drink before your host does.

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it is polite to sample every dish. The Chinese may even test your fortitude on purpose with exotic delicacies like marinated, deep-fried scorpions, completely intact with their stingers, on a bed of rice.

- When eating rice, it is customary to hold the bowl close to your mouth.
- At a meal, eat lightly in the beginning, since there could be up to twenty courses served. Expect your host to keep filling your bowl with food whenever you empty it.

Finishing all of your food may be an insult to your host, since it can mean he did not provide enough food. Leaving a bowl completely full is also rude.

- The Chinese use chopsticks for eating and a porcelain spoon for soup. Your attempts at using chopsticks will be appreciated. When you are finished, set your chopsticks on the table or on the chopstick-rest. Placing them parallel on top of your bowl is considered a sign of bad luck.
- Sticking your chopsticks straight up in your rice bowl is rude, since they will resemble the joss sticks used in religious ceremonies.
- Try not to drop your chopsticks; it is considered bad luck.
- Serving dishes are not passed around. Reach for food with your chopsticks, but do not use the end you put in your mouth! It is perfectly acceptable to reach in front of others to get to the serving dishes.
- Good topics of conversation include Chinese sights, art, calligraphy, and inquiries about the health of the other's family. Generally, conversation during a meal focuses on the meal itself and is full of compliments to the preparer.
- Bones and seeds are placed on the table or a dish-never back in the rice bowl.
- At a banquet, expect to be served rice in an individual bowl by a waiter. In a home, your hostess will serve the rice.
- Toasting is big in China. At banquets, the host offers the first toast, and the ceremony continues all evening. It is acceptable to toast with a soft drink, but wine and beer will be available.
- Never take the last bit of food from a serving dish; this can signify that you are still hungry.
- The serving of fruit signals the end of the meal.
- If you don't want refills of tea, leave some in your cup.
- If you smoke, offer your cigarettes to others in your group.
- Generally, women should not drink alcoholic beverages. Businesswomen should accept a drink if offered, take a sip, and leave it.

Time

- China is eight hours ahead of Greenwich Mean Time (G.M.T. + 8), or thirteen hours ahead of U.S. Eastern Standard Time (E.S.T. + 13). Despite the immense size of the country, it has only one time zone.

Protocol



Greetings

- The Chinese nod or bow slightly when greeting another person, although handshakes are common. Wait for the Chinese to extend a hand first.
- Visitors to factories, theaters, or schools may be greeted with applause as a sign of welcome. The usual response is to applaud back.
- Introductions tend to be formal, with courtesy rather than familiarity preferred.



Titles / Forms of Address

- The Chinese are very sensitive to status and titles, so you should use official titles such as General, Committee Member, or Bureau Chief when possible. Never call anyone "Comrade" unless you are a Communist also.
- Names are listed in a different order from Western names. Each person receives a family name, a generational name, and a given name at birth-in that order. Generational and given names can be separated by a space or a hyphen, but are often written as one word. For example, President Li Teng Hui has the family name of Li, a generational name of Teng, and a given name of Hui. (His name could also be rendered Li Teng-Hui or Li Tenghui.)
- Most people you meet should be addressed with a title and their name. If a person does not have a professional title (President, Engineer, Doctor), simply use Mr. or Madam, Mrs., or Miss, plus the name.
- Chinese wives do not generally take their husband's surnames, but instead maintain their maiden names. Although Westerners commonly address a married woman as Mrs. plus her husband's family name, it is more appropriate to call her Madam plus her maiden family name. For example, Li Chu Chin (female) is married to Chang Wu Jiang (male). While westerners would probably call her Mrs. Chang, she is properly addressed as Madam Li.
- Thankfully, many Chinese adopt an English first name so that English speakers can have a familiar-sounding name to identify them. Thus, Chang Wu Jiang may call himself Mr. Walter Chang. Others use their initials (Mr. WJ. Chang).
- If many Chinese seem to have similar clan names, it is because there are only about 400 different surnames in China! However, when these surnames are transcribed into English, there are several possible variations. For example, Wong, Wang, and Huang are all English versions of the same Chinese clan name.



Gestures

- Avoid making exaggerated gestures or using dramatic facial expressions. The Chinese do not use their hands when speaking, and become distracted by a speaker who does. The Chinese do not like to be touched by people they do not know. This is especially important to remember when dealing with older people or people in important positions. Members of the same sex may be seen publicly holding hands, but public affection between the opposite sexes is not condoned. Use an open hand rather than one finger to point. To beckon, turn the palm down and wave the fingers toward the body. Do not put your hands in your mouth (biting your nails, dislodging food from your teeth); this is considered disgusting.



Gifts

- Gift giving is a sensitive issue in China. Technically, it is against the law, but the acceptance of gift giving is increasing.
- Avoid giving anything of value in front of others, as it could cause the recipient both embarrassment and trouble.

- A gift from your company to the Chinese organization or factory is acceptable. Make it clear that the gift is on behalf of the whole company you represent and is for the whole group on the receiving end. Be sure to present the gift to the acknowledged leader of the Chinese delegation. Gifts of this sort might include items from your region of the country, like local crafts, historical memorabilia, or an illustrated book.
- A banquet is considered an acceptable gift. Your Chinese hosts will certainly give you one, and you should reciprocate.
- High-quality pens are a luxury any Chinese appreciates. Other good gifts include kitchen gadgets and expensive liquors, like a good cognac.
- Stamps are also popular social gifts, as stamp collecting is a big hobby in China. Barrettes and combs, cigarette lighters, T-shirts of U.S. sports teams, and solar-powered calculators are also good.
- When giving or receiving a gift, use both hands. The gift is not opened in the presence of the giver.
- The Chinese traditionally decline a gift three times before accepting; this prevents them from appearing greedy. Continue to insist; once they accept the gift, say you are pleased that they have done so.
- Gifts of food are always appreciated by Chinese, but avoid bringing food gifts with you to a dinner or party (unless it has been agreed upon beforehand). To bring food may imply that your host cannot provide enough. Instead, send food as a thank-you gift afterwards. Candy and fruit baskets are good choices.
- The Chinese associate all of the following gifts and colors with funerals-avoid them:
 - Straw sandals,
 - clocks,
 - a stork or crane (although the Western association of storks with births is known to many young Chinese),
 - handkerchiefs (often given at funerals; they symbolize sadness and weeping), and
 - gifts (or wrapping paper) in which the predominant color is white, black, or blue.
- Do not wrap a gift before arriving in China, as it may be unwrapped in Customs.
- If possible, wrap gifts in red, a lucky color; pink and yellow, happy, prosperous colors, are also good choices. Do not use white, which is the color for funerals. Ask about appropriate paper at your hotel or at a store that wraps gifts.
- All business negotiations should be concluded before gifts are exchanged.
- At Chinese New Year, it is customary to give a gift of money in a red envelope to children and to the service personnel you deal with on a regular basis. This gift is called a *hong bao*. Give only new bills in even numbers and even amounts. Many employers give each employee a *hong bao* equivalent to one month's salary.



Dress

- For business, men should wear conservative suits, shirts, and ties. Loud colors are not appropriate. Women should also wear conservative suits, with highnecked blouses, and low heels-their colors should be as neutral as possible.

- At formal occasions, no high heels or evening gowns are necessary for women unless the event is a formal reception given by a foreign diplomat. Men may wear suits and ties.
- Casual wear is still somewhat conservative. Revealing clothing may be offensive, but jeans are acceptable for both men and women. Shorts are appropriate when exercising.

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in 1964, archaeological discoveries found evidence that humans were living and working along the Yellow River more than 600,000 years ago. There is also proof that China's "Peking Man" inhabited caves near Beijing more than 400,000 years ago.