

Guanxi

Guānxi 关系

The concept of *guanxi* in China is based on people having common experiences or connections—being a classmate or a co-worker, coming from the same area, having mutual friends—through which they can network. As a tool for contact and communication, *guanxi* holds great value in Chinese society. Because *guanxi* often involves an exchange of favors it can occasionally result in corruption.

The concept of *guanxi*, or “social relationships,” is important in everyday Chinese life. Both individual and group interests are asserted via such relationships. There is a particular image of society behind this concept. Many Chinese see society in the first instance as a hierarchically structured order covered by an interlaced network of relationships. While a person’s outward appearance and behavior may be important for many Europeans, who one knows and to which group or work unit one belongs are of consequence for many Chinese.

Not all interpersonal relations are based on *guanxi*. Relations between members of an immediate family or between spouses are based on other obligations (for example, obedience or respect). *Guanxi* relations arise when people have certain things in common, such as coming from the same area, mutual experiences or friends, or

other social connections, and they are developed first of all with people with whom one is in direct contact.

Tong Relationships

Tong, or having something in common, is the most important basis for *guanxi*. The *tongban* (classmate), *tongbao* (person from the same region), *tonghang* (person in the same business), *tongshi* (colleague), *tongxiang* (person from the same hometown or village), and *tongxue* (person who studied at the same school) all have special relations with one another (*tong* relationships). Relations can also be forged through gifts, personal favors, or mediation by third parties. They include mutual obligations and expectations. For every action, something is expected in return. *Guanxi* is less a private relationship than a role-playing game that, on the basis of previous or current situations, produces expectations. Those who do favors gain “face” and are recognized by others as people who have respect for those around them.

Friendship and *tong* relationships involve certain obligations, such as constant readiness to help and support not only the person directly involved in the relationship but also his or her family and friends. Refusing to give this help and support was and is seen as negative social behavior, as a complete lack of any kind of human feeling, or alternatively as proof that someone does not love those to whom he or she is naturally linked and therefore obliged to help. In these cases, refusing to help is seen as the highest form of inhumanity and a break with morality.

Guanxi as Connection

To make use of *guanxi*, both sides have to be able to give each other something (influence, protection, access to scarce goods and services, opportunities for promotion or profit). If no connection exists with an influential person, a link is “created” (*la guanxi*). To do this, a person from the same *guanxi* network is sought who can, via various channels, set up the connection. For example: A requires something from D. However, there is no *guanxi* between them. In A’s relationship network, there is B, who is connected with C. And C has *guanxi* with D. A therefore asks B to get in touch with C. B helps A and turns to C; C wants to help B and speaks with D. D wants to do C a favor and therefore helps A. Through this sort chain, new *guanxi* connections develop and with them new mutual obligations. In this way, *guanxi* fulfills the function of a social investment and can be seen as a relationship between people or institutions based on exchange and with a mutual understanding of the rights and obligations of both parties.

Guanxi versus Corruption

Although there are distinct similarities between *guanxi* and corruption, the two phenomena are not identical, because the social and ethical concepts behind them are (at least theoretically) different. Unlike corruption, *guanxi* is based on real or imagined things in common and is therefore a question of personal emotions. This means that one looks after the individual in question personally and is prepared to help him or her. These feelings can be maintained and extended through favors and gifts. Presents of this kind can be found in the traditions of many peoples, and it becomes corruption only within the framework of a rational state form.

Guanxi as Network

There are different degrees of intensity of *guanxi* depending on the degree of emotion involved. The bigger the emotional aspect, the closer the relationship. *Guanxi* relationships based on experiences in common plus

emotional connections are therefore stronger than those that came about merely via mediation by a third party. The stronger a relationship, the more social, political, and economic use can be made of it, the more social capital it has.

Guanxi relationships have always played an important role in Chinese history. In premodern China, there was a life-long bond, including mutual political loyalty, between officials who had passed the same top-level exam. At the same time, they were politically loyal to the higher-rank officials who had examined them. This was an important basis for the emergence of “old-boy networks,” which today still exist in the form of loyalty to those who studied at the same university or to former political leaders. People from the same village or from the same province clubbed together in areas far from their local region to form regional groups, the members of which are obligated to assist one another. This practice continues today.

In the People’s Republic, a system of personal dependencies on superiors developed, because superiors were responsible for hiring, promotion, rewards, punishment, or evaluation of political attitude and therefore could determine the whole life and career of their subordinates. This was encouraged by the fact that the *danwei* (work unit) was responsible not only for one’s work life but also for political, economical, and social affairs. In this way, an authoritarian culture with relationships based on personal loyalty and “old-boy networks” was encouraged. *Guanxi* relationships are particularly important in this context because before the reforms there were many shortages of goods and services that the state in its monopolist position oversaw, and officials enjoyed privileges that allowed them to use *guanxi* to obtain everything that was not available legitimately or available only in limited quantities. Friendship and acquaintance with official cadres still help ease some material problems, and political careers and promotions depend on connections with leading functionaries.

Today *guanxi* still runs through the entire social framework: from employment (retaining or changing jobs) to finance and economics (granting business licenses, loans, tax rates) and everyday life (distribution of housing, access to good medical care), to name only a few examples. Just about everybody has to use *guanxi* to ensure trouble-free living and working. The reform era

has even led to a significant expansion of *guanxi* relationships. The strong orientation toward a market economy, combined with the simultaneous retention of the party's monopoly on power, has led to more fostering and development of *guanxi* in the form of an explosion of present giving and hospitality, which has meant significantly higher expenditures for individuals and institutions.

Guanxi as a Specifically Chinese Institution

The main reason for *guanxi* is social uncertainty, particularly when other security structures such as the clan or the village community are no longer able to provide social protection. Those affected try to obtain personal protection through *guanxi*, particularly when in positions of political and legal uncertainty. In addition, studies have shown that the Chinese (because of their political and social experiences) are a lot more suspicious of other people and of their environment than, for example, Americans are. The conclusion from this is that suspicion and uncertainty make people seek security and trust not in the political sphere but in the private sphere and in *guanxi* relationships—an important factor in the creation of factions and “old boy networks.”

Guanxi is an important instrument for contact and communication between social groups and communities (villages, clubs, associations, professional groups) and also between individuals and the state or party, particularly since it eases reciprocal bargaining processes and can lead to decisions that otherwise would not be taken or would be only partially reached. Where there are no formal avenues

for participation and the mechanisms for institutional pressure are weak, *guanxi* becomes a means to influence politics and political decisions and serves to link the state (party) with society. However, because individuals and groups use *guanxi* to seek influence, power, or advantages and in doing so disregard state, ethical, moral, social, or political standards, actively breaking with norms when it is advantageous to those involved, this behavior encourages and occasionally overlaps with corruption.

Guanxi is neither a “typically Confucian” nor a “typically socialist” concept. It should instead be interpreted as a principle on which society is organized that is explicable in both cultural and political terms and that functions in the People's Republic of China as well as in Taiwan and among Chinese living abroad.

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Further Reading

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