

## DISCOURSE AS COMMUNICATIVE ACTION: VALIDATION OF CHINA'S NEW SOCIO-CULTURAL PARADIGM *QIYE WENHUA*/'ENTERPRISE CULTURE'

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### Abstract

*Qiyewenhua* 'enterprise culture' has emerged as a new paradigm in China's economic reforms. Hailed as China's new 'culture' it featured in an interview with certain executives of non-state owned enterprises. In the examination of this discourse, the concept of 'communicative action' (Habermas, 1998) is adopted as an analytical tool. The main contention in this exploratory examination is that there is speaker intent to justify China's model of socialist market economy. This justification is mainly reflected in the semantic content of the discourse, which stresses *what* is 'unique' and 'characteristic' in China's economic reforms. The rationale for this contention rests primarily on the argument that given the context of skepticism and criticisms leveled at the Chinese model, and the fact that the speakers themselves are key players in the new market economy, it would be likely that in a public discourse of this nature there would be grounds for attempts at legitimizing the Chinese economic model.

**Keywords:** Communicative action; Communicative rationality; Socio-cultural paradigm; Social reality; Lifeworld; Public sphere; Internal reality; External reality; Normative reality.

### Introduction and background

Communication remains the single most vital instrument to reach understanding with the masses in China, in particular to allay their fear of being left behind as China continues to prosper in the march towards marketization. President Hu Jintao in a speech on meeting "the requirements of building a moderately prosperous society in all aspects" gives this assurance:

"We shall fully implement the concept of putting people first. The Party and government shall fulfill people's expectations of a better life and solve issues that matter most to their interests" (*Xinhua News* 2008).

Articulating the Party's commitment to the working masses is understandably important in the face of international skepticism.

"It is the Chinese government and the Chinese Communist Party (CCP) in particular that has begun the process of its own unraveling. ... Can a political party or institution renegotiate its *political legitimacy*?" (Kluver 1996: 4) [*Italics mine*]

Whether political legitimacy in the Chinese context can be perceived and argued in terms of ideological stability is debatable. A more politically useful question to address is how the Chinese perceive and conceptualize change and contradiction. In other words, what is the underlying Chinese rationale for such a political shift, which appears to contradict the very Maoist ideology on which modern China was founded in 1949. Interestingly from a theoretical standpoint, Mao Zedong himself sees contradiction as a constituent in the process of change. In his essay ‘On Contradiction’ published in 1937, he says:

“What is meant by the emergence of *a new process*? The old unity with its constituent opposites yields to *a new unity with its constituent opposites*, whereupon a new process emerges to replace the old. The old process ends and the new one begins. The *new process contains new contradictions* and begins its own history of the development of the *contradictions*” (Mao 1967: 318). [Italics mine]

Change, according to Mao should result from an assessment of objective rather than subjective reality. This is in fact the most significant Mao Zedong Thought that Deng Xiaoping seized upon to redefine socialism. He argued that China’s economic reforms are the result of responding to realistic objectivity (meeting the needs of modern China), which is aligned to Mao Zedong Thought i.e. truth is borne out of practice rather than theory. This theory was published in 1937 in his essay ‘On Practice’:

“The problem of whether theory corresponds to *objective reality* is not, and cannot be, completely solved in the movement of knowledge from the perceptual to the rational ... the only way to solve this problem completely is to redirect *rational knowledge to social practice*, apply theory to practice and see whether it can achieve the objectives one has in mind.... The history of human knowledge tells us that *the truth of many theories is incomplete* and that this incompleteness is remedied through the *test of practice*. That is why *practice is the criterion of truth...*” (Mao 1967: 304-305). [Italics mine]

This theory was developed and put into practice during his Yanan days (1935-1947) when Mao conducted the War of Resistance against the Japanese from his cave dwellings in Yanan, the Communist stronghold in northern Shaanxi. This theory is encapsulated in four Chinese characters *shi shi qiu shi* ‘seek truth from facts’. *Shi shi qiu shi* was the strategy used by the Chinese Communist Party (CCP) in their campaigns and struggles against the Kuomintang (KMT) and the Japanese.

Modern China’s development and growth may be considered to be a cultural evolution of the thoughts and practices of two prominent Chinese leaders, Mao Zedong (the helmsman of the 1949 Revolution, which established the new China) and Deng Xiaoping, the pragmatist who reformed China’s economy and redefined socialism. In both their policies there is a common theoretical viewpoint - that practice should inform theory. In 1978 Deng argued for a more pragmatic approach, “the ‘starting point’ and ‘fundamental point’ of Mao Zedong Thought was not the theory of continuing the revolution but ‘seeking truth from facts’. Practice was the ‘sole criterion of truth’...Practice boiled down to achieving anticipated results...” (Sullivan 1985: 77).

According to Sun the theory of *shi shi qiu shi* was primarily interpreted by Mao as: “the objective world requires our study of its inherent relationships and laws. Deng (however) argued that certain individual aspects of Mao’s Thought might be discarded” (Sun 1995: 25), such as those on class struggle and state planning which had resulted in a series of spectacular economic failures.

Su (1982: 10) describes China’s national economic development after 1949 in five main stages highlighting some of the reasons for the failures at each stage. The two most widely known disasters had been the “Great Leap Forward” (1958) and the Cultural Revolution (1967). The former was an attempt to modernize China’s economy but resulted in China’s Great Famine with up to 30 million deaths from starvation. Peasants worked on backyard furnaces instead of on their fields resulting in the fall of grain production. The Great Cultural Revolution in 1967 witnessed a period of political excesses, chaos and economic stagnation. Modern Chinese history, it is said, alternates between revolution and reform (Sun 1995).

### **Reconstituted socialism: “Practice is the criterion of truth”**

Reform took the shape of redefining socialism and re-strategizing economic development. During Deng’s historic southern tour in early 1992, he made a distinctive break from the ideological mould of linking socialism with state planning and capitalism with market. He defined the fundamentals of socialism in these terms:

“Socialism must eliminate poverty. Poverty should by no means be construed as socialism. The most fundamental task of the stage of socialism is to develop productive forces”. (Weil 1996: 226)

Deng’s concept of ‘reconstituted and reoriented socialism’, “no matter how socialism is defined, it has remained meaningful to the Chinese leadership; ...to Deng (it means taking) a path of development that will not make China a dependency of strong power (Sun 1995: 9-10). Deng’s paradigm shift from politics to economics in command is arguably distinguished by its focus on *developmentalism*. This permits central authority to move away from the viewpoint of confronting capitalism to accommodating it (Dirlik 1988). What is uniquely Chinese in its reconstruction, is the merging of a wider socialist framework to market forces. Capitalist material forces are considered as not inappropriate for the attainment of socialist ideals. This *middle path* is clearly founded on pragmatism, a need to quell the voices of protest from the conservatives who are anxious about any form of deviation from socialist ideals, and liberals who are anxious about China’s economic growth.

This ideological breakthrough initiated by Deng paved the way for the Chinese Communist Party’s (CCP) 14<sup>th</sup> Party Congress in October, 1992 to adopt a “socialist market economy” as the model for economic reforms (Zhang 1996). The underlying idea was for China to rely upon the dynamic capitalist elements to spearhead economic growth within the broad framework of socialist ownership of means of production. The concept was formally approved by the 8<sup>th</sup> National People’s Congress in March 1993 and was written into the new Constitution, replacing the phrase “socialist planned economy” (written into China’s first Constitution in 1954). With such an amendment China thus officially ended more than four decades of socialist economic planning.

The new model allows central leadership to participate more fully in the macro-economic market place with minimal loss of central control (Dittner & Gore 2001). However, in the face of declining state revenues incurred by loss-making state-owned enterprises (SOEs), it became imperative for central control to introduce reform measures to arrest such declines and to control deficits. "By 1992, the non state sector (non-SOEs) produced 47% of China's total industrial output; the non state sector also predominates over Chinese agriculture and commerce" (Zhang 1996: 215). In 2003, *China Daily* reported that "the number of SOEs in China fell from 102,300 in 1989 to 46,800" in 2002. Throughout China, the transformation of SOEs into non-SOEs continues, particularly in northern China's textile industry (personal communication, 2001). Deng would have argued that subjective reality supports central planning but objective reality discourages it. In other words, practice informs theory, which in effect is 'seeking truth from facts' / *shi shi qiu shi*.

### ***Qiye Wenhua*'Enterprise Culture' as communicative action**

*Qiye wenhua* as a socio-cultural phenomenon encapsulates China's radical ideological shift from a socialist planned economy to a socialist market economy. In a sense, the discourse on *qiye wenhua* [hereafter QW] is a fine example of indirect communication - of refuting criticisms leveled at their socialist market economy model. The discourse reveals certain aspects of Chinese views on this subject. More significantly, the discourse on QW is in fact an act of *communicative rationality* in which a series of claims and assertions are made, intended to validate China's path towards marketization. To unravel this act of communicative rationality, relevant excerpts from the interviews are analyzed using certain key concepts from Habermas's Theory on Communicative Action. The phenomenon of QW is best seen as linguistic communication of the Chinese leadership's desire to pledge and institutionalize some form of moral and socialist principle for the workings of non-SOEs in a market economy.

### ***Qiye Wenhua***

The concept of 'enterprise culture' (also known as 'corporate culture' in the West) has its roots in Japan but was adopted and developed in America in 1970 when management was linked to culture and considered as a whole. During the Japanese economic boom, the term 'enterprise culture' became more widely used. In China, the concept of enterprise and culture first appeared in the 1950's in the larger state-owned enterprises. In the 1980's and late 1990's following Deng Xiaoping's 'Open Door' reforms in 1978, the concept of QW as a term and concept was more consciously developed and popularized. However, one of the major problems was its perceived close association and influence from the American and Japanese concept of corporate culture. Consequently, the Chinese sought to redefine QW within the context of China. Special emphases were paid to China's traditional culture, contemporary societal culture and socialism with Chinese characteristics. However, as enterprises differ in their history, development and size, there is no one single uniform definition for QW. In order to reflect the widely different organization systems (state-owned enterprises, former state-

owned enterprises transformed into joint stock group companies and enterprises in joint venture) the concept and practice of QW is viewed as dynamic and subject to changes and reform in keeping with the development of the respective enterprise (Guo 1995). As a unit of micro culture QW has its foundations in Chinese traditional culture, for instance Chinese heritage such as Confucian values of *jen*/'humaneness' ethics and morality. At the same time, the concept of enterprise culture is constituted and complemented by more pragmatic aspects - modern China's national goals and sentiments in socialist and economic development.

At the enterprise level there are varying degrees of emphases on the definition of QW depending on the perspective the CEO wishes to focus on. The definitions outlined here are based on relevant data from two Group Companies interviewed. According to Hualong Group Company Ltd. Wang Kexin (author of the Staff Handbook) there are two viewpoints within and outside China in the delineation of QW: (i) the narrow view includes the notions of ideology, consciousness, customs and practice, and (ii) the broader view of enterprise culture as a form of material and spiritual civilization, such as management's hardware and software. However, Wang prefers to define QW in broader and simpler terms. The following are excerpted and translated from the Company's Staff Handbook on QW.

- (1) To express simply, it (QW) refers to the enterprise's whole organization of staff, who have as their goals, in the long term, those of production, finance, education and training.

Within this broad framework, labour is singled out as the most fundamental factor; the workplace and workers are framed in familial terms: "a home united."

- (2) amongst all the various factors of production, labour is the most fundamental of them all. Only labour can organize and combine all the other factors and enable production. ... *People are at the core of production for new management theories.* ... Respect, concern and love for its workers create an atmosphere much like that of a *home united, and a sense of belonging.* [Italics mine]

In (3) QW is perceived as an independent and interdependent unit, capable of influencing and being influenced by the national economy and culture. On the one hand, it is operative within and constrained by China's socialist and ethnic culture, and on the other, it is free to effect changes that could alter this macro culture.

- (3) The enterprise is the basic building block or unit of national economy. Therefore enterprise culture is *a form of micro culture*. It cannot break away from China's societal culture nor can it be free of the influences and restrictions of ethnic culture. It cannot exist independently. Of course, micro culture can influence the macro culture of our country, causing it to change and develop in accordance to the changes of China's enterprise culture.

QW is considered to be a spiritual and ideological force by another enterprise. The JN Group Company Ltd. CEO defines it in less concrete terms as follows:

- (4) *Qiye wenhua* is a culture of quality and spirit ... When the enterprise develops to a higher level, beyond the initial stage, and when it integrates with the world economy, the power of competition depends not only on human resources but most importantly on *enterprise culture*" (CEO Wang Chang Lin, Interview: 2001).

From these two Group Companies' definitions and descriptions, QW as concept and practice is conceptualized from a cultural, spiritual, and interactive perspective. The claim that QW is a culture of quality and spirit is not elaborated. What is more important however, is the speaker's intent to emphasize the spiritual dimension in their Group Company's culture.

### Communicative action

Habermas considers communication as inherently oriented towards mutual understanding and ideally consensus building. The goal of achieving understanding is made possible through what he terms '**communicative rationality**' i.e. "an ability to produce rationally motivating justifications for validity claims" (Bratten 1991: 13). These validity claims are spelt out as what Habermas calls *truth, normative validity and sincerity* made in everyday acts of speaking:

- (i) in asserting a statement, one implicitly claims that the sentence stated is true;
- (ii) in stating a prescriptive form, one claims that the norm is normatively valid;  
and
- (iii) in expressing a subjective state, one is implicitly claiming to be sincere or truthful

Habermas also points out that communicative action takes place within a *lifeworld* that remains at the back of participants in communication.

"It (lifeworld) is present to them only in the pre-reflective form of taken for granted background assumptions and naively mastered skills. .... It is on the often and variously demonstrated point that the *collective background and context of speakers and hearers* determines interpretations of their explicit utterances to an extraordinarily high degree. ... For each type of speech act there are general contextual conditions that must be met if the speaker is to achieve illocutionary success". (Habermas 1984: 335) [Italics mine]

Habermas sees the necessity of linking the concept of *lifeworld* to the concept of communicative action to direct our attention to the "context forming horizon of social action ... The taken-for-granted background of social action comprises norms and subjective experiences, social practices, and individual skills as well as cultural convictions. Not only culture but also institutional orders and personality structures should be seen as basic components of the lifeworld" (Habermas 1984: xxiv)

From the dialogues and the excerpts in the sections below it is clear that the lifeworld of the two main participants is structured by their Chinese heritage and

Marxian Confucianism, which have shaped their personal experiences and sentiments. For instance, Wang C.L. in the course of his dialogue espouses this belief: “China cannot deny her 5,000 years of history and accept America’s 3,000 years of culture”. His statement: *Renmin wei ben* ‘people are the bedrock’ suggests Confucian as well as Maoist-Marxist influence (See 2.4 below). The other CEO’s (Hualong Group Company Ltd.) repeated emphasis on the social responsibility of their enterprise (See 1.2 below) is another demonstration of the influence of macro-culture on micro-culture (enterprise culture). It further shows clearly the significance of ‘lifeworld’ of the speakers/proponents, the “context forming horizon of social action” in the unraveling of meaning and communication.

As a discourse, QW represents a form of collective voice, which seeks to inform, reassure and ‘reach understanding’ with a critical audience through the process of ‘rationalization’. As key players and participants in China’s ideological breakthrough, the speakers at the interview represent the public voice in China’s non-SOEs. Through their discourse on the topic of *qiye wenhua*, *public space* in the Habermas sense of the term of public opinion or political participation (not in a bourgeois democracy but in a society where the *public sphere* is strictly limited to a select few) is implicitly granted to these speakers.

## Data and analytical framework

The representations made by two main interviewees on the topic were sufficiently persuasive to warrant a consideration of the interview data as a discourse, a term which Kress (1985, in Fowler 1996: 7) defines as ‘sets of statements’ made by particular individuals and institutions or even organizations.

“Discourses are systematically-organized sets of statements which give expression to the meanings and values of an institution ... A discourse provides a set of possible statements about a given area, and organizes and gives structures to the manner in which a particular topic, object, process is to be talked about” (Kress 1985: 6-7).

The topic is on the subject of *qiye wenhua* ‘enterprise culture’. The sets of statements and their content in which claims and assertions are made, form the main analysis of speaker intent (i.e. rationalization to reach consensus). The discourse on QW will be examined as comprising a number of speech acts considered as validity claims aimed at building consensus. The consensus, it is contended is about intended agreement between speaker(s) and audience/hearer(s) on the rationale underlying China’s socialist market economy. The main focus will be on the attempt to achieve rationalization through the discourse.

In this paper, the terms ‘talk’ and ‘text’ are used interchangeably with ‘discourse’. The material which forms the discourse is gathered from several sources in varied forms. One form is data generated from talk exchange during face-to-face interviews. In total, five enterprises were visited and our interviews were conducted with the Executive Directors, Administrative Officers, and Union Representatives. Each interview lasted from a minimum of forty minutes to a maximum of two hours. These interviews, conducted in *Putonghua* ‘Standard Chinese’ were largely unstructured and

inevitably comprised digressions from the main topic. As a consequence, the text for analysis includes only relevant excerpts from interviews conducted at two main enterprises with the CEOs.<sup>1</sup> These interviews were taped, transcribed and translated by the author and then cross-checked with another Chinese-English bilingual to ensure general agreement on accuracy of content. Another source of data is company reports and press releases, which address issues relating to QW. These documents were referred to during the talk exchange by the speakers. For instance, in the text below there are two published speeches made by the CEO of JN Group Company Ltd. entitled 'Reform, Social Change and National Culture' (1994) and 'Mao Zedong's Thought, Deng Xiaoping's Theory and the Market Economy' (1999).

Crucial to the analysis of the discourse on QW is Habermas's notion of *social reality* which in essence captures the larger context of the speaker(s). Habermas (1998: 48-49; 90) describes *social reality* as comprising the following three main domains:

- (a) the *external reality* of that which can be "perceived" i.e. "everything that can be explicitly asserted as the content of statements."
- (b) the *internal reality* of that which a speaker would like to express as her intentions ...

I class as *internal nature* all wishes, feelings, intentions, and so forth to which an "I" has privileged access and can express as its own subjective experiences..."

- (c) the *normative reality* of that which is "socially and culturally recognized"

One feature worth noting is that these three domains should by no means be conceptualized as separate or independent domains, particularly (a) and (b) where expressed intentions (b) can be construed as assertions (a). Normative reality (c) on the other hand, appears to be the overarching backdrop, the larger socially and culturally

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<sup>1</sup> The data which make up the discourse on enterprise culture are derived mainly from face-to-face interviews with two leading entrepreneurs in north China, Hebei in 2001. They both held the position of managing director in their respective non-state-owned enterprise (non-SOEs). In total, the corpus comprises not only data derived from interviews, but also reports and speeches from earlier publications. The interviewees from both companies have been largely responsible for the growth and expansion of their enterprises following significant reforms. For one company, JN, it basically means transforming their SOE to non-SOE, a shift from central planning and control towards free market enterprise. For another company, HL it appeared to be virtually a free enterprise from the very beginning. Group Company HL, specializing in noodles and snacks, has grown from a small factory started by nine farmers, occupying only 1/6 acre of land. The company has since expanded significantly and the employees number about 10,000 members. The other Group Company, JN, specializes in the production of glass. It experienced near bankruptcy prior to 1992. However, following reform and restructure, this company has since flourished and become a transnational group company.

The collection of data has been made possible through the assistance extended by Mr. Wang Ai Min and his team of assistants. I would like to express my deep gratitude to them as well as to the Managing Directors of the two Group Companies who generously gave much of their time to the interviews. Thanks are also owed to the Business and Communication Department of Nanyang Technological University, Singapore, which granted research leave for the field trip, and Ms. Li Qin Tan for her translation of the Chinese manual *Qiye Wenhua*. Much of this paper has benefited from the constructive comments of the reviewer and to whom many thanks are owed. I am however, entirely responsible for any errors or inaccuracies that may occur in this article.



recognized context to which the external reality and internal reality domain are anchored. Another feature is that the *normative reality domain* seems closely aligned to the key components of *lifeworld* which according to Habermas consists of: Norms and subjective experiences, social practices, individual skills, cultural convictions, institutional orders and personality structures (Habermas, 1994). In other words, the lifeworld of an individual is traceable to the normative reality domain, which is to say that a speaker's lifeworld is a part of social reality.

In the following sections, the discourse on *qiye wenhua* is presented as a text comprising two main extracts representing two major voices. Extract 1 (1.1 - 1.2) is excerpted from the interview with HL Group Company Managing Director and Extract 2 (2.1 - 2. 4) from the interview with GN Group Company Managing Director and the reports in their company bulletin.

## Analysis

### *Qiye Wenhua*/'Enterprise Culture' as Concept and Practice

Two major characteristics mark the text. First, it can be seen in the following excerpts that the discourse on QW is predominantly about the speakers' personal experiences and beliefs as executive directors of their respective enterprises as well as their opinions on China's model of socialist market economy. Through the discourse they reveal a slice of their 'lifeworld'. The second interesting characteristic is that in the text (Extract 1 and Extract 2) the discourse features largely the semantics of success, national sentiments and pride in the uniqueness of their socialist market economy model. These two characteristics are encapsulated and presented as four interrelated propositions, vis-à-vis:

- {P1} China has a characteristically Chinese system of approach in the construction of their socialist market economic model
- {P2} The Chinese enterprise/*qiye* is motivated by developmental rather than capitalist needs
- {P3} Market reforms, as China's second social revolution, are based on the precept of self-reliance and the strategy of 'seeking truth from facts'/*shi shi qiu shi*
- {P4} Marketization is not incompatible with Mao's/Marx's ideology

The explicit utterances in these four propositions contain expressives, statements and assertions intended to justify the soundness of China's unique socialist market economic model.

## Extract 1

### 1.1 *Enterprise culture is China's culture*{P1}[it is different to others]

In this excerpt the speaker describes China's economic model as unique. To illustrate this point, he explains his own Group Company's management system, which is distinct and different to that of the Japanese, particularly in the built-in annual retrenchment of inefficient workers.

There is a **need** to evolve a **Chinese** model, not a model fashioned after other developed Asian industrialized nations such as Japan. Using foreign managers in **China**, for instance from Japan, would not suit **China** because of differences in motivation. **China's** workers unlike those in more developed countries, are still in the developing stage. What is **uniquely Chinese** is **our system**, which has a built-in automatic annual 6% retrenchment of staff, a far cry from Japan. This is **very effective** as shown by a decline in both repair and production costs. This compulsory annual retrenchment is to ensure that in order that **90% of the people have food**, 6% of the workforce has to be retrenched.

Proposition 1 stresses the fact that China is different to Japan, an Asian neighbour, albeit a successful economic giant. In semantic content, the speaker elaborates how the Chinese model is different to others. "A Chinese model" is contrasted with other "developed Asian industrialized nations". Linguistically, uniqueness is emphasized in the use of contrast in referents: 'we' versus 'they' and choice of lexical items: 'differences' and 'unlike'.

Embedded in {P1} is {P2} where the speaker speaks at length on the efficiency and effectiveness of 'their' system. The notion of 'beneficence' is alluded to in the statement: "90% of the people have food". The associated imagery of 'people' with 'food' is clearly intentional. In the domain of *normative reality*, this is a culturally and historically significant imagery. For the world's most heavily populated nation, providing food for the masses has always been the key to economic success and political stability. The intended message elucidated could be: 'China's market reform is along the right path and has been proven successful', unlike the Great Famine. The speaker claims that their company's management strategy, an exemplar for non-SOEs, has been effective: "There is a need to evolve a Chinese model"; "What is uniquely Chinese is our system." The claim to this Group Company's successful management reflects their pride and capability in doing things in their own way. This emphasis is at the same time an assertion of China's need to be different and the necessity to evolve from within rather than to copy from without. His specific reference to Japan, an Asian economic giant, appears to imply that despite the Japanese success their model is not deemed to be appropriate for China. The difference pointedly referred to is intended to signal the distinctive contrast of 'they' as a capitalist market model and 'we' as a socialist market model.

### 1.2. *The enterprise is for the nation*{P2}[this is the spirit underlying the enterprise]

In this part of the discourse, the speaker focuses on the *enterprise* and the *nation*. The belief that the enterprise is for the nation rests on two claims: (1) the enterprise is motivated by national needs, and (2) social responsibility over-rides personal gains.

In order to be **profitable**, so that **society can be taken care of**, the aim of an enterprise is to be most **efficient**. ... China needs to **adapt** to the world. The Chinese people will have to **adapt**. **Qiye wenhua is China's culture**. **Changes** are needed; the issue is how to apply them but not to violate the law.... **The enterprise is for the nation not for self**. As expansion involves risks there is obviously no necessity for taking risks if the enterprise is motivated solely by profitability. **Our motivation** however, is towards the nation, to **pay back to the nation** and to **protect society**. For instance, a sum of around 600,000 Renminbi (Chinese Yuan) is given to charity. **Enterprise is a social responsibility**. **In the past**, farmers sold their farm produce by *jin*/kati but now they sell by grams, which increase their income. **In the past** this was a very

poor area with high crime rates. **The reform brought about by this factory has changed the fate of the people and the place. Before** they were agricultural workers, **now** they are entrepreneurs.

“*Qiye wenhua* is China’s culture”. This assertion is elaborated and explained by the speaker in subsequent statements phrased in nationalistic terms. The spirit of *qiye* is spelt out clearly in his statement “Enterprise is for the nation”. Reference to ‘self’ or the Group Company is avoided. Rather ‘the nation’ and ‘the enterprise’ are seen as close partners. The desire “to pay back to the nation and to protect society” is expressed as the motivating force for expansion. The preferred use of ‘China’, ‘the nation’, and ‘the Chinese people’ rather than ‘I’ or ‘Our Company’ as terms of reference shows an insistence on the part of the speaker to portray the enterprise as a national concern and not as a private corporation. That the spirit of the enterprise (HL Group Company) is tied up with national development is consistently stressed in the talk. {P2} reflects an important aspect of *normative reality* – an affirmation of the widely acknowledged commitment of non-SOEs to operate and be guided by a socialist framework.

The socialist ideal of working for the masses is unmistakably communicated in these statements in the discourse: “In the past this was a very poor area with high crime rates.... Before they were agricultural workers, now they are entrepreneurs....” The change experienced by these farmers is now perceived as part of the new *external reality* as evident in this statement: “The reform brought about by this factory has changed the fate of the people and the place”- a socially and culturally recognized phenomenon. This change, witnessed and experienced by this farming community now forms the domain of *normative reality*. The basis for his claim that the enterprise is not for profit but for nation: “As expansion involves risks there is obviously no necessity for taking risks if the enterprise is motivated solely by profitability” rests on this transformation from an impoverished agricultural community to a productive enterprising community. This outcome justifies and supports his claim that “China needs to adapt to the world” and “The people will have to adapt.”

The CEO’s statement “*Qiye wenhua* is China’s culture” can be construed as an expression of belief as well as an intention to repudiate critics’ cynicism of China’s socialist market economy model. Justification is conveyed not through expressed repudiations but rather through a series of statements, claims and assertions in the text, which is essentially a narrative depicting the end result of the successful establishment of HL Group Company Ltd. This narrative highlights the improvement of the community: A decline in crime rates and an increase in earnings. It is essentially a narrative intended to communicate the truth of the matter (the enterprise is motivated by socialist ideals) and the speaker’s sincerity in his assertion that the objective of their enterprise is beyond that of personal or corporate gains. Communicative rationality is achieved by the speaker’s validation of his claim - that the culture of the enterprise as shown in the significant socio-economic success is guided by the national imperative to eliminate poverty.

## Extract 2

### 2. 1. *Change is China’s destiny: Market reforms* {P3}

**Reform** is definitely written in **China's destiny**, it is the greatest social change. This is China's **second revolution**. There are no pages to turn over, no established model to follow; **we** can only rely on **our own exploration**. (Wang C.L., Interview, 2001)

## 2.2. *Be practical: 'seek truth from facts'/shi shi qiu shi {P3}*

"In the past, **we** owed the **success of our revolution** *completely* to *seeking truth from facts*; now **we** are engaged in **building a market economy and modernization**; *similarly* **we** have to rely on this strategy - be **practical** and **realistic**." (Wang C.L., Interview, 2001)

In excerpts 2.1 and 2.2 the speaker is unambiguous in asserting China's right to explore, experiment, and redefine socialism. The assertion is expressed by a category of nouns which portray the dynamism of change: "reform, destiny, change, revolution and exploration". His perception and belief "Reform is definitely written in China's destiny" could be considered a declarative belonging to the domain of *external reality* as well as an aspect of *normative reality*. What is echoed in this text is the claim that this market reform, seen as China's second revolution, is driven by a collective will to adapt and to succeed. It is expressed in national terms: 'we'/'our' and "our revolution"/"our own exploration." The speaker's self identity, the 'I' is irrelevant in this context. It is far less a question of studied humility than one of culture. In traditional Chinese culture, the order of precedence is nation, family and *self*. In the *lifeworld* of the speaker, there is no *independent self*, rather the *interdependent self* is the unit of social identity. Equally important, if not more so, is the fact that the discourse on QW is not an individual discourse but a public discourse by a key player whose positional authority permits him to enter the *public sphere*. QW, it needs to be emphasized, is about a national phenomenon, a micro-culture which interlinks and interacts with the macro-culture as defined in the earlier section.

Present in this discourse is the proposition of a new order, a social revolution, which at the same time is deemed to be a continuity of the past: "In the past, we owed the success of our revolution completely to seeking truth from facts *similarly* we have to rely on this strategy ...." This allusion to the success of a past strategy engineered largely by Mao in his protracted campaigns against the Kuomintang, and the emphasis on the need to be objective in the 'present revolution' expresses their belief in China's history as one of continuity and change. In this discourse, it emphasizes the relevance and effectiveness of a past strategy based on Mao's Thought (*shi shi qiu shi*/'seek truth from facts') to effect economic reforms. This sense of continuity is characteristic of Chinese politics and culture in which reform and revolution are viewed as complementary.

## 2.3. *Enterprise culture promotes Mao's Thoughts: Socialism and marketization {P4}*

"After more than eight years of reorganization and reforms, of **promoting Mao's Thought**, applying adequately legal policies, explored **modern enterprise standards**, [we] found a path that is **sensitive to national conditions** and suitable for **national enterprise reform and development**."

"These few years, **we** insist on the **establishment of a culture of quality and spirit**... A thought, a reason, can determine **an enterprise**, a place and even the extent and standard of a nation's people, **the masses'** thoughts and virtues. Take for instance, JN, the people are still ordinary

people, the factory is still a factory. Whereas **before we** only had to contribute to the nation several millions a year but **now** in a year we are taxed tens of millions. **You** can therefore see the power and potential of **Mao's Thoughts** in a **market economy**.” (Wang, C. 1999 )  
[Italics mine]

In this discourse, there is little by way of content of how ‘Mao’s Thoughts’ have contributed to the success of the company except the speaker’s belief and assertion. It is obvious that the speaker intends to communicate his personal belief – the ‘power’ of Mao’s Thoughts has helped to liberate thoughts and liberalize ideas as evident in their Company’s successful innovations. What is communicated is also the intent to magnify the domain of *external reality* (expressed assertions of personal beliefs) and to lift that domain to another plane - that of *normative reality* (acknowledged as a social phenomenon). Having experienced this transformation and being a firm believer of the cause for this spectacular change, the speaker attempts to represent his feelings and intentions (*internal reality*) as *normative reality*. In other words, his philosophy and experiences as the CEO of the Company, which have helped to shape the culture of their enterprise, are intended to be perceived as a phenomenon that is related to the larger social construct of non-SOEs. The speaker’s wishes (*internal reality*) are communicated more clearly in the following excerpts published some years earlier.

#### 2.4. Enterprise culture adopts Marxist ideology: Chinese socialism is intact {P4}

“To persist in **reform** and establish a socialist market economy, [we] should insist on **emancipating thoughts**, should take **a realistic and practical path**, should insist on wholeheartedly working for the good of the people; should insist on taking the **masses’ route**: everything for the masses everything depends on the masses.”

“To take the masses' line is to work for the masses and to rely on them: from the masses to the masses. This is **the philosophy of China's Communist Party** in its **history of struggle**, adopting Marx's ideology on the masses in all their exercises and actions. ... The masses are the real heroes and heroines, the constructive forces of history. This is the basic tenet of **Marx and Mao's philosophy on the masses**. To support this point of view, **in one's pursuit of reforms and liberalization and the establishment of a market economy, one has to believe in the masses, rely on the masses and increase close interactions with the masses.**” (Wang, C.L. 1994)

In his speech the speaker conjoins the liberalization and emancipation of thoughts with the establishment of a market economy. More importantly he speaks of reform as adhering to Mao and Marx’s philosophy on the masses. The politics of taking the mass line is exhorted and exalted: Believe, rely and interact with the masses. As “heroes and heroines” in China’s revolution, the masses are portrayed as being the central focus in modern China’s market reform (which echoes Deng’s policy of eliminating poverty). The speaker’s political belief supports his earlier expression: *Renmin wei ben* ‘people are the bedrock.’ In expressing his belief, there is intention to communicate his claim to the rightness and appropriateness of his personal conviction and to sincerity and truth. Insofar as his intention that his Marxian interpretation of QW (as a culture that subscribes to the masses’ route) be perceived and acknowledged as a view of the Party, there is the shifting of the *external reality* (perceptions) to *normative reality* (that which is “socially and culturally recognized”). This extension of domain

supports the claim by the speaker that socialist ideology stays intact in the market economy.

In sum, the discourse (2.1 – 2.4) contains political statements and overtones of an ideology that simultaneously supports a Marxian view of the role of the masses and an entrepreneurial belief in market forces. What is asserted is the belief in complementation rather than contradiction in China's socialist market system. What is claimed is the success of 'emancipating thoughts' which led to China's unique 'second revolution' - rely on market forces to achieve socialist goals. The underlying message is surely that of justifying China's "second revolution."

## Discussion

Propositions 1- 4 portray a significant aspect of the *social reality* of the speakers. What the 'I' wish to express and intend (*internal reality*) is contained in the content of statements and the explicit assertions (*external reality*) made. The *lifeworld* of the two speakers represents a solidary group of entrepreneurs who see the benefits rather than the contradictions of merging marketization with Maoism/Marxism. Two major assertions may be singled out from their discourse: (i) the spirit of QW is manifested in collective social benefits as opposed to personal gains and (ii) socialism in China is intact as Marx and Mao's philosophy on the masses is adhered to. In semantic content and the use of language, there is a remarkable absence of references to anything that can be remotely described as capitalistic. Labour is seen as "productive forces" and the masses as "heroes of history", a lexicon reminiscent of the pre-1949 revolutionary days. What can be inferred from the propositions in Excerpts 1- 2 is the desire to communicate the culture in their enterprises i.e. this micro-culture (QW) is closely allied to China's macro-culture of socialism, as evident in the Group Companies' socio-economic objectives.

Equally significant is the *communicative action* embedded in the discourse on QW, which is the assertion and claim to China's right to redefine their socialist framework as they (the leaders in the Communist Party) see fit. Justification is implied in the success of their respective enterprises, which have evidently made significant economic contributions to the community and the nation. As a discourse espousing a collective identity and collective institutionalized culture, {P1} to {P4} are clearly intended to capture a dimension of the social reality that prevails in China today. QW as a "socially constitutive as well as socially conditioned" (Fairclough & Wodak 1997: 258; in Weiss & Wodak 2003:13)' discourse clearly is a form of communication intended for remarks such as the following which question China's "prerogative to define a Chinese socialism."

"When Chinese in our day speak in defense of this *shift in attitude* that *Chinese socialism is different from socialism elsewhere*, they seem to overlook conveniently that China does not exist in a political or economic vacuum, that this difference does not imply that Chinese (or anyone else for that matter) are free to define socialism or to choose the future as they please, but that choice implies a corresponding relationship to a global capitalism. ... What is at issue here is not a *Chinese prerogative to define a Chinese socialism*, ... the *contradiction*, at the very least, creates a *legitimization crisis for socialism - in China and elsewhere*." (Dirlik 1988: 5) [Italics mine]

Other critics include Dittmer and Gore (2001: 9) who describe the Chinese model as a marriage of two opposing or “warring subcultures”. These critics’ views clearly reflect their personal beliefs based on knowledge of their *lifeworld*, where socialism is defined in terms of its relationship with ‘global capitalism’. In contrast, the *lifeworld* of the speakers in the discourse on QW has shown another *lifeworld* that is closely aligned with their own socio-cultural system, a system which seeks solutions by adhering to such maxims: “Be practical and realistic” and ‘seek truth from facts.’ These speakers were intent on focusing on the semantics of a social construct that is sensitive to Chinese sentiments and needs – the “building of a market economy and modernization” rather than what a socialist model should adhere to. The Chinese social construct is one which concentrates on ‘what can be done within a context of givens’ rather than ‘what is and what is not socialism’. The focus on national development goals based on national characteristics and sentiments reveals their prerogatives and perceptions of how their world is conceptualized and constructed. To the critics this is a “legitimization crisis for socialism”; to the Chinese speakers their market economy model has elements of ‘what could work for China’.

## Conclusion

‘China’s second revolution’ could be likened to *Sozialmarktwirtschaft* - “an attempt to find a third way between purely market-oriented capitalism and socialism ...” (Fukuyama 1995: 218). *Qiye wenhua* as a socio-cultural discourse, unequivocally communicates the underlying message: ‘our third way’, the success story of China’s socialist market economy model. Through their discourse the speakers presented a configuration of differing overlapping levels of domains - the *internal reality* of the speakers overlapping with *external reality*. The successes of the speakers’ Group Companies have been celebrated and accepted as collective success, symbolic of what the Chinese see as their second social revolution, their perceived *normative reality*. QW as a phenomenon in China’s socio-cultural evolution is representative of China’s progress in history: Of exploration, a “second revolution”, a path that is “sensitive to nationalist sentiments”. The spirit of *qiye* communicated by the CEOs is one of pursuing socialist ideals. Linking ‘change’ with ‘nationalism’, and ‘enterprise’ with ‘revolution’ the second speaker intends the audience/addressee to believe that their economic reforms are the product of a proven strategy (*shi shi qiu shi*/‘seek truth from facts’) driven by Deng’s pragmatic policy aimed at eliminating poverty. Evidently, Deng Xiaoping has irrevocably changed the course of China’s modern history under grim economic circumstances that did not augur well for a vast population of over a billion.

“Men make their own history, but they do not make it just as they please; they do not make it under circumstances chosen by themselves, but under circumstances directly encountered, given and transmitted from the past” (Marx 1951: 225. In Williams 1981: 54).

The *communicative rationale* as intended by the speakers is succinctly captured by the quote above. Consisting of narratives of success, statements of personal beliefs and assertions of successful practices based on the spirit of enterprise, the speakers have shown how at the level of micro culture of non-SOEs they have applied a dictum from

Mao Zedong Thought “Practice is the criterion of truth” (1967:305). This is intended to convey their belief that the Chinese “socialist market economy” model based on this strategy of seeking truth from facts (the past political excesses and economic failures) is nothing more than an evolution of both political and economic forces. Legitimization for the Chinese, it appears, lies in a strong reckoning of the past and a lucid understanding of the present. It is under such circumstances that the choice of using market forces to spearhead economic growth within a socialist framework was forged. This is the single most forceful communicative rationale underlying their discourse.

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