

MASTER CHINESE BUSINESS CULTURE

Becoming a China expert



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Qingshun Zou

To my readers

It is with emotion that I address myself to you, the readers of my book. So much has happened in the international economic and geopolitical spheres in the last few years! And we are all living in a time of turmoil and uncertainty for the future. China is in the news every day and many Western economic and political leaders willingly share their visions and predictions about China. But their statements, frequently wrong, often provoke feelings of frustration and misunderstanding in me. I realized that the Western world, in which I live and whose culture has fascinated me for three decades, must urgently address the backwardness that impedes its attempts to understand China, its people and culture—for its own benefit as well as for China and the world.

When I arrived in Europe nearly thirty years ago, I was instantly attracted to its culture which has continuously enriched my life journey. I mainly read works in French and English; French writers such as Marc Levy, Éric-Emmanuel Schmitt and François Cheng have become my idols. I have also developed an interest in French cinema, especially the finesse of its humor and sensitivity. The discovery of psychology was another highlight in my life: Freud and Jung gave me a new understanding of our human condition, while the neurologist, psychiatrist and writer Boris Cyrulnik became

my reference in the field of human science. When a friend introduced me to the works of Baruch Spinoza, a Dutch philosopher of Portuguese Sephardi origin, I realized that there were many similarities between his approach and that of the Chinese philosopher Lao Zi. Interested in religions, I browsed through the Bible, where many parables are identical to the accounts found in Chinese philosophies. Amazed by Western art, I was initiated into classical music by learning to play an instrument. My list of interests in Western culture is indeed long.

The differences and similarities between Western and Chinese culture are certainly striking. But I disagree with the assertions of some Western political leaders that China does not share their values. While following different paths, China, the West and the rest of world pursue the same values: love, peace, justice and freedom.

My total immersion in the Western world and unbridled admiration for its culture led me to neglect my native culture for many years. Today, thanks to writing this book, I have had the opportunity to revisit my native culture by measuring all of its complexity and depth. In publishing this book, I wish to convey to Westerners a new view of China and hopefully to contribute, in my capacity, to a better mutual understanding between the West and China.

Qingshun Zou

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Writing this book was an unusual, solitary and rewarding journey. After receiving several publication offers from European and American publishing houses, I still decided to self-publish my work. This allows my readers to have access to my book at a favorable price and in a reasonable time frame.

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Preface

Many similar books or articles have already been written in an attempt to explain China since it opened up to the world, especially the business world. Its numerous successes never cease to amaze or even fascinate us Westerners, all the more so as we note—with amazement and trembling (thank you Amélie Nothomb)—that they are now coming to strike a blow here. Whether it's the takeover of industrial, port, wine, hotel or cultural flagships, or the gigantic Belt and Road Initiative (BRI), nothing seems to stop their conquering appetite. Even the United States, the undisputed leader in innovation and world trade for a century, now clearly seems to be concerned about this devouring ambition, which aims to dethrone them from their imperial pedestal. Yet all this can easily be explained—and even understood—if one adopts for a moment the Chinese point of view, without compromise or bias.

This is what the author Qingshun Zou invites us to do in this book. Originally from China and with substantial experience in mainland China, she attempts to share with us her genuine passion for her native culture, as well as her understanding of our very different universe of thought. Indeed,

the books or articles to which I referred in the preamble are often written by Western Sinophiles or sinologists who, despite their efforts, give us a prism of interpretation that is somewhat biased by their self-centered object of study or research. Here, it is different because Qingshun Zou is not seeking any particular academic glory, but is indeed concerned with a genuine sharing with potential readers.

She begins by describing today's China in all its political, economic, social and cultural diversity in a factual, numerical and descriptive way, without making laudatory comments and without hesitating to mention the residual weaknesses, as well as the long-standing admiration of the Chinese for the past achievements of the West. She also rightly recalls the important progress made over the last thirty years by her native country, progress that aims to ensure world leadership in sectors where it was absent until recently and, in any case, a technological autonomy favored by an ultra-fast rate of adoption of innovations by her compatriots. This is a far cry from the China that our invading ancestors knew: backward, self-sustaining and resistant to change!

Eager to make us understand what differentiates success from failure in the gigantic Chinese market, Qingshun Zou reminds us of some fundamentals and describes in detail the brilliant successes of well-known brands, whose key word is adaptability, with all the regional and local nuances to be considered in a coherent marketing plan. This logically leads

the author to explain the rites and symbolism of the Chinese world, through a resurgent Confucian vision of society and gratifying historical recollection.

Etiquette as well as business meetings and meals in China are far from straightforward for newly arrived Westerners, and the author willingly takes us on a detailed tour of the mechanisms and codes, the deep meanings, while reminding us of their importance in a negotiation situation, an art in which the Chinese excel.

Long and harshly condemned during the revolutions of the 20th century since 1912, the “Confucius shop” has shown incredible resilience over time and explains so many things that at first glance seem impenetrable to us, out of pure ignorance. Indeed, we must constantly keep in mind that, in general, the Chinese often know our history and thinking better than we imagine, and in any case, much better than we know theirs.

In these circumstances, let us be humble and curious not only in approaching this instructive and practical work, but also in confronting our relationship with otherness and our view of China.

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Introduction

“The one who knows himself and knows the other can fight a hundred battles and win a hundred victories.”

—Sun Zi, *The Art of War*, 5th century BC

This quote from the Chinese military general Sun Zi is proverbial in China. All Chinese children learn it by heart from an early age. Their parents and teachers repeat it with the aim of encouraging them to get to know others. In daily conversations, this phrase is often quoted as a reminder between people. Sun Zi was also a philosopher—his thinking plays an important role in Chinese political and economic strategies.

The Art of War was originally a book about military strategy. Its author, Sun Zi, applied triumphant strategies to win numerous battles. The book consists of 13 chapters totaling 10,000 words and runs for about 50 pages. It includes the rational analysis of the different dimensions of war and outlines the principles of intelligently pursuing a victorious war. The depth of its strategies has been revealed and examined throughout Chinese history. Studied in all military and civil schools of ancient China, Sun Zi’s principles were widely

applied in wars and in the management of the country, a tradition that continues in modern China. The founder of the People's Republic of China (PRC), Mao Zedong, said he used these principles to win wars against the Japanese invaders and the Chinese opposition political party Guo Ming Dang. The latter was forced to leave the Chinese mainland and took refuge in Taiwan in 1949.

The French missionary Joseph-Marie Amiot introduced *The Art of War* to the West in the 18th century. It seems that these strategies inspired Napoleon to win his battles and to conquer Europe. Today, the book is taught in military academies, universities and business schools around the world. It is cited as a reference in business, diplomatic and political think tanks. Many major Chinese and international law schools and business schools include it in their compulsory curriculum and Sun Zi's strategies have become references in the economic field.

"The one who knows himself and knows the other can fight a hundred battles and win a hundred victories" is a common translation of the original text. However, if a Chinese translated it verbatim it would be: "...one hundred battles, one hundred battles with no danger". This nuance is not insignificant; the Chinese ancestors taught that a true victory was above all to "stay alive and safe". For them, merely beating their opponents is not the priority. Chinese culture prioritizes defense and

protection; it is primarily a culture of survival. Many Chinese proverbs testify to this. According to one, “If we preserved the strength of the mountain, there would be no worries about finding wood for the fire”. It reflects a conservative vision of survival focused on the long term. China’s iconic monument, the Great Wall, is a clear demonstration of this protective culture. For 2,000 years it has been built, destroyed and rebuilt by successive emperors of different dynasties to protect the empire from nomadic invaders coming down from the north.

“Knowing the other” is the main message emerging from this quote from Sun Zi. Today, this teaching remains rooted in Chinese culture and deeply ingrained in the Chinese people’s minds. It is applied in almost all Chinese enterprises and was part of the Chinese government’s strategies to reactivate economic development 40 years ago. After three decades of isolation, China began implementing profound reforms in all areas in 1978, aiming to lift its people out of poverty through strong economic growth. Relaxing the grip of state controls, the Chinese government opened its market to foreign trade and investment. Aware of the economic gap with developed countries, China immediately implemented policies that encouraged its people to get to know other nations and to be inspired by Western countries.

In 1979, French designer Pierre Cardin held a fashion show in Beijing, fascinating the Chinese public with his daring

Conclusion

The Forbidden City in Beijing is the most emblematic monument of Chinese tradition. Two large placards have been hung on the facade of the building's main entrance since the founding of the PRC seventy years ago. One reads "Long live the People's Republic of China"; the other reads "Long live the unity of the peoples of the world". They demonstrate the Chinese vision in accordance with its culture of unity influenced by Confucianism.

China has been pursuing this idealism for 70 years. Today, China's primary concern is the elimination of poverty in the country through economic development. It hopes, through the BRI, to broaden development in a globalized world. By sharing its know-how in infrastructure construction, it wishes to establish friendly ties with the member countries of the BRI. In 2013, President Xi Jinping proposed for the first time a Chinese concept for the world called "building a community with a shared future for mankind" and called for creating a world of peace with close cooperation and equality in the economic, cultural and political spheres. All this is part of his "China Dream".

To realize this dream, China has a long-term global strategy best understood by *Wéi qí*, an ancient encirclement board game known in the West as Go. According to legend, the game dates back 4,000 years when the tribal chief Rao supposedly used stones to teach his son the art of survival. A more documented origin appears in the *Annals* where Confucius mentions *Wéi qí* as early as the 5th century BC. Historical records from the 3rd century BC also mention this strategy game. Buddhist monks helped spread it to Japan and Korea nearly 1,000 years ago. In the 16th century, the game was introduced to the West thanks to the exchanges between the countries of the Far East and Europe. Traces of the first western incursions of this game can be found in Matteo Ricci's diary (1582–1610) and in Alvarez Semedo's *Relazione della Grande Monarchia della Cina*, published in 1643. Western federations of the game were organized as early as 1920 in the United States, then in France around 1969.

Wéi qí is popular in China and Asia because of its simple rules and rich combinations. There are 361 black and white stones representing 361 days and placed on a square board with 19 horizontal and 19 vertical squares. The board symbolizes the earth. One player opens the game with a black stone. Each player then positions their stones with the objective of surrounding a larger total area of the board with their stones. Limiting the opponent's advance and capturing their stones is the key tactic in occupying more territory. The

general strategy is to expand one's territory and knock out the opponent's weaknesses. The winner is determined by counting each player's surrounded territory and the number of captured stones. The player with the highest number is the winner.

In ancient China, *Wéi qí* was one of the four fundamental arts that one had to master to be considered educated and accomplished. The other three were *Gǔ qín* (the Chinese zither), Chinese calligraphy and Chinese painting. In the imperial court, the emperor often selected talents by playing *Wéi qí* with them. This allowed him to determine their character, potential and vision of the world.

Wéi qí stones are identical and unmarked. The simple, ordinary and contrasting black and white symbolize the yin and yang of ancient Chinese philosophy.

The goal of the game is not to fight or eliminate the opponent but to occupy maximum territory, marshal survival resources, and achieve harmony with the opponent. It is a game of strategy that requires a global and long-term vision. Patience and excellent judgment are essential player qualities. The game's main strategies are illustrated in *Ten Golden Rules of Wéi qí*, written by Wang Zhixin, a famous poet during the Tang dynasty and one of the best *Wéi qí* players of his time.

China's economic development policy is often seen as being inspired by this game. Chinese entrepreneurs also apply its principles in their business development. Writing in the *Harvard Business Review*, a group of strategy experts