

# The Past, Present, and Future of Commercial Associations in China: Reflections on Theory and the Pathways of Practice\*

Modern China

2023, Vol. 49(4) 408–447

© The Author(s) 2023

Article reuse guidelines:

[sagepub.com/journals-permissions](https://sagepub.com/journals-permissions)

DOI: 10.1177/00977004231170269

[journals.sagepub.com/home/mcx](https://journals.sagepub.com/home/mcx)**Shan Zhao**<sup>1</sup>**Abstract**

Since the 1980s, three paradigms have dominated the historical study of commercial associations—class analysis, modernization, and “public sphere”/“civil society”—but all three are imbued with and insist upon a binary opposition between state and society. These paradigms produce an understanding of commercial associations as part of a Western-style “bourgeois public sphere,” itself part of “civil society,” standing in opposition to the state. These misinterpretations were only strengthened by the complete state-ification of commercial associations in China after 1949. Studies of the history of commercial associations, trapped in this theoretical pitfall, cannot produce convincing historical research, even with abundant empirical data, nor can they provide experiential models for the development of contemporary commercial associations. Instead, if we focus on practice, we discover that modern commercial associations were part of a “third sphere,” an in-between space within the paradoxical institutional framework of China’s highly centralized government and minimalist administrative system. The semiformal governance mechanism operative within the third

---

<sup>1</sup>Law School, Tianjin University of Commerce, Tianjin, China

\*Translated by Lane J. Harris and Mei Chun

**Corresponding Author:**

Shan Zhao, Tianjin University of Commerce, Room 607, Fazheng Building, 409 Guangrong Road, Beichen District, Tianjin, 300134, China.

Email: [joi-lele@outlook.com](mailto:joi-lele@outlook.com)

sphere reflected the close relationship and mutual shaping at work between the state and local society rather than a binary opposition between them. Applying these insights on the history of commercial associations to the practices of contemporary “commercial consultative associations” allows us to see that the semiformal administrative traditions embedded in the “third sphere” continue to quietly operate, which has immense significance for the future development of commercial associations in China.

### **Keywords**

commercial associations, state and society, “third sphere,” semiformal governance, commercial consultative associations

Beginning in the 1980s, there was a tidal wave of studies of modern commercial associations 商会 in China, mostly based on the publication of archival material from commercial associations across the country.<sup>1</sup> After three decades, however, the surge in historical research on commercial associations slowly receded and quieted down, despite some lingering questions that remain to be answered. Recently, there has once again been a steady increase in new work on modern commercial associations, but we have not seen any substantial improvement in the quality of this scholarship. The field has entered a state of involution where there is (quantitative) growth without a (qualitative) breakthrough. Why did studies of the history of commercial associations peak and then fall into a state of involution within forty years? Ma Min and Fu Haiyan have argued that the source of the problem lies in research on commercial associations not only having been deeply influenced by modernization theory from the outset, but also that Chinese scholars have “tended to not fully digest . . . theories imported from the West” (Ma and Fu, 2010: 139). There are also other issues that need to be addressed at length. Is there, for example, a cognitive bias in academia regarding the practices of modern commercial associations? How did the guiding discourse of modernization theory affect studies of the history of commercial associations?

After the founding of the People’s Republic, the government reorganized existing commercial associations into functional departments subordinate to the party-state in the Federation of Industry and Commerce. Past research on the history of modern commercial associations, deeply influenced by the discourse of modernity, held that this reorganization during socialist transformation severed the theoretical connection between commercial associations founded before and after the establishment of the People’s Republic. But there are actually countless ties between contemporary and modern commercial associations in terms of institutional frameworks and pathways of

practice. Contemporary business organizations, it is no stretch to say, are the inheritors of the historical experiences undergone by modern commercial associations. Therefore, it is also worth discussing what impact the discourse of modernity has had on the historical study of commercial associations and what that means for the theory and practice of contemporary commercial associations in China.

In what follows, I will comb through the main theoretical threads in studies of the history of commercial associations over the past forty years to reveal the theoretical and discursive traps such studies have encountered. To avoid an overgeneralized and macroscopic discussion, I will focus on the practical aspects of dispute resolution within commercial associations to highlight how the “third sphere” 第三领域 and its institutional framework functions and use this as a basis on which to re-examine the current challenges and developmental prospects of contemporary commercial consultative associations 商协会. By summarizing and reviewing the issues raised in existing research, my goal is to advance the study of commercial associations as both historical practice and theoretical discourse.

## **Different Roads, Same Destination: Paradigmatic Traps in the History of Commercial Associations**

Over the past forty years, three theoretical paradigms have largely dominated histories of commercial associations—class analysis, modernization, and “public sphere”/“civil society.” A survey of the scholarship shows that despite different scholars taking different approaches to the study of commercial associations in modern China, whether discussing it from an economic, political, legal, social, or cultural perspective, or conducting a diachronic analysis of them over a fifty-year period, all of these studies have been influenced by these theoretical paradigms, as discussed in two previous historiographical essays (Ma, 2003a; Zhu Ying, 2017). There has been no clear linear shift between these three theoretical paradigms; they have overlain each other in a complex manner in the historiography. Below, my focus is on teasing out the main elements of each theoretical paradigm to analyze the consistency of its logical structure and implications of its mode of thinking in order to reflect upon the cognitive biases brought about by each of these paradigms.

### *Class Analysis*

When historians started studying commercial associations in the early 1980s, the associations initially appeared as an appendage to the history of the 1911 Revolution and were framed within the discursive system of Marxist class

analysis, a theoretical approach dominant in China since the 1950s and 1960s. These studies of commercial associations primarily focused on the formation of merchants as a social class. The establishment of commercial associations across the country in the late Qing was taken as a “sign of the completion of the psychological integration of the merchants and the formation of the bourgeoisie” (Tang, 2017 [1993]: 258). Second, the establishment of commercial associations was also interpreted as one of the indicators of the growth of the national bourgeoisie. In this view, the profound contradictions between the merchant class and imperialism and feudalism determined the revolutionary nature of commercial associations but, at the same time, the intricate economic ties between the merchant class and imperialism and feudalism meant their revolutionary nature was impure. By characterizing the merchants in the commercial associations as having an impure revolutionary outlook, these scholars could describe the commercial associations as displaying a fervent political enthusiasm during the 1911 Revolution, but also explain their post-revolutionary passivity and tendency to compromise. Finally, as a social organization of the national bourgeoisie, the commercial associations could be seen as playing an important role in the 1911 Revolution, but their economic vulnerabilities gave them a vacillating political attitude, one that reflected the Janus-faced and backward character of the capitalist class (Shen and Yang, 1980; Feng and Zeng, 1981; Pi, 1982).

Early research on the history of commercial associations was inseparable from scholarship on political and revolutionary history, all under the guidance of Marxist historiographical theory and strongly colored by Marxist class analysis. Influenced by the Marxist theory that “the economic base determines the superstructure,” these studies focused on the economic strength of the merchant class and the role of commercial associations in accelerating the development of capitalist relations of production. Their goal was to demonstrate the inherent defects in the national bourgeoisie in terms of their primitive accumulation of capital and promotion of industrial development, both of which determined their weak class character and changeable political motivations (Zhang Kaiyuan, 1981; Hu, 1986). The participation of the commercial associations in public affairs, such as fostering education, building infrastructure, and resolving business disputes, was generally seen as a manifestation of the awakened consciousness of the national bourgeoisie, but these issues were barely addressed at the time.

### *Modernization*

Since the 1980s, China’s pursuit of modernity has transformed into a theoretical orientation in historical research, one manifested in the study of

commercial associations through modernization theory. Rooted in the West, modernization theory is, at its core, about economic industrialization, urbanization, and democratic political participation, all containing distinctively Western characteristics. Within modernization theory is the unequivocal assumption that there is an inevitable, irreversible, and progressive linear process from tradition to modernity, which presupposes an opposition between tradition and modernity.

Yu Heping, in his *Commercial Associations and Early Modernization in China* 商会与中国早期现代化, argued that a form of Western-style modernization took place in the late Qing and Republican periods. Merchants in commercial associations, as representatives of the bourgeoisie, were one of the driving forces behind this modernization. Applying modernization theory in this fashion, Yu envisioned the associations as integrating the bourgeoisie in an organizational form. Yu also characterized the economic, social, and political practices of the commercial associations as the efforts of bourgeois merchants to achieve economic industrialization and political democratization (Yu, 1993).

Studies of the history of commercial associations conducted within the paradigm of modernization theory usually share two common features. First, they move out of political history and enter the fields of social, economic, or legal history. As they do so, they come under the influence of “structuralist” theory and shift their focus away from the merchants themselves and onto the role of commercial associations in modern society. Their shared purpose is to explain the relationship between commercial associations and modernization by highlighting those features of modernity—institutionalization, the rule of law—exhibited by and within the associations. As a result, we have many specialized studies of the organizational systems, external relations, and internal practices of the commercial associations, such as scholarship on dispute resolution within commercial associations from the perspective of legal studies (Ma, 1996) or the economic functions of commercial associations in regional markets from the perspective of new institutional economics (Ying, 2006; Zhang Fanglin, 2013). Second, as long as modernization is only discussed on a theoretical or discursive level, it always remains in the shadow of Western-centrism, which is also true for histories of commercial associations written within this paradigm. In such studies, historians are inadvertently using Western businessmen as the model for Chinese merchants and understanding the institutional practices of commercial associations in China as mimicking chambers of commerce in the West. One example of this practice is the forced analogy between dispute resolution in modern commercial associations in China and the business arbitration system in the West (Ren, 1995; Zheng, 2001).

### *“Public Sphere” and “Civil Society”*

In the early 1980s, American China scholars introduced Jürgen Habermas's theories about the “public sphere” and “civil society” into the study of modern Chinese history. Their core concerns were the emergence of the public sphere, elite autonomy, and “civil society” during the process of social transformation in modern China. R. Keith Schoppa argued that, starting in the early seventeenth century, public responsibilities had shifted from the government to the private sector, a trend that intensified during the Taiping Rebellion. By the turn of the twentieth century, local elites, represented by merchants, had participated actively in urban public affairs and, in the process, created an autonomous public sphere. From this perspective, commercial associations were “spontaneous socio-political organizations” formed by merchant elites who achieved their purpose of political participation by controlling the public sphere (Schoppa, 1982: chap. 5). In his famous two-volume history of Hankou, William T. Rowe studied the evolution of commercial and social organizations in the city and concluded that they brought about the emergence of a “public sphere” independent of the state during the nineteenth century, a process in which commercial associations played an important role (Rowe, 1984, 1989). In his history of Beijing, David Strand described people conducting business transactions, attending the theater, worshipping gods, socializing in teahouses and restaurants, and discussing matters within commercial associations, as part of a new “public sphere” or “political arena” (Strand, 1989: chaps. 5 and 8).

Turning back to Habermas's work, he used the concept of the “public sphere” in two ways. First, he used it to mean the “bourgeois public sphere.” With the development of the market economy and the bourgeois family, the bourgeois public sphere emerged as a space between public and private domains. As bourgeois individuals gathered in cafes and clubs, read newspapers and magazines, and had rational and critical discussions, they formed a public opinion that served as a counterweight to absolutist power. In other words, the “bourgeois public sphere” plays a role in the political democratization of civil society. Second, the “public sphere” describes the various forms of public space in modern society and the relationship between state and society implied therein (Habermas, 1989 [1962]: 1-26).

The “public sphere” is a conceptual category that Habermas separated out from the theory of “state and civil society,” an empirical and epistemic theoretical tradition that originated in the separation of and opposition between civil society and the political state during the natural evolution of the market economy in the West. In its idealized form, autonomous citizens act within the public sphere of civil society and come to counterbalance or oppose the power of the state. Habermas's main interest, however, was the decline of the

“public sphere” in the late nineteenth century rather than its rise. In his telling, the liberal “public sphere” of the late nineteenth century was part of the “private sphere” of civil society in opposition to the state, but with the development of the welfare state and rise of mass media, there was a “structural transformation of the public sphere” and state and society began to infiltrate each other, which blurred the boundaries between the public and private spheres (Habermas, 1989 [1962]: chap. 5).

As a historian and theorist, Habermas’s work on the public sphere was based on the experience of eighteenth-century Europe, mainly Britain, France, and Germany, the experiences of which he tried to categorize into several models. As a political philosopher, Habermas abstracted his idealized version of the relationship between the political state, the bourgeois public sphere, and civil society into a universal standard. He lamented the disappearance of the purely liberal “bourgeois public sphere” and used it to criticize the decline of contemporary political democracy. When scholars elevate this Western-derived theory to the level of normative discourse, it comes with a value judgment, one that implies the separation of and opposition between civil society and the political state, thereby symbolizing mature economic, political, and social modernity.

Max Weber argued that one of the important reasons why China did not develop capitalism was that its cities lacked autonomous political groups, especially a guild system comparable to that of the Middle Ages in the West (Weber, 1951: 13-20). Scholars such as William Rowe, David Strand, and R. Keith Schoppa have challenged Weber’s argument to some extent with their work on Chinese commercial associations, but “Weber’s question” has long been a “sword of Damocles” hanging over the heads of historians of modern China. Inspired by the work of these American China scholars, the academic community in China quickly embraced the paradigm of a “public sphere” and “civil society.”

By the early 1990s, historians working on commercial associations in China had largely accepted the theories of the “public sphere” and “civil society,” particularly in the voluminous research conducted by the History Institute of Central China Normal University (later renamed the “Institute of Modern Chinese History”). Central China Normal scholars such as Ma Min and Zhu Ying generally identified commercial associations as autonomous gentry-merchant organizations and explained their vigorous participation in urban governance as an expansion of the “public sphere” while describing the frequent interaction between commercial associations and other new mass organizations as evidence of the rise of “civil society” in modern China (Ma and Zhu, 1993; Zhu, 1997; Ma, 2003b: chap. 5). They reached this conclusion because they believed that “one of the basic features of civil society is that it is a realm of social autonomy independent from the direct control

and intervention of the state” (Zhu, 1997: 125). Modern commercial associations in China were “free from direct control by the state” and embodied “some characteristics of civil society, such as independence, autonomy, and operating in accordance with contractual regulations” (Zhu, 1997: 291-92). In the work of these scholars, the state did not interfere with the activities of commercial associations, and the associations operated in accordance with internal rules rather than relying on geo-consanguineous ties like traditional merchant groups. And, the commercial associations embraced democratic principles in their membership rules and the election of their leaders.

A survey of these studies shows that “the concepts of ‘bourgeois public sphere’ and ‘civil society’ as they have been applied to China presuppose a dichotomous opposition between state and society” (Huang, 1993: 216). Any historian engaged in studying modern commercial associations would uncover many empirical facts that make little sense if such a binary opposition existed between state and society in China. Frederic Wakeman Jr. argued that the “public sphere” assumed an opposition between state and society, but he found that civic power was not habitually asserted against the state and that commercial associations tended to cooperate with the government rather than confront it (Wakeman, 1993). Responding to these critiques, William Rowe wrote two articles in which he highlighted many of the differences between China and the West, questioning whether the concepts of a “public sphere” or “civil society” could be usefully applied to China. Ultimately, Rowe concluded that a type of “public sphere” did exist in the late Qing and Republican periods (Rowe, 1990, 1993). David Strand also found it impossible to ignore the many drastic differences between Chinese and Western experiences of modernity, especially that the Western concept of “society” did not exist in traditional Chinese thought. He also discussed many examples of cooperation between state and local society in the activities of commercial associations in China. Ultimately, Strand felt compelled to correct his earlier arguments about a “public sphere” in China and admitted that it was limited and weak in the Republican period (Strand, 1990). Mary Backus Rankin argued that the concept of “public” 公 in China could apply to any community organization engaged in the management of affairs outside of the bureaucratic system. She was describing “public” as a space between the official government and individual behavior in the private sphere. Rankin consciously adopted Habermas’s concept of the public sphere as a space located between state and society, but preferred to describe the spheres in China as “official,” “public,” and “private,” rather than adhering to a strict opposition between the public sphere and the state (Rankin, 1986, 1993).

The slightly later interpretations of Chinese scholars on these questions are perplexing. Zhu Ying and Ma Min acknowledge, on the one hand, that the



establishment and development of new social organizations such as commercial associations benefited significantly from state involvement during the New Policies period in the late Qing. In other words, these organizations and associations did not emerge independently from the private sector nor, once established, did they confront state power. On the other hand, Ma Min argued, “civil society in its embryonic form was largely dependent upon the state. The state intended civil society to harmonize the relationship between the government and the people, and to assist officials with governing society, rather than confront state power” (Ma, 2003b: 16). They thus concluded that the development of new social organizations such as commercial associations represented the origins of civil society in its “embryonic form” (Zhu, 1996, 1998; Ma, 2003b). This interpretation not only conceals the binary opposition and antagonistic relationship between civil society and the political state in Western theoretical models, but it also distorts the objective reality that modern commercial associations emerged and developed through interaction with the state.

Studies of the history of commercial associations have produced a paradox. Many scholars acknowledge that the theoretical framework of civil society versus the state originated in the West and repeatedly caution that “civil society as a theoretical model cannot be mistaken for objective social reality (Deng, 2018 [1997]: 142). But, they still borrow this Western theoretical framework, after finding many differences between China and the West, concluding that those differences stem from China possessing an “embryonic form of civil society” or “a civil society with Chinese characteristics.” The main influence that the “public sphere” and “civil society” paradigm has had on the history of commercial associations is that scholars presuppose these associations are part of a predetermined path of development toward modernity, which produces a cognitive bias against empirical facts about the practices of commercial associations in China that do not fit the narrative. Unfortunately, this paradox has had a long and profound impact on studies of the history of commercial associations, an impact that continues more than thirty years after the beginning of the debate about the “public sphere” and “civil society” in China. There seems to be an unshakable scholarly discourse that China, in the late nineteenth and early twentieth century, “transitioned from a ‘gentry public space’ to a ‘gentry-merchant public sphere’ to a civil society” (Ma, 2022: 7).

### *The Traps of the Three Theoretical Paradigms*

From the above discussion of academic work on commercial associations, it should be clear that the focus of such studies has not been limited to the commercial associations themselves, but has delved into broader issues such as

the development of the bourgeoisie, social transformation, and modernization. Influenced by these broader issues, histories of commercial associations have all been dominated by the paradigms of class analysis, modernization, and “public sphere”/“civil society.” Ma Min has argued that each shift to a new theoretical paradigm did not represent the abandonment of any previous paradigms but was a “manifestation of the cumulative development of historical knowledge about these three theoretical paradigms” (Ma, 2003a: 18). In the shifts between paradigms, there has been a quantitative increase in the number of histories of commercial associations, often by scholars from different disciplinary perspectives, but there has not been a qualitative improvement in their conclusions. This is largely because there is a high degree of homogeneity in the modes of thinking behind these three theoretical paradigms. Not only are they all derived from the historical development of modern Europe, but they are also all heavily influenced by binary oppositional thinking and presuppose the development of modern capitalism and democracy. This homogeneity in patterns of thought has seriously hindered the development of more innovative histories of commercial associations.

Modernization in modern Europe mainly involved the process of achieving economic industrialization and political democratization. With a highly developed commodity exchange and division of labor, the emergence of capitalism led to rapid economic growth. At the same time, with the appearance of bourgeois families, the “public sphere” gradually became separated from the private sphere. Within the “public sphere,” bourgeois public opinion ultimately led to political democratization because of its role in constraining absolutism. On the basis of the “public sphere” and public opinion, civil society emerged as a realm of social and economic life independent of and in opposition to the state. This is the relationship between the bourgeoisie, the “public sphere,” “civil society,” and economic modernization in the historical development of Europe. But, this narrative completely ignores Habermas’s lament about the “structural transformation of the public sphere” in the late nineteenth and early twentieth century. The crucial basis for the process of modernization in the West is the binary opposition between state and society; the predetermined result of that opposition is capitalism and democracy. Abstracted out of this theoretical discourse and series of developmental events is “modernity,” itself a concept heavily laden with Western-derived universalist values.

Using Western standards of modernity and Western theoretical discourses to analogize China makes it almost inevitable that class analysis, modernization, and “public sphere”/“civil society” paradigms have to be used. The argumentative logic behind these three theoretical paradigms is internally consistent; all three present commercial associations as one of the features of

China's transition from tradition to Western-style modernity. The participation of commercial associations in urban public affairs would either represent the growth of the national bourgeoisie or the emergence of a "public sphere." But, because of the weakness of the national bourgeoisie, or because of the internal and external troubles in China, the development of "civil society" only reached an embryonic stage. Although these three theoretical paradigms all seem to explore different questions, they all come down to the same question: how did the commercial associations embody the modernity that China "should have"?

Since these three paradigms all start from theory to explore modernity, whether they start from a Marxist or liberal perspective, they are all unconsciously caught in a mode of thinking that assumes that oppositional binaries are inherent to the construction of modernity and that the goals of modernity are capitalism and democracy. All three paradigms assume an oppositional binary between the state and society and, when used to study China, all search for empirical evidence of this opposition in modern Chinese history. A focus on the rise of the bourgeoisie, and their efforts to secure their autonomy and democratic rights from the state, brings with it Western value judgments about the meaning of social development. The projection of these value judgments on Chinese society implies that the path to Western political democracy and economic modernization is a universal one, one that brings along with it an assumption about a division between tradition and modernity and a linear developmental path between them.

In the 1980s and 1990s, there were numerous histories written about modern commercial associations. In one sense, the tremendous amount of work done on commercial associations was closely tied to the rising popularity of these three theoretical paradigms. As discussed above, all studies of the history of commercial associations in this period engaged with one or more of these paradigms, and all of them framed commercial associations as one of the institutions caught in the binary opposition between state and society. In the early twenty-first century, the number of studies of commercial associations began to decline, largely because historians could not escape the pitfalls of these theoretical paradigms and their either/or binary mode of thinking. Scholars who have continued to work on the history of commercial associations have expanded the scope of their work (either in time or place), but have not changed their research approaches or broken free from these paradigmatic constraints. For example, the "state and society" paradigm, coming out of theory about civil society, has still not broken free of the shackles of binary thinking and lacks a clear understanding of the crucial relationship between state and society in China. Instead, it focuses on how the state constrained society or how society constrained the state (Zhu, 2006, 2017). Therefore, the

new studies on the history of commercial associations in the twenty-first century have not brought about any theoretical breakthroughs or new insights into the practices of the associations. The field has slipped into an involutionary trap.

### **“The Third Sphere”: An Innovation in the Study of Practice in the History of Commercial Associations**

The root of the problem facing research on the history of commercial associations lies in the solidity of theoretical paradigms and their underlying modes of thought. The best way to uproot this problem is to return to the historical past and focus on the practices of commercial associations. One important difference between studies of the history of commercial associations and other historical topics is that the former owes its inception entirely to the large-scale excavation and publication of archives of commercial associations in China since the early 1980s. The earliest archival collections published were *Archival Materials of the Tianjin Commercial Association* 天津商会档案汇编 (1989), edited by a team at the Tianjin Academy of Social Sciences, and *Archival Materials of the Suzhou Commercial Association* 苏州商会档案丛编 (1991), edited by a team at Central China Normal University. Since then, archival collections from commercial associations in Shanghai, Hankou, and many other cities have been published, including some online databases. Given the availability of such rich materials, empirical research using archival collections is not a new trend, but rather a “tradition” in the study of commercial associations. If we bring empirical facts and studies of practice to bear on this previous scholarship, we will find that their theoretical paradigms will collapse. Below, I will begin with examples from the study of practice, from the perspective of law, to clarify that the operational logic of commercial associations makes them a good example of the “third sphere,” where state and society cooperate, rather than an indicator of the emergence of a “bourgeois public sphere” or “civil society.”

#### *Examples of Practice from the Perspective of the Law*

One of the important issues in the study of the history of Chinese commercial associations is the relationship between their law-related practices and the modernization of the legal system itself. When addressing this issue, scholars have either focused on the legal status of dispute resolution by commercial associations from a juridical perspective or the relationship between commercial associations and the passage of business-related laws from a legislative perspective.

Let us first look at dispute resolution by commercial associations. Resolving business disputes was one of the most common forms of public activity undertaken by modern commercial associations, a practice once regarded as a sign of the expansion of the “public sphere” or the rise of “civil society.” In the construction of modern legal systems, dispute resolution usually includes judicial relief through official adjudication, social relief through mediation and arbitration, or private relief through negotiation. The main theoretical basis of this division is whether the authority and rules come from the state, society, or private individuals. In past studies, the binary opposition in the paradigm of “state and society” has been compounded in the process because it serves as the theoretical basis for the model of dispute resolution practiced by the commercial associations as well as for the very nature of the commercial associations themselves. As a result, the nature of dispute resolution practices by commercial associations has been a central topic of debate. Since the 1990s, many scholars have argued that commercial associations handled dispute resolution by creating internal offices to deal with them, employed specialized personnel to handle cases, and had appropriate procedures to resolve the conflicts, all in imitation of commercial arbitration systems in the West (Ren, 1995; Zheng, 2002, 2003; Chang, 2008; Tan, 2011; Zhu, 2020). Another large group of historians believes that dispute resolution by commercial associations belongs to traditional Chinese mediation practices because it deals with disputes among groups of people with close relationships in the business community, appealed to non-state norms such as human emotions and local customs, and did not result in an “arbitration award that shall be final and binding” 一裁终局 (Wang, 2007; Fan, 2007: 247-88). Some other scholars have argued that dispute resolution by commercial associations was something like a “merchant’s court” with procedural norms and a certain degree of coercive power, like a court, which probably originated by copying commercial adjudication in the West (Liu, 2012). A final group of scholars has argued that dispute resolution by commercial associations was similar to Western-style arbitration in form, but in actual practice was similar to traditional Chinese mediation, but with a hint of adjudication. This kind of dispute resolution was thus a quasi-judicial “fourth system” between trial, arbitration, and mediation (Ma, 1996; Zhang and Huang, 2008; Zhang, 2016: 196-214).

An examination of dispute resolution by the Tianjin, Shaoxing, and Songjiang commercial associations shows that they engaged in three types of practices: resolving disputes on their own, facilitating a resolution, and cooperating with the government to resolve a dispute. When a dispute was brought to a commercial association, the association would first make a preliminary determination of the facts and assign responsibility based on the evidence.

When a commercial association resolved a dispute on its own, if there was a clear right or wrong in the dispute, the association generally determined who was responsible for the dispute, and then often used the coercive power of the state to help to enforce their decision. If the dispute could not be clearly resolved, the commercial association was more willing to supervise mediation between the parties, by urging friends or people in the same trade to mediate, or they might send the case to a trial court. In such instances, the commercial association's main role was to promote progress in the private mediation. If there was no right or wrong within the dispute itself, the association usually tried to persuade both parties to resolve the conflict. In a facilitated resolution, the commercial association was constrained by multiple relationships in local social networks and often did not have enough power to deal with disputes involving foreign nationals, criminal matters, or administrative agencies. It could only do its best to negotiate with the authorities and express its purpose as protecting local businessmen and thereby promote the progress of the case (Yan, 2017; Xu, 2008: 229-33; Zhao, 2018, 2019).

What is most prominent about dispute resolution by commercial associations is their frequent interaction with the government. In some cases, local courts entrusted commercial associations with investigating or mediating cases while in others the associations leaned upon the courts to enforce their decisions or make default judgments. In some cases, merchants in dispute simultaneously sought redress from both the government and commercial associations, which both entered the dispute resolution process together at the outset of the case. In such instances, there were multiple interactions between the individuals concerned, the commercial association(s), and the judiciary; the facts and responsibilities for the case were clarified through constant negotiations. Overall, the state judiciary and commercial associations could maximize their respective functional advantages and support each other on a relatively equal basis (Yan, 2017; Xu, 2008: 229-33; Zhao, 2018, 2019). The commercial associations were not "peacemakers" in resolving private disputes, nor were they engaged in independent arbitration, nor were they an auxiliary to state justice, and nor were they the judiciary itself. The frequent interaction between commercial associations and the state in the dispute resolution process undermines the explanatory power of the traditional dispute resolution model and the binary opposition between "state and society" behind it.

Next, let us examine the practices of commercial associations in helping to pass bankruptcy legislation. Within the paradigm of "state and society," the authority of commercial associations is considered to come from "customary law" 习惯法 or "popular law" 民间法 and there is a natural barrier between it and the laws and regulations of the state. In this conceptualization, the

actions of commercial associations were viewed as the autonomous behavior of a non-state actor, but if the state disapproved of the association's behavior, it could intervene; there is no room in this conceptualization for any other result. But, in practice, this was not true at all.

As a legal term, "bankruptcy" 破产 only appeared in the late Qing, but businesses since ancient times had closed because of "insolvency" 资不抵债, which often resulted in numerous and complicated disputes over unpaid debts. Before the approval of the bankruptcy law in the late Qing, the government admitted that it was often hindered in handling commercial insolvency cases because of its lack of knowledge about accounts and business customs. The government thought the establishment of commercial associations could make "all such litigation vanish" (Ministry of Commerce, 1904). During the New Policies period, the government entrusted commercial associations with the task of handling insolvency disputes. In preparation for promulgating the bankruptcy law, the government sought to "study bankruptcy laws in various countries in the East and West" and "required that commercial associations in all ports send in descriptions of the customs of merchants" (Ministry of Commerce, 1906a). Accordingly, local commercial associations participated in developing the bankruptcy law by submitting surveys of local business customs and proposing draft amendments to the state, which formalized the customs and practices of the business community by bringing them to the national level through official channels. The state had expressed its trust in the commercial associations. The Bankruptcy Law of 1906 stipulated that merchants should report their bankruptcy to local officials and their local commercial association. All account books received by local officials should also be copied and turned over to the local commercial association for review. Any seized property or goods should also be turned over to the local commercial association for safekeeping, and bankrupt persons without guarantors should be left in the care of the local commercial association. Finally, the commercial association was responsible for clearing up any remaining affairs about a bankruptcy (Ministry of Commerce, 1906b). In other words, the practices of commercial associations in resolving bankruptcy disputes were supported by legal provisions.

After the promulgation of the bankruptcy law, because of the inclusion of the Western "bankruptcy discharge" theory 破产免责主义 in its provisions, there was a deep conflict with the Chinese business customs of "non-discharge of liabilities after insolvency and joint property liability" 破产不免责且财产连带主义, a conflict that led to many controversies in practice. On the one hand, the state wanted to maintain its authority by following Western legal principles; on the other hand, it caused many direct confrontations between debtors and creditors. Faced with these conflicts, commercial

associations constantly negotiated with both the state judiciary and the involved merchants to resolve these disputes, all while striving to safeguard the interests of the business community within the scope of the tacit consent of the government. The participation of the commercial associations in legal matters did not stop there. After the bankruptcy law was repealed in 1908 because of the conflict and controversies, and during the subsequent years when there was no bankruptcy law, commercial associations often combined the legal principles from the bankruptcy law with traditional business customs to resolve disputes between government agencies and local merchants.

The participation of commercial associations in the institutional construction of legal modernization cannot be separated from the authority and “presence” of the state. Whether in resolving disputes or participating in legislative or judicial practices, the commercial associations were not operating independently in opposition to the state nor did they wantonly express opinions in conflict with the will of the state. Rather, they engaged in a constant back-and-forth, sometimes struggling with the state, sometimes coordinating with the state, all of which helped create an operational space of joint activity between state and society. Within that space, commercial associations fought for the interests of merchants, but also obtained substantial rights for themselves. How should we describe this space?

### *Practice in the “Third Sphere”*

To theorize this operational space between state and society in which commercial associations engaged in their many practices, we might return to Habermas’s theory. While Habermas regarded the bourgeois public sphere as a space distinct from state and society, he also stated that “the bourgeois public sphere evolved in the tension-charged field between state and society. But it did so in such a way that it remained itself a part of the private realm” (Habermas, 1989 [1962]: 141). Habermas was more concerned with the structural transformation of the bourgeois public sphere than with its emergence. As liberalism developed, the state intervened more and more in society and society assumed more and more state authority. That is to say, there was a “state-ification of the public sphere” and a “societalization of the state.” This mutual interpenetration destroyed the separation between state and society. A new space now appeared that was neither “public” nor “private.”

Inspired by Habermas’s work, Philip Huang developed the idea of a “space intermediate between state and society in which both participated.” Extrapolating from the empirical reality of ground-level dispute resolution in the Qing dynasty, Huang introduced the idea of a “third sphere” that was “conceptually distinct from state and society” (Huang, 1993: 225).



Specifically, there existed a semiformal space for dispute resolution between court adjudication and private mediation in the Qing period. After a dispute was brought to court, the magistrate's remarks on the complaints often put pressure on the individuals and mediators concerned to resume their mediation attempts. Under the collaborative influence of informal mediation by community, kin, or quasi-officials 准官员 such as *xiangbao* 乡保 and the pressure exerted by official court opinion, most disputes could be resolved without a formal trial. Huang called this semiformal space of dispute resolution, where both the formal and informal systems of justice interacted, the "third sphere" (Huang, 1996: 110-37).

Applied to the ground-level administrative systems of the Qing, the Republic, and the People's Republic, this concept of a "third sphere" remains useful. In the Qing and Republic, taxation, education, judicial administration, village governance, and even the operation of the county yamen itself all relied heavily on the semiformal administration of "quasi-officials." These "quasi-officials" were not salaried members of the formal government, but were nominated by community leaders and confirmed by the state. Unless there were allegations of abuse, which would bring the formal bureaucracy to bear, quasi-officials were usually left to their own devices (Huang, 2010: 63-86). After the establishment of the People's Republic, brigade heads and party secretaries at the village level were not paid by the state, but were "collective cadres" 集体干部 who "ate collective rice" 吃集体饭. Such individuals were almost all drawn from the community and often represented community interests. Their responsibility for village governance reveals the state's reliance on semiformal administration to govern the country even in the People's Republic. In addition, through mass mobilization, China saw the introduction of "barefoot doctors" and privately run and government-subsidized village grammar schools in the 1960s and, in the reform period, the introduction of administrative village committees, township legal service offices, and urban community residents associations, all of which have a dual nature as both official and civilian organizations (Huang, 2019; Huang Zongzhi, 2021).

In the study of the history of commercial associations, the key to escaping the traps of the previous theoretical paradigms is to understand the associations' practices as both official and nonofficial, as serving both public interest and private benefit. The practices of commercial associations were undoubtedly important manifestations of the operation of the "third sphere." Commercial associations were often established at the initiative of the government and regulated by the government, but they were largely staffed by unpaid volunteers. Commercial associations gradually took on many functions originally belonging to the government, such as the maintenance of new

urban services, the establishment of public security forces, and the mediation of disputes. But, at the same time, commercial associations also represented the interests of individual merchants in the “private sphere” and served as a key channel through which merchants could express their interests to the government. Therefore, commercial associations had an intimate relationship with both the government and individual merchants, and the power they enjoyed in social governance came from their recognition by the state and the trust of individual merchants. Looking at dispute resolution by commercial associations, we find that it often involved interactions with the formal system of the state, the informal system of the people, and the semiformal system of the commercial associations themselves. Overall, they relied on the application of the law by the state, existing commercial practices by merchants, and the principles of human relationships. More importantly, when faced with conflicts between the common interests of the business community and the will of the state, the dual public and private nature of commercial associations allowed them to serve as a buffer to mitigate the conflict.

This method of using “quasi-officials” to conduct basic-level governance in the intermediate sphere between government and society greatly simplified the level and scale of the formal bureaucratic system, a practice that can be characterized as “minimalist administration” 简约主义的行政. Why did the highly centralized imperial government choose a minimalist administrative system instead of a comprehensive, professional, and formal bureaucratic system? At least one of the reasons is because the imperial government insisted upon the absolute power of the emperor and refused to allow administrative authority to be carved up into relatively autonomous branches of government or shared with society, and thus always intended power to remain centralized. And, this centralized power required a minimalist formal bureaucracy. In other words, the hereditary rule of the emperors was used to restrain the growth of the bureaucracy and keep it as small as possible. The absolute authority of the hereditary monarch, it was believed, could only be ensured by maintaining as few layers of government bureaucracy as possible, which would ensure the personal loyalties of the officials to the emperor. In addition, one of the objective conditions that limited the size of the imperial government was its decision to keep taxes low. In the Qing period, the government extracted only 2-4 percent of total agricultural output from the small-scale peasant economy. By contrast, tax rates in medieval Europe were often more than 10 percent of agricultural output (Huang, 1985: 278-86; Wang, 1973). Limited tax revenues obviously constrained the size of the formal, hierarchical bureaucratic system and made reliance on “quasi-officials” the most cost-effective approach to government. Although the imperial state always maintained the idea of absolute control over society, in practice they adopted

an approach of minimal governance. As Philip Huang has described it, “such a minimalist formal government apparatus, in turn, encouraged the use, instead, of quasi-officials and dispute resolution,” an approach to governance he characterized as “centralized minimalism” 集权的简约治理 (Huang, 2010: 78).

The late Qing and Republican governments promoted and valued commercial associations because they were trying to gain comprehensive control over individual merchants, but the commercial associations also retained a certain degree of autonomy in order to maintain the stability of local society. As a result, the commercial associations, and the individual merchants within them, always remained within the sphere of state control. For local governments, commercial associations undertook important social governance roles, effectively easing the administrative and financial pressures on them. By bringing individual merchants together in local society, commercial associations also became the primary channel through which to express the many rights and claims of the merchants to the state. For example, as previously mentioned, when the bankruptcy law was drawn up in the late Qing, it included a Western-derived “liabilities clause,” which significantly deviated from the traditional Chinese business practice of “non-discharge of liabilities after insolvency,” but also the traditional code of conduct that required debts to be repaid. The inclusion of the liabilities clause caused a mighty uproar among the merchants. Merchants from all over the country expressed their anger to their local commercial associations, demanding that the associations petition the court to amend the legislation. The commercial associations played their important role to perfection. They formally presented their opinions to the Qing government by outlining existing business practices and explained the harm this new law would bring to businesses. They also worked to mitigate the conflict between the law and business practices in their handling of bankruptcy disputes, helping to lessen the dissatisfaction of the business community. By formally expressing their opinions and operating their semiformal dispute resolution system, the commercial associations were able to alleviate the conflict between individual merchants and the will of the state in the “third sphere.” Thus, the semiformal practices of commercial associations met both the desire of the central government to control society and the practical need of local society for order and stability.

Of course, like any theory, the concept of the “third sphere” is not without its detractors. Liang Zhiping argues that although the “third sphere” clearly proposes to go beyond the binary model of “state/society,” Huang did not thoroughly investigate the historical and cultural origins of the state and society in the modern West, nor did he place them in different historical or cultural contexts for comparison. On the contrary, the conceptual scope of the

“third sphere” is largely confined within the framework of Habermas’s theory of the “public sphere” and thus still based on a dichotomy between state and society (Liang, 2015 [1996]: Introduction). This is a representative criticism of the concept of the “third sphere.” Liang’s main point is that if a space between state and society is to be delineated, the concepts of state and society must be carefully defined and then, and only then, can this intermediate space be defined without including in it any of the characteristics of the state or society.

In responding to this criticism, we cannot ignore two key points. First, the state and society are not only two concepts, they are also two undeniable entities. Put in the context of the commercial associations, the state’s advocacy and control over the commercial associations, and the trust and choices of individual merchants, were objectively reflected in the actual process of the establishment and development of the commercial associations. The interaction between and mutual shaping of the state and commercial associations also objectively influenced their practices. Second, since the “third sphere” contains both state and social elements, it is difficult to strictly distinguish and define each of the elements at work at any particular moment in some kind of typology. If we were to attempt to define the “third sphere” as a fixed conceptual paradigm, it would only result in work focused on the differences between the state, society, and the “third sphere,” which would itself inevitably lead to discussions about the opposition and antagonism between the three. This is clearly contrary to the practice of the “third sphere.” To put it another way, the value of the “third sphere” lies in its ability to help theorize the interaction, infiltration, and interpenetration between China’s “state” and “society” over a long period of time. It is not a rejection of the objective existence of the state or society.

To sum up, a review of the histories of commercial associations shows that they were not purely social organizations, but semiformal entities often established under government initiative, support, and supervision. In resolving disputes, commercial associations often used traditional ideas and moral suasion to mediate conflict while also referring to business customs or government regulations to “adjudicate with reason” 理断, often using both methods. They even mediated conflicts between state law and private custom to reduce friction between merchants and the government. When necessary, commercial associations could also rely upon the coercive power of the state to promote resolution of a dispute. Commercial associations resided in such a flexible space because they relied upon relations among the semi-familiar social relationships 半熟人社会关系 formed by individual merchants with trade or regional connections, but also because they enjoyed the permission of the state. It was in the connections, interactions, and interpenetrations

between state and society that semiformal governance by organizations such as commercial associations could take shape and operate. Commercial association practices made them part of the “third sphere,” a space that emerged with the development of China’s national commercial economy and adjustment of business laws and regulations in the twentieth century. They did not rise or develop as part of a “bourgeois public sphere” that was in opposition to the state as in eighteenth-century Europe nor were they part of a European-style “civil society.” Rather, they were an extension of semiformal governance practices originally formed within the institutional framework of a highly centralized government with a minimalist administrative structure. The unique institutional framework of “centralized minimalism” ultimately supported the appearance of the “third sphere.” The benign interaction between state and society in this sphere satisfied the desires of the central government for social control, but also gave local society a space where the demands of practical social governance could be met. The limited power acquired by commercial association in this sphere made them an important mediator for resolving conflicts between merchants and the state.

## **A Turning Point: The Evolution of and Future Vision for Contemporary Commercial Associations**

### *The Evolution of Commercial Associations in the Planned Economy*

In the early days of the People’s Republic, the main direction of China’s evolution was to bring society and the economy more thoroughly under the leadership and control of the party-state. Starting in 1950, the government began to reorganize and replace earlier commercial associations across the country with party-led industrial and commercial federations. Even so, at the National United Front Work Conference held in March 1950, Li Wei-han, then head of the United Front Work Department of the Central Committee of the Communist Party, said, “We must acknowledge that the industrial and commercial federations are the organizations of the industrial and commercial sectors themselves, with the right to represent their legitimate interests. It is wrong to regard the federations as simple administrative agencies (Li, 1987: 221). The intention of the party-state was not only to strengthen restrictions on and transform the capitalist industrial and commercial sectors of the economy, but also to utilize them to increase production and stabilize the economy. It was not until October 1953, when the Central Committee of the Communist Party announced the “General Line of the Transition Period” 过渡时期的总路线, that the socialist transformation of capitalist industry and

commerce officially began. The first national congress of the All-China Federation of Industry and Commerce explicitly defined its duty as cooperating with the Central Committee to solidify the public-private partnership in the process of socialist transformation (Chen, 2016 [1953]).

During the process of socialist transformation, the functions of previously established commercial associations in the market economy and their practices in social governance and dispute resolution were all officially terminated. In their place, the party-state established a “national-provincial-county” three-tiered system of industrial and commercial federations that paralleled the administrative divisions within the government. The federations came under the administrative management of industrial and commercial departments within the government. By early 1959, industrial and commercial federations across the country were ordered to stop collecting membership dues. Going forward, they would receive their funding from the national administrative budget, their personnel from national administrative staffing, and their salaries from the state finance department (Zheng, 2007: 85).

The economic and social functions of modern commercial associations were completely replaced during the introduction of the planned economy under the leadership of the Communist Party. As Wang Ying, Zhe Xiaoye, and Sun Bingyao have noted, “the establishment of the new regime brought about fundamental changes in economic and social life that shook the foundation of old social organizations. Meanwhile, the new regime, with its powerful political forces, put its own value judgments on social organizations” (Wang, Zhe, and Sun, 1993: 31). In the era of the fully planned economy, all land and capital belonged to collectives or the state, and all economic activities related to resource allocation were carried out by the government or through government directives. Local financial revenues were all turned over to the central government while expenditures relied on allocations from the central government; personnel appointments and removals, and economic and social rights for non-state actors, were severely restricted. At the time, there was almost no private enterprise or non-state economic activity in China, let alone merchant organizations focused on private business.

The strong emphasis on centralized leadership by the party-state led to the formation of a highly centralized administrative system integrating politics, the economy, and society under the central government. The government took over almost all functions related to the economy and society, which extremely limited the practices of business organizations. But, at the same time, the Communist Party also followed the tradition of the “mass line” first developed during the revolution. In building up the state’s capacities, the party was dependent on its formidable ability to mobilize the masses—to unite all social forces that could be united—to achieve its goals. Realizing the

potential future benefits, the party-state did not decisively eliminate the bourgeoisie or capitalist industry and commerce after the founding of the People's Republic. Instead, the party-state limited the power of the bourgeoisie and utilized them to ease the transition to a national economy and ultimately peacefully incorporated them into "united front organizations."

The comprehensive reforms of the People's Republic pushed commercial associations into the orbit of the socialist planned economy of the party-state. The market economy and semiformal governance of the commercial associations were basically terminated, replaced by complete state-ification. In studies of commercial associations, these changes in historical reality during the first decades of the People's Republic only intensified the notion of an oppositional binary between state and society. That is, scholarship on commercial associations became locked into the notion that they were either part of "civil society" independent of the state or had been completely absorbed by the state. Or, to put it another way, histories of commercial associations always end abruptly in 1949. A survey of histories of commercial association over the past forty years reveals that there are few in-depth studies linking modern commercial associations, established prior to 1949, with contemporary commercial organizations. Typically, most scholars end their studies of commercial associations with a lament, a lament that contemporary commercial organizations might learn lessons from the history of commercial associations, but how or what they are supposed to learn is never mentioned.

### *The Real Turning Point in the Reform Period*

The Communist Party tried to use the tradition of social mobilization formed during the revolutionary period to promote national development, which resulted in the short-term effect of "concentrating resources to accomplish great things" 集中力量办大事. The prominent achievements during the planned economy period were in national security, economic development, and social construction such as the development of "two bombs and one satellite" 两弹一星 to ensure the nation's security, the strategy of "prioritizing the development of heavy industry" 优先发展重工业 to establish a solid foundation for industrial development, and increasing average life expectancy and the literacy rate until it approached the level of developed countries. However, at the same time, the party-state developed a tightly controlled, rigid, and often inefficient political and economic system. When the party-state tried to improve the system by continuing to rely on mass mobilization, it adopted policies that were extremely incompatible with social reality and the aspirations of the people. Ultimately, this led to the chaotic years of the Great Leap Forward and the Cultural Revolution.

Rather than freeing up an ossifying system, these two incidents severely damaged the national economy.

Faced with the need for reform, the Communist Party came to the realization that “the party-state’s ability to mobilize society must be in line with the goals and wishes of the people to gain their continued support (Huang Zongzhi, 2019: 49). The party eventually charted a creative path of parallel development between the state and the market to activate and transform the planned economy and inefficient bureaucratic system. At the national level, the party decided to lean on state-owned enterprises related to national security and vital sectors of the national economy while decentralizing itself to empower local government to become a major driving force for economic development. In a highly centralized political system, the Chinese government was giving local government considerable power and incentivizing local officials. The central government was “contracting” 发包 out to local officials, layer by layer, its goals and strategies for economic and social development. As the entity giving out the “contracts,” the central government retains formal authority and control over surpluses, but the power of local decision making and implementation has been delegated to local governments. The central government uses GDP growth as a key performance indicator to evaluate local officials, which motivates them to compete for GDP growth (Zhou, 2007, 2014).

With resources left over from the planned economy period, especially land ownership, local governments extended a “helping hand” to private enterprises by “attracting business and drawing in capital” 招商引资 through infrastructure development and providing tax incentives and resources (especially land) to encourage individual entrepreneurship and the pursuit of profit, awaken the competitive mechanism of the market economy, and promote the development of private enterprises in the process of marketization. Relying on the same resources and China’s cheap labor force, as well as various special incentives, local officials could also attract foreign investment. This approach was drastically different from the role of government as an “inactive hand” or “predatory hand” in Western capitalist market economies.

Private enterprises, with the support and preferential policies provided by the government, have achieved more significant development than in capitalist market economies, almost “evenly splitting the world” with state-owned enterprises. According to data from the State Administration for Market Regulation, the number of private enterprises in China increased from more than 10 million at the end of 2012 to more than 47 million by 2022, accounting for more than 93 percent of the total number of enterprises in China. Taxes from private enterprises accounted for 59.6 percent of the national tax



revenue in 2021, making them the largest contributor to the country's tax revenue (Wang Jing, 2022).

In neoliberal economics, the current dominant economic ideology in the West, the state and market economy are seen as binary opposites, the state is supposed to be “non-interventionist” to allow for the free development of the market economy. The real turning point in China's reforms was not simply a transition from a planned to a market economy nor were the reforms driven by marketization. Rather, the real turning point was the decision to creatively combine an “interventionist” government with a highly market-oriented approach. In other words, the combination of a government from the planned economy period with private enterprises in a market economy from the reform period became the main driving force behind economic development, a combination Philip Huang has called the “state system of reform China” 改革中的国家体制 that melds a high degree of centralization with a division of power between the center and localities (Huang Zongzhi, 2009). Against the objective backdrop of maintaining the old party-state system, local governments were given considerable autonomy and overcame the institutional barriers left behind by the planned economy and transformed the weaknesses of the old system's high-intensity controls into an advantage for the efficient allocation of resources in a market economy, all of which vigorously developed the private economy. This transformation created China's economic development miracle, made the country into the “factory of the world,” and laid the groundwork for the world's second-largest economy.

This approach to transformation was closely related to the tradition of governance of the Chinese party-state system. On the one hand, China's “Communist Party + State” and “Communist Party + Government” systems are highly centralized, especially in its top-down construction of the party and appointment/dismissal of officials. By embedding party organizations in local society, and by controlling the appointment and dismissal of major party leaders at the provincial, city, and county levels, the party-state has an unparalleled ability to penetrate local society, which gives it an unparalleled ability to control resources and implement policies. On the other hand, the party-state also understands the importance of “decentralized governance” 分权而治. In the revolutionary period, poor communication between central and local bases affected the transmission of commands from the center. In the harsh wartime environment, the central and local bases could only develop and govern themselves independently, which created the tradition of the “initiative coming from two sources” 两个积极性, the central and local. In 1956, Mao Zedong, learning from the Soviet Union's centralization of power, proposed, “On the premise of consolidating the unified leadership of the central government, we should enlarge the powers of the local

authorities to some extent and give them greater independence and let them do more” (Mao, 1999: 31). Deng Xiaoping also emphasized “the delegation of power to the grassroots and the people. In rural villages, it means delegating power to the peasants; this is the greatest democracy” (Deng, 1993: 252). The party inherited this tradition of “decentralized governance” from the revolution and revived it, which can be seen in the numerous policies of “administrative decentralization and profit-sharing” 分权让利 during the reform era. For example, starting in 1980, the central government, provinces, and special municipalities “cooked on separate stoves” 分灶吃饭 in the area of finance; in the 1990s, the central and local governments began implementing separate tax systems; and there were reforms to the property rights of state-owned and township enterprises. All of this was an important institutional basis on which China formulated its unique path to modernization in the “socialist market economy.”

Another key element of the “state system of reform China” was the party-state’s decision to “delegate power and endow responsibilities” 放权赋能 on local governments. One important manifestation of this approach was that commercial associations and industrial organizations regained space for development. In January 1988, the first new commercial association composed of private business people, who represented thirty private enterprises, was founded. By the end of 2007, there were more than thirty thousand commercial associations across the country (Huang Mengfu, 2008: 3-38). In the initial stages of their renewed development, however, commercial associations were still subject to “dual management” 双重管理 by the Ministry of Civil Affairs and the Ministry of Industry and Commerce and remained politically dependent on them, which was a legacy of China’s once highly controlled political and economic system. It is widely believed in the academic community that commercial and industrial associations, after bidding farewell to the era of control, relied on government empowerment or “limited empowerment” 有限赋权 to gain space for development (Jing, 2016; Ruan, 2016).

Theorists of “civil society” believe that after the state relaxes its control, commercial and industrial associations should develop into autonomous organizations, enhancing their ability to balance state power in the “public sphere.” Different from the emphasis on social autonomy in the “civil society” argument, proponents of “corporatism” argue that commercial and industrial associations represent the government’s intention to achieve its own purposes by organizing and controlling social groups, making the associations into simple extensions of government agencies (Unger, 2008). “Dependency” theorists, who focus on structural factors and power differentials that affect the behavior of social organizations, argue that because of the retention of state power by the central government and the incompleteness of the market, “limited empowerment” affects the behavior and collective action

of industrialists and business people. Commercial associations, they contend, remain embedded within the state apparatus rather than serve as a link between private enterprise and the government (Wank, 2002; Zhang Hua, 2015). It is not difficult to see that these three theoretical interpretations all identify with the developmental path of Western modernization and presuppose that mature business organizations must be independent of the state and, through liberal market economics and political democracy, must oppose and balance the machinery of the state. This idealized vision has led scholars studying contemporary commercial associations into an intellectual cul-de-sac. At best, scholars can only imagine that as contemporary commercial associations continue to develop in China, the state, through legislation, would strike a better balance between its control and the empowerment of the associations, thereby shifting from control-style administration to service-oriented administration (Xie, 2004).

The theoretical traps of studies on the history of commercial associations have confined scholarship on them to the late Qing and Republican periods and made it impossible to relate that history to contemporary commercial associations. And yet, current research on contemporary commercial associations has continued to repeat the same mistakes as earlier studies by being bogged down in theories assuming a binary opposition between state and society. These theoretical dilemmas all ultimately stem from an insufficient understanding among researchers about the contemporary Chinese government's path of "delegating power and endowing responsibilities" on local governments and private enterprises, which has similarities with China's historical traditions of "centralized minimalism" and the "third sphere." This pathway is entirely different from the near total control over society under the planned economy and the opposition between state and society in the liberal market economy. Instead, it integrates the Communist Party's lofty ideal of "serving the people" with a new democratized pathway that requires the broad and active participation of the people. Researchers have failed to recognize the powerful dynamic force inherent in China's tradition of "centralized minimalism" and the unique circumstances of the party-state in the midst of reform, a dynamic force that transcends the binary opposition between state and society and presents commercial associations with new opportunities for development.

### *The Decoupling Reform and Prospects for Commercial Consultative Associations*

In recent years, China's party-state system has taken great strides forward in its policy of "delegating power and endowing responsibilities" on local

governments and other social organizations. In 2013, during the Third Plenary Session of the 18th Central Committee of the Communist Party of China, the party announced the goals of “stimulating the vitality of social organizations, correctly handling the relationship between the government and society, and accelerating the implementation of the separation of government from society.” To reach these goals, the General Office of the Central Committee of the Communist Party of China and the General Office of the State Council jointly issued the “Overall Plan for Decoupling Industrial and Commercial Consultative Associations from Administrative Agencies” 行业协会商会与行政机关脱钩总体方案. The plan required government administrative offices at all levels to completely separate from the commercial consultative associations that they sponsored, supervised, liaised with, or affiliated with. The decoupling reform required the separation of institutions, functions, assets and finance, personnel management, party-building, and external affairs. In 2019, ten ministries and commissions, including the National Development and Reform Commission and the Ministry of Civil Affairs, jointly issued a statement on “Opinions on Implementing and Comprehensively Promoting the Reform of Decoupling Industrial and Commercial Consultative Associations from Administrative Agencies” 关于全面推开行业协会商会与行政机关脱钩改革的实施意见 requiring that, by the principles of “de-administration” 去行政化 and “decoupling as much as possible” 应脱尽脱, 795 national-level commercial consultative associations had to be decoupled by the end of 2020 (National Development and Reform Commission, 2019). By 2022, the total number of commercial consultative associations of all levels in China had reached 113,900, forming a system that covered all categories and levels of the national economy (Li Changyu, 2022).

The turning point in policy came when the state decided to make it mandatory for administrative agencies to release all social organizations from government control through the “decoupling reform.” The reform “untied” social organizations from the administrative hierarchy and delegated more power and endowed them with more responsibilities. In the process of decoupling from state administrative agencies, various commercial and industrial associations voluntarily reorganized themselves for the common goal of development and became cross-industrial, professional, public welfare-oriented, and bottom-up dynamic social organizations known as contemporary “commercial consultative associations” 商协会.<sup>2</sup> Members of commercial consultative associations include individual business people, but also commercial associations, industrial associations, various nongovernmental associations, and learned societies. To some extent, commercial consultative associations are “associations of commercial associations,” which is what makes them different from past commercial associations, which were usually limited to a

single region or industry; these new associations are more broadly representative and have greater organizational capabilities.

According to the empirical research of Zhao Ji and Peng Bo, the work of commercial consultative associations after the decoupling reform falls into three areas. First, by providing detailed interpretations of government policies to their members, the associations have extended the chain of government services and assisted in policy implementation. Second, the associations have gained a deeper understanding of the needs of their members and helped them connect to better government assistance. Third, the associations have established a regular support and service channel between the government and their members by establishing mutual-assistance working committees to improve the ability to support their members and by establishing a system of liaison officers at different levels to maintain communications between their members and the government. Commercial consultative associations have empowered themselves by opening two-way channels of management and service between the government and their members, which also enhances their own capabilities and promotes positive interactions between them, the government, and their members (Zhao and Peng, 2021). According to empirical research on the 795 national-level commercial consultative associations by Yu Jianxing, Wu Haodai, Shen Yongdong, and Liu Xiaogui, as their service capabilities to members and the government increased, their level of policy participation significantly improved after the decoupling reform. The associations provide policy recommendations to government agencies through formal institutional channels while also indirectly influencing policies through business inspections, research discussions, and media mobilizations. Commercial consultative associations in China are constantly balancing and coordinating their service and policy participation functions, which is entirely different from how they would be presented in Western theoretical paradigms that would either emphasize their role in social governance or their role as a “private interest government” 利益政府 (Yu, Wu, Shen, and Liu, 2022).

Commercial consultative associations have made great strides in developing their practices and are maintaining close relationships with government and society. More specifically, the associations are using their own service capabilities to compensate for deficiencies or inefficiencies in the administrative system, which helps the government implement policies at low cost. And they no longer passively depend on or resist government directives because they are participating in and influencing policy making (Yu and Shen, 2017). With their broad membership base, commercial consultative associations have also established mechanisms for mutual assistance. These mechanisms can provide timely feedback to the government on the needs of enterprises

and lower institutional costs when enterprises need to deal directly with the government, both of which help them gain the trust of their members. It is the full combination of these two approaches that has opened up a space where commercial consultative associations can engage their rights and responsibilities, a space that could not be opened merely by the government policy of delegating power and endowing responsibilities or the activity of private enterprises alone. In other words, commercial consultative associations have a foothold in the dual, interactive space between state and society, government and market. For their members, the associations provide policy analysis services and economic assistance while also offering them official channels to participate in policymaking and express their opinions to the government. For local governments, the associations are not only an institutional intermediary to help lower governance costs but also exist in a flexible space where potential conflicts between business and the government can be resolved. For the party-state, delegating power and responsibilities to the associations streamlines the operational burden of the industrial and commercial administrative management system. In addition, commercial consultative associations are also actively undertaking social welfare initiatives such as donation drives to help disaster-stricken areas (Qian, 2021; Xu and Yu, 2022), which relieves financial pressures on the central and local governments.

How should we understand this transformation of commercial consultative associations? Or, to put it more directly: How can a highly centralized party-state favorably interact with market-oriented business organizations? As mentioned earlier, the greatest driving force behind China's reform path comes from the shift in the state system from a highly centralized party-state to a more decentralized system in which the center delegates power and responsibilities to society. Aside from private enterprise and market economy, this shift also gave more autonomy to peasants to manage their farms and freely travel to cities and town in search of work under the "part cultivator-part worker" 半工半耕 approach and gave a certain degree of autonomy to media, academic, and social organizations. The principal and direct motivation for the transformation of commercial consultative associations comes from this shift in the nature of the party-state. The strong implementation of this top-down policy has involved all commercial consultative associations in the "torrent" of the decoupling reform, completely sweeping them away from their political dependence on and administrative relationship with the government in the aspects of institutions, functions, finance, and personnel management. The centralized nature of the party-state system makes it unlikely that China would ever leave commercial consultative associations alone to develop on their own, like in the West. However, the genuine tradition of popular participation in the "mass line" enables the party to take the initiative by giving the associations a broad space in which they can participate in

economic services, policy making, and social governance. This approach is also driven by the state's need to reduce administrative burdens and governance costs.

These developments cannot be explained or conceptualized by studies that are deeply mired in the idea of a binary opposition between state and society, and yet these developments represent a new path that China is treading in practice. The transformation of commercial consultative associations makes it clear that the administrative system need not inevitably control and manage social organizations directly, but it can also be a facilitating force by endowing them with responsibilities. We might well imagine that the future development of commercial consultative associations will lead to a continuously deepening cooperation between the state and society. The associations will not only provide economic services and policy participation, but also might inherit China's long-standing tradition of "centralized minimalism" and the "third sphere" by working together with the government and market to provide society with dispute resolution, public construction, welfare services, and labor protection, all the while leveraging the association's advantages in low-cost social governance and active public engagement.

Although the "third sphere" in modern China reflects a close and complementary relationship between state and society, there remains a significant disparity in power, similar to the disparity between monarchs and their subjects. When a state or monarch tries to implement policies in a repressive manner, it immediately compresses the space where social power is expressed, which is the root cause of the power imbalance in the "third sphere." The Communist Party of China, however, has fine traditions of "decentralized governance" and the "mass line" to encourage popular participation. In the reforms to the political and economic system, and in social construction, the party insists on "putting people at the center" 以人民为中心. This is a reality completely different from earlier modern society. It is conceivable that with the growth of new social organizations such as commercial consultative associations, they will continue to renew the practices of the "third sphere" in China, in which state and society are closely linked to, interact with, and mutually shape each other. Hopefully, the government will be able to open up more space in which state and society, the government and enterprises, will jointly participate and have many cooperative interactions. This expanding space could unleash even greater energy for national reform and social construction.

## **Conclusion**

Studies of the history of commercial associations over the past forty years have not been able to break free from the theoretical trap of assuming an

oppositional binary between state and society. A review of the formation and evolution of commercial associations in China reveals that their roots are not to be found in the rise of a Western-style “bourgeois public sphere” or “civil society,” but in the practices of a unique “third sphere” formed by an apparent paradox between a highly centralized government with a minimalist system of administration. The key to understanding practices in the “third sphere” is not to focus on the separation of state and society, but to look at the intimate and constant interactions between them. We can see from the practices of commercial associations that their benign interactions and active cooperation with the state in the “third sphere” can release tremendous energy for grass-roots social governance such as dispute resolution.

More importantly, the theoretical trap of assuming a binary opposition between state and society has not only led to misunderstandings of the history of modern commercial associations but has also led to a great silence among historians on the development of contemporary commercial consultative associations. This shrouds in darkness the deep connections between the history of modern commercial associations and the reality of contemporary commercial consultative associations and has led to an almost inescapable scholarly cul-de-sac. By focusing on practice, we find that after sixty years of silence, the Chinese government’s top-down policies and institutional changes have evolved in conjunction with the bottom-up initiative of commercial associations, which has made commercial consultative associations into dual state-society organizations responsive to both policy guidance and market demands. Commercial consultative associations have quietly moved into the historical tradition of the “third sphere” and no longer passively rely on the government nor try to resist its administrative control, but actively seek to facilitate two-way communication between the government and their members. The associations have sought and found a balance between serving market entities and responding to government agencies, which makes them an important channel for policy participation.

The history of modern and contemporary commercial associations in China has shown them to have evolved through the interaction between state and society in the late Qing and Republican periods as well as total administrative control and state management after the founding of the People’s Republic and in the early reform period. With the rise of commercial consultative associations over the past five years, business organizations have once again adopted a composite model of management, service, and participation that involves top-down and bottom-up interaction between the government and market entities. From the perspective of a long-term developmental path, with the continuous development of new social organizations like the commercial consultative associations, the “third sphere” as a collaborative space



for state and society interaction will surely be renewed and expanded because it is a development model that allows for greater participation by the public and social organizations.

The history of commercial associations can also provide some important insights that will move the development of scholarship forward. Although the historical contexts for the development of modern commercial associations and contemporary commercial consultative associations are vastly different, both of their practices developed in the “third sphere.” The “third sphere,” as I have shown above, is characteristic of traditional, modern, and contemporary practices of Chinese governance. Theoretical generalizations about the “third sphere” came out of a dialogue with and reshaping of Western theories to suit Chinese realities. The understanding and application of the “third sphere” must be grounded in China’s specific history and reality because it takes into consideration the shifting interactions among changing social, economic, and political systems rather than presupposes a specific developmental environment or ultimate goals. Focusing on the “third sphere” in this manner will keep us from falling back into the trap of Western theory again. With the present growth of social organizations and changing nature of the state administrative system, we can imagine that the “third sphere” will continue to spontaneously grow and deeply penetrate into areas where the state and society can collaboratively work together, such as in dispute resolution, public services, social welfare, and labor protection. But, some questions remain. What are the similarities and differences in power structures and operational methods in the “third sphere”? How can we ensure the continued healthy growth of the “third sphere” into various public affairs? These are questions worthy of future study by the scholarly community.

### **Declaration of Conflicting Interests**

The author declared no potential conflicts of interest with respect to the research, authorship, and/or publication of this article.

### **Funding**

The author received no financial support for the research, authorship, and/or publication of this article.

### **Notes**

1. The academic community has long interpreted Chinese commercial associations 商会 as the equivalent of chambers of commerce in the West. Even when translating 商会 into English, most scholars use “chamber of commerce.” Chambers of commerce in the West, however, are an important component of Western civil

society, and using this translation implies an admiration for and desire to imitate an idealized civil society in the West. I have therefore used a literal translation of 商会 as “commercial association,” which better captures the original meaning of the Chinese term.

2. The academic community generally translates 商协会 as “chambers of commerce and associations” and 行业协会商会 as “industrial and commercial associations.” To highlight the role of 商协会 in coordinating and communicating between the government and society, I prefer the translation “commercial consultative associations.”

## References

- CHANG JIAN 常健 (2008) “清末民初商会裁判制度: 法律形成与特点解析” (An analysis of the legal formations and characteristics of the adjudication system of commercial associations in the late Qing and early Republic). *华东政法大学学报* 5: 52-61.
- CHEN SHUTONG 陈叔通 (2016 [1953]) “为实行国家总路线、正确地发挥私营工商业的积极作用而奋斗” (Strive to carry out the national general line and give full play to the positive role of private industry and commerce). 中华全国工商业联合会网, Sep 19. [http://www.acfic.org.cn/bhjj/gk/dbdh/sjj/yjdbdh/201405/t20140526\\_58605html](http://www.acfic.org.cn/bhjj/gk/dbdh/sjj/yjdbdh/201405/t20140526_58605html).
- DENG XIAOPING 邓小平 (1993) 邓小平文选 (第3卷) (Selected works of Deng Xiaoping, volume III). Beijing: Renmin chubanshe.
- DENG ZHENGLAI 邓正来 (2018 [1997]) “中国近代史中的国家与社会: 序‘转型时期的社会与国家’” (State and society in modern Chinese history: a preface to “society and the state in the transition period”). Pp. 134-43 in *国家与社会: 中国市民社会研究* (State and society: a study of civil society in China). Beijing: Zhongguo fazhi chubanshe.
- FAN JINMIN 范金民 (2007) *明清商事纠纷与商业诉讼* (Commercial disputes and litigation in the Ming and Qing). Nanjing: Nanjing daxue chubanshe.
- FENG CHONGDE 冯崇德 and ZENG FANGUI 曾凡贵 (1981) “辛亥革命时期的汉口商会” (The Hankou commercial association during the 1911 Revolution). Pp. 41-76 in *Hubei lishi xuehui 湖北历史学会* (ed.), *辛亥革命论文集* (Collected papers on the 1911 Revolution). Wuhan: Hubei renmin chubanshe.
- HABERMAS, JÜRGEN (1989 [1962]) *The Structural Transformation of the Public Sphere: An Inquiry into a Category of Bourgeois Society*. Trans. by Thomas Burger. Cambridge, MA: MIT Press.
- HU GUANGMING 胡光明 (1986) “论早期天津商会的性质与作用” (On the nature and function of the early Tianjin commercial association). *近代史研究* 4: 182-223.
- HUANG MENGFU 黄孟复 (ed.) (2008) *中国商会发展报告 No. 2* (Annual report on the development of China’s commercial associations, no. 2). Beijing: Shehui kexue wenxian chubanshe.
- HUANG, PHILIP C. C. (1985) *The Peasant Economy and Social Change in North China*. Stanford, CA: Stanford Univ. Press.

- HUANG, PHILIP C. C. (1993) "'Public sphere'/'civil society' in China? The third realm between state and society." *Modern China* 19, 2 (Apr.): 216-40.
- HUANG, PHILIP C. C. (1996) *Civil Justice in China: Representation and Practice in the Qing*. Stanford, CA: Stanford Univ. Press.
- HUANG, PHILIP C. C. (2010) *Chinese Civil Justice, Past and Present*. Lanham, MD: Rowman & Littlefield.
- HUANG, PHILIP C. C. (2019) "Rethinking 'the third sphere': the dualistic unity of state and society in China, past and present." *Modern China* 45, 4 (July): 355-91.
- HUANG ZONGZHI [Philip C. C. Huang] 黄宗智 (2009) "改革中的国家体制: 经济奇迹和社会危机的同一根源" (The state system of reform China: the root of the economic "miracle" and the social crisis). *开放时代* 4: 75-82.
- HUANG ZONGZHI [Philip C. C. Huang] (2019) "国家-社会-市场: 中西国力现代化路径的不同" (State-society-market: differences in the modernization paths between China and the West). *探索与争鸣* 11: 42-56.
- HUANG ZONGZHI [Philip C. C. Huang] (2021) "民主主义与群众主义之间: 中国民众和国家关系的历史回顾与前瞻愿想" (Between democracy and the mass line: a historical retrospective and visionary prospective on the relation between the Chinese people and the state). *文史哲* 2: 5-15.
- JING YIJI 敬义嘉 (2016) "控制与赋权: 中国政府的社会组织发展策略" (Control and empowerment: the Chinese government's developmental strategies for social organizations). *学海* 1: 22-33.
- LI CHANGYU 李昌禹 (2022) "我国行业协会商会数量达11.39万" (The number of industrial and commercial associations in China has reached 113,900). *人民日报*, Aug. 25.
- LI WEIHAN 李维汉 (1987 [1950]) "人民民主统一战线的新形势与新任务" (The new situation and new tasks of the people's democratic united front). Pp. 213-29 in *李维汉选集* (Selected works of Li Weihan). Beijing: Renmin chubanshe.
- LIANG ZHIPING 梁治平 (2015 [1996]) *清代习惯法* (Customary law in the Qing dynasty). Guilin: Guangxi shifan daxue chubanshe.
- LIU CHENGTAO 刘承涛 (2012) "近代中国商会理案制度研究: 以苏沪为中心 (1902-1927)" (Research on the adjudication system of commercial associations in modern China: Suzhou and Shanghai, 1902-1927). 华东政法大学博士学位论文.
- MA MIN 马敏 (1996) "商事裁判与商会: 论晚清苏州商事纠纷的调处" (Commercial adjudication and commercial associations: on the mediation of commercial disputes in Suzhou in the late Qing). *历史研究* 1: 30-43.
- MA MIN (2003a) "商会史研究与新史学的范式转换" (Shifting paradigms: research on the history of commercial associations and the new history). *华中师范大学学报(人文社会科学版)* 5: 9-20.
- MA MIN (2003b) *官商之间: 社会剧变中的近代绅商* (Between officials and merchants: modern gentry-merchants in the midst of social upheaval). Wuhan: Huazhong shifan daxue chubanshe.
- MA MIN (2022) "中国近代史学术话语体系建设的若干思考: 以'近代'、'近世'等概念为论述中心" (Reflections on building an academic discourse system for

- modern Chinese history: an analysis of the concepts of “jindai” and “jinshi”). 近代史研究 4: 4-9.
- MA MIN and FU HAIYAN 付海晏 (2010) “近20年来的中国商会史研究 (1990-2009)” (The past twenty years of research on Chinese commercial associations, 1990-2009). 近代史研究 2: 126-42.
- MA MIN and ZHU YING 朱英 (1993) 传统与近代的二重变奏: 晚清苏州商会个案研究 (Variation on tradition and modernity: a case study of the Suzhou commercial association in the late Qing). Chengdu: Bashu shushe.
- MAO ZEDONG 毛泽东 (1999 [1956]) “论十大关系” (On the ten major relationships). Pp. 23-49 in 毛泽东文集 (第七卷) (Collected works of Mao Zedong, volume VII). Beijing: Renmin chubanshe.
- Ministry of Commerce 商部 (1904) “商部奏办理商会折” (Memorial by the Ministry of Commerce on handling commercial associations). 申报, July 2.
- Ministry of Commerce 商部 (1906a) “商部修律大臣会奏议订商律续拟破产律折” (Memorial by the Ministry of Commerce’s legal commissioners on the draft of the commercial and bankruptcy laws). 东方杂志 3, 6: 51.
- Ministry of Commerce 商部 (1906b) “商部奏定破产律” (Memorial of the Ministry of Commerce on the bankruptcy law). 东方杂志 3, 7.
- National Development and Reform Commission 国家发展改革委 (2019) “关于全面推开行业协会商会与行政机关脱钩改革的实施意见” (Opinions on implementing and comprehensively promoting the reform of decoupling industrial and commercial consultative associations from administrative agencies). 中华人民共和国中央人民政府网, June 17. [http://www.gov.cn/xinwen/2019-06/17/content\\_5400947.htm?from=singlemessage&isappinstalled=0](http://www.gov.cn/xinwen/2019-06/17/content_5400947.htm?from=singlemessage&isappinstalled=0).
- PI MINGXIU 皮明庥 (1982) “武昌首义中的武汉商会和商团” (The Wuhan commercial association and business groups during the Wuchang Uprising). 历史研究 1: 57-71.
- QIAN MINGYA 钱明雅 (2021) “民营企业、商协会捐款捐物超过5.5亿元” (Donations from private enterprises and commercial consultative associations exceeded 550 million yuan). 南方日报, July 25.
- RANKIN, MARY BACKUS (1986) *Elite Activism and Political Transformation in China: Zhejiang Province, 1865-1911*. Stanford: Stanford Univ. Press.
- RANKIN, MARY BACKUS (1993) “Some observations on a Chinese public sphere.” *Modern China* 19, 2 (Apr.): 158-82.
- REN YUNLAN 任云兰 (1995) “论近代中国商会的商事仲裁功能” (On arbitration by commercial associations in modern China). *中国经济史研究* 4: 117-24.
- ROWE, WILLIAM T. (1984) *Hankow: Commerce and Society in a Chinese City, 1796-1889*. Stanford: Stanford Univ. Press.
- ROWE, WILLIAM T. (1989) *Hankow: Conflict and Community in a Chinese City, 1796-1895*. Stanford: Stanford Univ. Press.
- ROWE, WILLIAM T. (1990) “The public sphere in modern China.” *Modern China* 16, 3 (July): 309-29.
- ROWE, WILLIAM T. (1993) “The problem of ‘civil society’ in late imperial China.” *Modern China* 19, 2 (Apr.): 139-57.

- RUAN YUNXING 阮云星 (2016) 吸纳与赋权: 当代浙江上海社会组织治理机制的经验研究 (Absorption and empowerment: an empirical study of the governance mechanisms for social organizations in contemporary Zhejiang and Shanghai). Hangzhou: Zhejiang daxue chubanshe.
- SCHOPPA, R. KEITH (1982) *Chinese Elites and Political Change: Zhejiang Province in the Early Twentieth Century*. Cambridge, MA: Harvard Univ. Press.
- SHEN WEIBIN 沈渭滨 and YANG LIQIANG 杨立强 (1980) “上海商团与辛亥革命” (Shanghai business groups and the 1911 Revolution). *历史研究* 3: 67-88.
- STRAND, DAVID (1989) *Rickshaw Beijing: City People and Politics in the 1920s*. Berkeley: Univ. of California Press.
- STRAND, DAVID (1990) “‘Civil society’ and ‘public sphere’ in modern China: a perspective on popular movements in Beijing, 1919-1989.” *Working Papers in Asian/Pacific Studies*. Durham, NC: Asian/Pacific Studies Institute, Duke University.
- TAN XIAO 谈萧 (2011) “近代中国商会惩戒规则与纠纷解决之研究” (Research on the disciplinary rules of and dispute resolution by commercial associations in modern China). *社团管理研究* 4: 56-58.
- TANG LIXING 唐力行 (2017 [1993]) *商人与中国近世社会 (Merchants and modern Chinese society)*. Beijing: Shangwu yinshuguan.
- UNGER, JONATHAN (2008) “Chinese associations, civil society, and state corporatism: disputed terrain.” Pp. 1-13 in Jonathan Unger (ed.), *Associations and the Chinese State: Contested Spaces*. Armonk, NY: M.E. Sharpe.
- WAKEMAN, FREDERIC, JR. (1993) “The civil society and public sphere debate: Western reflections on Chinese political culture.” *Modern China* 19, 2 (Apr.): 108-38.
- WANG JING 王婧 (2022) “市场监管总局: 市场主体十年净增超1亿户” (State administration and supervision of markets: market entities increased by more than 100 million over the past ten years). 央视网, Oct. 10. <http://news.cctv.com/2022/10/10/ARTIsHqhG8IxQojpADK17aWq221010.shtml>.
- WANG LAN 王兰 (2007) “中国传统商会纠纷解决机制之功能分析” (A functional analysis of traditional dispute resolution by commercial associations in China). *仲裁研究* 2: 83-91.
- WANG YE-CHIEN (1973) *Land Taxation in Imperial China, 1750-1911*. Cambridge, MA: Harvard Univ. Press.
- WANG YING 王颖, ZHE XIAOYE 折晓叶, and SUN BINGYAO 孙炳耀 (1993) *社会中间层: 改革与中国的社团组织 (The middle stratum of society: reform and social organizations in China)*. Beijing: Zhongguo fazhan chubanshe.
- WANK, DAVID (2002) “The making of China’s rentier entrepreneur elite: state, clientelism, and power conversion, 1978-1995.” Pp. 118-39 in Françoise Mengin and Jean-Louis Rocca (eds.), *Politics in China: Moving Frontiers*. New York: Palgrave Macmillan.
- WEBER, MAX 马克斯·韦伯 (2010) *中国的宗教: 儒教与道教 (The religion of China: Confucianism and Daoism)*. Trans. by Kang Le 康乐 and Jian Huimei 简惠美. Guilin: Guangxi shifan daxue chubanshe.

- XIE HAIDING 谢海定 (2004) “中国民间组织的合法性困境” (The dilemma of legitimacy for China's civil organizations). 法学研究 2: 32-34.
- XU, XIAOQUN (2008) *Trial of Modernity: Judicial Reform in Early Twentieth-Century China, 1901-1937*. Stanford, CA: Stanford Univ. Press.
- XU ZHINAN 徐志南 and YU FENGQIONG 俞凤琼 (2022) “厦门市商协会筑起‘防疫墙’” (The Xiamen commercial consultative association has built an “epidemic prevention wall”). 中华工商时报, Apr. 14.
- YAN ZHI 颜志 (2017) “服务于秩序: 清末民初绍兴商会研究(1905-1927)” (In the service of order: the Shaoxing commercial association in the late Qing and early Republic, 1905-1927). 浙江大学博士学位论文.
- YING LIYA 应莉雅 (2006) 天津商会组织网络研究(1903-1928) (The organizational network of the Tientsin commercial association, 1903-1928). Xiamen: Xiamen daxue chubanshe.
- YU HEPING 虞和平 (1993) 商会与中国早期现代化 (Commercial associations and early modernization in China). Shanghai: Shanghai renmin chubanshe.
- YU JIANXING 郁建兴 and SHEN YONGDONG 沈永东 (2017) “调适性合作: 十八大以来中国政府与社会组织关系的策略性变革” (Adaptive cooperation: strategic reforms of the relationship between the government and social organizations since the 18th National Congress of the Communist Party of China). 政治学研究 3: 34-41.
- YU JIANXING 郁建兴, WU HAODAI 吴昊岱, SHEN YONGDONG 沈永东, and LIU XIAOGUI 刘晓贵 (2022) “脱钩改革如何影响行业协会商会政策参与?: 基于795家全国性商协会的实证研究” (How has the decoupling reform affected policy participation among commercial consultative associations? An empirical study of 795 national business associations in China). 管理世界 9: 145-56.
- ZHANG FANGLIN 张芳霖 (2013) 市场环境 with 制度变迁: 以清末至民国南昌商人与商会组织为视角 (Market environment and institutional change: Nanchang merchants and commercial associations from the late Qing to the Republic of China). Beijing: Renmin chubanshe.
- ZHANG HUA 张华 (2015) “连接纽带抑或依附工具: 转型时期中国行业协会研究文献评述” (Connecting links or attachment tools: a literature review on business associations during the transition period in China). 社会 3: 221-40.
- ZHANG KAIYUAN 章开沅 (1981) “辛亥革命与江浙资产阶级” (The 1911 Revolution and the bourgeoisie in Jiangsu and Zhejiang). 历史研究 5: 242-80.
- ZHANG QIYAO 张启耀 and HUANG HONGLIAN 黄红莲 (2008) “晚清商会经济纠纷调解权再探讨” (A re-examination of the powers of mediation of commercial associations in economic disputes in the late Qing). 求是学刊 3: 136-40.
- ZHANG SONG 张松 (2016) 从公议到公断: 清末民初商事公断制度研究 (From public deliberation to public adjudication: a study of the commercial arbitration system in the late Qing and early Republic). Beijing: Falü chubanshe.
- ZHAO JI 赵吉 and PENG BO 彭勃 (2021) “社会借道行政: 后脱钩时代行业协会商会自我增能的有效机制” (Social bypassing through administration: effective

- mechanisms for self-improvement by industrial and commercial associations in the post-decoupling era). 治理研究 1: 37-46.
- ZHAO SHAN 赵珊 (2018) “清末民国天津商事商事纠纷理断型式研究” (Patterns of dispute resolution by the Tianjin commercial association in the late Qing and early Republic). 天津商业大学硕士学位论文.
- ZHAO SHAN (2019) “塑造与运作: 天津商会解纷机制的半正式实践” (Shaping and operating: the semi-formal practices of the Tianjin commercial association in the settlement of disputes). 开放时代 2: 53-68.
- ZHENG CHENGLIN 郑成林 (2001) “清末民初商事仲裁制度研究” (The commercial arbitration system in the late Qing and early Republic). Pp. 311-32 in Institute of Modern History, Chinese Academy of Social Sciences 中国社会科学院近代史研究所 (ed.), 辛亥革命与20世纪的中国: 纪念辛亥革命九十周年国际学术讨论会论文集(中) (The 1911 Revolution and twentieth-century China: proceedings of the international symposium on the 90th anniversary of the 1911 Revolution (Vol. 2)).
- ZHENG CHENGLIN (2002) “近代中国商事仲裁制度演变的历史轨迹” (The historical trajectory of the evolution of the commercial arbitration system in modern China). 中州学刊 6: 122-26.
- ZHENG CHENGLIN (2003) “清末民初商事仲裁制度的演进及其社会功能” (The evolution and social function of the commercial arbitration system in the late Qing and the early Republic). 天津社会科学 2: 132-37.
- ZHENG CHENGLIN (2007) “1950年代中国共产党对工商团体的改造” (The transformation of industrial and commercial associations by the Communist Party of China in the 1950s). 华中师范大学学报(人文社会科学版) 2: 80-87.
- ZHOU LI-AN 周黎安 (2007) “中国地方官员的晋升锦标赛模式研究” (An analysis of the promotion tournament model for governing local officials in China). 经济研究 7: 36-50.
- ZHOU LI-AN (2014) “行政发包制” (The administrative contracting system). 社会 6: 1-38.
- ZHU PENG 朱鹏 (2020) “天津商会商事仲裁机构研究(1905-1950)” (The arbitration mechanisms of the Tianjin commercial association, 1905-1950). 河北大学硕士学位论文.
- ZHU YING 朱英 (1996) “关于晚清市民社会研究的思考” (Reflections on the study of civil society in the late Qing). 历史研究 4: 122-36.
- ZHU YING (1997) 转型时期的社会与国家: 以近代中国商会为主体的历史透视 (State and society in the transition period: a historical perspective on modern Chinese commercial associations). Wuhan: Huazhong shifan daxue chubanshe.
- ZHU YING (1998) “市民社会的作用及其与中国早期现代化的成败” (The role of civil society in the success or failure of China's early modernization). 天津社会科学 2: 88-94.
- ZHU YING (2006) “近代中国的‘社会与国家’: 研究回顾与思考” (“State and society” in modern China: a review and reflections on current research). 江苏社会科学 4: 176-85.

ZHU YING (2017) “近代商会史研究的缘起、发展及其理论与方法运用” (The origins, development, and methodological utility of theory in the study of commercial associations in modern China). *近代史研究* 5: 140-51.

### **Author Biography**

**Shan Zhao** 赵珊 (PhD, Law School, Renmin University of China) is lecturer at the Law School of Tianjin University of Commerce 天津商业大学法学院. Her research interests focus on the sociohistorical study of the law and the history of commercial associations.