Greater China, the challenges of global production networks and the dynamics of transformation

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Abstract The rise of ‘greater’ China (which includes mainland China, the ‘special administrative regions’ of Hong Kong and Macao and – particularly for our purposes – Taiwan), marks a transformative process in terms of the global political economy. China is now the world’s second biggest economy, and continues to post double-digit growth despite the global downturn. More significant than the numeric size of China’s economy per se, is the extraordinary scale at which it is combining labour with capital to transform raw materials into commodities and, as part of that process, embedding the potential for innovation within China’s political economy and society. In the introductory article to this special issue, we highlight the implications arising from the dynamism of Greater China for the evolving structures of global production networks (GPNs). The GPN framework provides a powerful analytical tool with which to map the shifting nature of corporate power and capital in the global economy and their consequences for local producers and regions. The externalization of the Chinese political economy and, with it, the emergence of Chinese lead firms, suggests that Western-centric views on GPNs are likely to be challenged. We outline the ways in which the contributions to this special issue throw light on this, and the implications that arise for analysis of GPNs within China as well as for other developing countries. We conclude by considering the consequences this transformative process has for the developmental project and how it might be theorized.

Keywords GLOBALIZATION, GLOBAL PRODUCTION NETWORKS, GLOBAL TRANSFORMATIONS, CHINA, TAIWAN
This special issue of *Global Networks* considers how the rise of ‘greater’ China, namely mainland China, the Hong Kong and Macao ‘special administrative regions’ and, particularly, Taiwan are reshaping the global political economy. China is now the world’s second biggest economy and it continues to show impressive growth despite the global downturn. We see the economic dynamism within China, and the nature of the economic interrelations between mainland China and Taiwan, as critical factors behind a world-historic transformation taking place with the emergence of China as a global power. While the last 30 years have been characterized by a series of transformational dynamics that, superimposed on one another have generated extraordinary political-economic and geopolitical turbulence, social dislocation and instability (cf. Appelbaum and Henderson 1995), it is the rise of China that may well be the most significant of all.

A key priority in understanding the challenges to orthodox views on globalization posed by the rise of Greater China, and the ways in which it might impact on the existing global order, relates to the realms of global production, innovation, trade and labour relations. Not only have economic ties and trade relationships between China and Taiwan strengthened, but ‘greater’ Chinese capital has also continued to make extensive strides across the developed and developing world and, in so doing, has challenged the hegemony of Western capital and Western geopolitical interests. This special issue focuses on a particular aspect of this process. It seeks to understand better how Greater China may be transforming global production networks, and the implications of this for other developing countries. In this introductory article, we contextualize the collection by considering first the political-economic ‘rise’ of China. We then outline why analysis of global production networks is especially pertinent to this. We consider the externalization of the Chinese political economy and its implications for GPNs. We show how the articles in this special issue contribute to our understanding of the implications of the dynamic transformation of global production networks and of the rise of ‘greater’ China. Finally, we highlight critical areas associated with the conceptualization and analysis of ‘development’ that, consequent on the rise of China, may be in need of a radical rethink.

**China rising**

The rise of China as a global economic and political power may come to be seen as a defining moment in world history. It is at least as significant – and probably more so – than British global dominance in the nineteenth century, the emergence of the United States as the principal hegemonic power after the First World War, or the collapse of the Soviet Union and, with it, the Leninist project in 1991. As an emerging ‘great power’, China is in many ways quite distinct from those that have preceded it. Its year-on-year double-digit growth rates is not especially at issue, nor is the rapidity with which its industrialization project has been put into operation and achieved considerable success. Those have been matched by other East Asian economies in earlier periods (Henderson 2011a: 3; Winters and Yusuf 2007: 9) and probably by the Soviet Union between the early 1930s and the late 1960s (cf. Krugman 1994). Even
the fact that China overtook Japan as the world’s second largest economy in 2010 (McCurry and Kollewe 2011), though symbolically significant, needs to be weighed against China’s low per capita gross national income (GNI) and very high income inequality.\(^2\) More significant than the numeric size of China’s economy \textit{per se} is the extraordinary scale at which labour is being combined with capital to transform raw materials into commodities and, as part of that process, the fact that embedded within China’s political economy and society may be considerable potential for innovation (see Appelbaum et al. 2011; OECD 2007).

Coupled with the huge scale of resource mobilization is the fact that the ‘engine rooms’ (the state, capital, corporate forms, labour exploitation) of this dynamic are associated with an unusual form of capitalism. Irrespective of the term one uses to depict this form – from the Chinese government’s ‘socialist market economy’ to Nee and Opper’s ‘politicized capitalism’, among others (see Nee and Opper 2007), there are a number of things that mark it off from any other form that has dominated, or currently has the possibility of dominating, the global economy. Decisive among these are the fact that China is the first political economy, with such a capacity, to be controlled by an authoritarian ‘communist’ state. Consistent with this, it is the first to have state or partially state-owned companies at the cutting edge of its globalization project, particularly with regard to foreign direct investment (FDI). In addition, it is the first to experience what it regards as an historic humiliation at the hands of foreign powers and to have had that experience, in part, forge its sense of national identity.\(^3\) It is also the first ‘great power’ to be populated by peoples from the Global South, with all that might imply for the nature of its nationalism (including its economic nationalism) and for how others perceive it and, in turn, it perceives them – in short, for its global social and political relations (Henderson 2008). Importantly, as China externalizes its internal dynamics through the processes of globalization, it may be beginning to transform the global economic and political order according to its decidedly non-‘Western’ vision of modernity (Jacques 2009).

Taken together, these issues associated with the rise of China help to underline the fact that the discourse of ‘development’ and its conceptual categories, founded as they are on nineteenth-century Eurocentric premises (Wallerstein 2001: Chapter 7), need to be rethought to render them adequate for the analytic, policy and practical challenges that lie ahead in a world that may be witnessing the gradual emergence of a new form of China-led globalization. We return to this matter towards the end of this introductory article. It is clear to us that among the many ways in which we might seek to understand China’s internal transformation and the nature of its external impact (including, perhaps, with regard to a new form of globalization), theoretical and empirical attention to firm-based economic processes and their consequences is paramount.

\section*{Global production networks and economic transformation}

The process of China’s ‘global externalization’ is carried along, in practice, through a series of transmission belts or ‘vectors’.\(^4\) These vectors are constituted variously by a
series of cross-border flows – finance, trade, migration, knowledge and power – and by institutional issues associated with global and regional governance. Diffused among them are elements of Chinese culture and values and visions of modernity. For the purposes of this special issue, we are interested in conceptualizing and analysing particular firm-based facets of many of these vectors as well as their implications for questions of economic and social transformation in China and elsewhere. We suggest that the notion of the ‘global production network’ (GPN) is the best conceptual apparatus currently available for this purpose. It enables us to combine the relevant aspects of these vectors in a dynamic, dialectical whole in such a way as to allow us to grasp, theoretically and empirically, their interrelations and their consequences. A global production network refers to

the nexus of interconnected functions and operations through which goods and services are produced, distributed and consumed. … Such networks not only integrate firms (and parts of firms) into structures which blur traditional organizational boundaries – through the development of diverse forms of equity and non-equity relationships – but also integrate national economies (or parts of such economies) in ways which have enormous implications for their well-being. At the same time, the precise nature and articulation of firm-centred production networks are deeply influenced by the concrete socio-political contexts within which they are embedded. The process is especially complex because while the latter are essentially territorially specific … the production networks themselves are not.

(Henderson et al. 2002: 445–6)

From the perspective of transformation, in China and Taiwan as elsewhere, a vital concern is the issue of value creation and how it is associated with wages, working conditions, labour forms, innovation, managerial control and the rest. With regard to value, the central issue for questions of transformation is not merely where and how much value is created within the GPN, but how much of it is captured in a particular location. GPNs link different sets of raw materials, labour, skills, technology and managerial inputs across geographic space and each of these, in principle, has different ‘gearings’ to value creation. They also link different types of firms embedded in different social and institutional contexts – that is, different forms of capitalism – and these different forms have different ‘gearings’ in terms of their capacity to capture value. Central to the former is the nature of corporate power, how it is distributed and whether and how it can be enhanced within the GPN. Central to the latter is institutional power (states, trade unions and NGOs), how it varies in particular countries or sub-national territories, and the extent to which it can be brought to bear on the firms and subsidiaries in the GPNs at those locations in order to capture a significant proportion of the value so generated to the benefit of growth and wider economic and social progress.

Critical to the issue of value generation and capture is the role of the ‘lead firm’ (a transnational corporation, for instance) as well as the firms subcontracted to them, be
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the latter foreign or domestically owned. The ways in which the lead and the various
tiers of subordinate firms within the GPN articulate and the power relations that
imbricate that articulation, give rise to particular GPN governance systems (Gereffi et
al. 2005). Together, they constitute particular nodal points in the GPNs, which may or
may not involve industrial/technological clusters such as – in electronics – Silicon
Valley, California; Penang, Malaysia; or Hsinchu, Taiwan. It is at these points that the
local, regional or national institutional fabrics in which the GPNs are embedded can
begin, in principle, to affect the character of interfirm relations, their capital, tech-
nological or labour needs and inputs to the benefit of economic and social welfare. In
the parlance of GPN discourse, the transformational result of these myriad articu-
lations of GPN architectures (particular sets of interfirm structures and dynamics),
governance systems, state and other institutional policies (for example, with regard to
SME formation and technological deepening) could be ‘industrial upgrading’. Ideally,
upgrading would evolve to a point where indigenous firms that were formerly
subordinate within the GPN of some foreign-owned transnational corporation (TNC),
become innovative firms in their own right with the capacity to contribute effectively
to national development projects designed, ultimately, to deliver high value-adding,
high wage economies with generalized prosperity.

The absorption of indigenous firms into the GPNs of foreign lead companies does
not necessarily result in industrial upgrading. There are many reasons why these firms
may become locked into GPN governance systems and power relationships that
constrain their upgrading and thus, in some cases, stall the entire industrialization
project. Among these reasons are shifting GPN architectures (as a consequence, for
instance, of the rise of new types of lead firms with different corporate strategies and
business models), and/or inappropriate economic or social policies. The Malaysian
electronics industry (the most important part of that country’s manufacturing base)
has been a case in point here. Shifts in the electronics GPN architecture (partly
associated with the influx of Taiwanese lead companies and partly with the inter-
national spread of ‘contract manufacturers’) have combined with the unintended
technological and skill consequences of Malaysia’s ethnically rooted affirmative
action policies at an historical moment that has seen the rise of China as a manu-
facturing and exporting powerhouse. The consequence is that Malaysian electronics
have become locked into a low to medium technology spiral (Henderson and Phillips
2009).

Global production networks and the externalization of Chinese capitalism

We turn now to the issue of GPNs and their relation to economic and social develop-
ment in Greater China and elsewhere. While our predominant focus is on China and
Southeast Asia, it is useful briefly to mark what appear to be some of the implications
of the global externalization of China’s form of capitalism as evident from the limited
presence of China-driven GPNs elsewhere in the developing world.

While prominent and largely privately owned Chinese companies such as Lenovo,
Haier and Huawei are beginning to forge their own production networks outside China, these are emerging, as yet only in a small number of advanced industrial countries. Those that are beginning to use direct investment to externalize their operations into the developing world are predominantly state-owned companies in the energy, mining and construction sectors. The most globally active of these have a presence particularly in sub-Saharan Africa and include Sinopec in Angola, CREC in the Congo and NFC (NFC Africa Mining – NFCA) in Zambia. In the first two of these cases, the companies involved in oil extraction (Angola) and copper and cobalt mining (Congo) are constituted as joint ventures between the Chinese companies and their African state-owned counterparts – Sonangol in Angola and Gecamines in the Congo (AfDevInfo.com 2008; Vines et al. 2009). NFCA’s copper mine in Zambia, however, is entirely Chinese owned (Haglund 2009). Irrespective of the equity split, however, it seems clear that the developmental benefits (other than royalty flows) that can be associated with GPN involvements are, at best, unevenly present in these cases. In all of them, subcontracting seems to be largely confined to other Chinese companies, while, with the exception of mining, there seems to be a great reluctance to employ African workers, preferring to use imported (and, effectively ‘indentured’, that is contractually tied) workers from China (Ferreira 2009; Haglund 2009). In addition, the Chinese managers and workers live in separate compounds and have almost no relationship with the local communities (in some cases not even at a petty commercial level, buying food and other supplies). Consequently, though with the exception of the Congo case, it seems unlikely that knowledge and skill transmissions are part of the developmental contribution these Chinese-led GPNs are making. Furthermore, as Lee (2009) has shown, the Chinese companies that do employ African workers (she studied NFCA in Zambia and the textile company, Tanzania-China Friendship Mill in Tanzania), have imported the neoliberal labour practices now typical in China (particularly where migrant workers are employed). They have resisted pre-existing unionization, broken the formerly secure employment contracts and have instituted the wholesale casualization of their workforces. Moreover, the Chinese companies that Lee studied are reputed to pay the lowest wages of all the foreign-owned companies in their sectors (see also Haglund 2009).

Against this background, Chinese involvement in the Congo’s copper and cobalt mining industries seems to hold out better prospects for assisting that country’s development. While many of the problems identified in the Chinese corporate engagements in Angola and Zambia are likely to be reproduced in the Congo, in forming the Socomin joint venture, CREC and Gecamines agreed to commit 0.5 per cent of all investment to training the workforce and to technology transfer, while 3 per cent will be spent on social provision (health, education) for the local community. Furthermore, Socomin is specifically required to subcontract 12 per cent of its work to Congolese companies and limit its Chinese workforce to 20 per cent of the total (Komesaroff 2008). While, in principle, these arrangements may have set a new benchmark for the Congolese government’s future contractual negotiations with foreign mining companies, there seems to be no evidence of them being reproduced elsewhere in Africa.
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The rise of China, global production networks and transformation

In the context of the challenges posed by the rise of China and the concomitant externalization of Chinese capital and the Chinese political economy by means of GPNs, the articles in this issue touch on several themes. One (Appelbaum et al.) is about the relationship between the state and processes of innovation, especially within the new growth area of nanotechnology. Chien and Ho look at the nature of transnational learning perspectives at the levels of regional and local government in China and its implications for shaping GPNs in China’s growth regions as well as its hinterland. Nadvi et al., writing on the global sports goods industry, and Goto et al., on the garment industry, especially in Vietnam, look at the implications of the rise of China for competitors in other developing countries and for the geographies of production within GPNs. In the final contribution to this issue, while not explicitly focused on an analysis of the implications of the rise of ‘greater’ China, Phillips argues that current approaches on GPNs need to engage more critically with the processes of informality and the nature of the relationship between informality and formality that underlines capitalist development across the developing world.

In their study of the nanotechnology sector in China, Appelbaum et al. (2011) pick up the theme of innovation. They focus more specifically on the role of the Chinese state in facilitating research and development in this area and in seeking to assist Chinese entrepreneurs to commercialize new technological developments in ways that strengthen China’s global position within a new and critical area of production. They underline the ambitions of the Chinese state to move rapidly from an economy dominated by labour-intensive manufacturing to new areas of knowledge-led growth. Appelbaum et al. recommend a note of caution concerning the ability of China to ‘leapfrog’ and rapidly catch up with the West in new areas of innovation. The structural dynamics arising from a predominantly state-led (as opposed to private sector) approach to innovation challenge the possibilities for effective commercialization in this area. Additionally they may fail to challenge the nature of power within global GPNs led by Western lead firms, implying that in such new technology sectors Chinese actors may continue to remain in relatively subservient positions.

Chien and Ho (2011) further our understanding of how state policy is shaped in China at the local level, and how transnational forms of learning impact on patterns of local government that influence the nature of GPNs in China’s emergent growth regions. These patterns of transnational learning at the local government level have involved cross-straits knowledge flows in Kunshan (Suzhou) through the critical inputs of Taiwanese investors in the electronics and personal computer sectors, which have transformed its industrial landscape. At the same time, transnational learning at the level of local government has also involved formal linkages with external governments. Examples include Singapore’s role in the development of the Suzhou industrial park, as well as the acquisition of broader discursive practices and global norms through ties with global consultants, architects and urban planners in shaping the Pudong financial district in Shanghai. Chien and Ho underline the importance of the local state in shaping GPNs in China. They also examine the ways in which earlier
patterns of transnational learning led to new forms of knowledge flows in local government within China as senior local government officials were transferred from the coastal high-growth regions to other provinces and municipalities.

Nadvi et al. (2011) turn our attention to the ways in which the rise of Greater China is transforming the global geography of production, and its implications for producers in other developing country. Their study of the global football manufacturing industry underlines the increasing dominance of China as the main hub of production and its implications for competitors in South Asia. They also show the importance of labour standards in influencing these production dynamics and affecting the nature of ties within GPNs in the sports goods sector where leading international global brands are dominant players. Within China they also point to two quite distinct forms of manufacture – large scale foreign (often Taiwanese and Hong Kong capital) invested producers supplying the leading global brands in and around Guangdong, and smaller manufacturers in Jiangsu province, many of whom emerged from local town and village enterprises (TVEs) and state-owned enterprises.

Goto et al. (2011) concentrate not on China per se but on the consequences arising for Vietnamese garment manufacturers following the phase out of the multi-fibre agreement (MFA) and the implications for the continued competitive ascendancy of China within this key sector. China dominates production in the global labour intensive garment industry. This sector was critical to the rise of China as the world’s factory, providing employment for large numbers of migrant workers, especially within the Pearl River Delta. It is also a sector where Chinese investment – especially capital from Hong Kong and to a lesser extent Taiwan – was critical in the development of the Chinese garment industry as an engine of China’s industrial growth. There are a number of key similarities between Vietnam and China. These include the nature of their authoritarian state-socialisms, the prominence of state-owned enterprises in production, and the role of external buyers who organize and structure the insertion of local producers into garment GPNs. In a detailed analysis of the dynamics of the Vietnamese garment industry, which builds on an earlier study by Nadvi and Thoburn (2004), Goto et al. suggest that Vietnam has managed to retain its competitive position partly because of its relationship with China. Many buyers see it as a location in which to hedge against an over-reliance on sourcing from China.

In the final article in this special issue, Phillips (2011) provides a conceptual contribution to ongoing debates on GPNs. She argues that the GPN framework needs to engage more critically with the processes associated with informalization, and the centrality of the relationship between the arena of the formal and the informal as a critical basis for competitiveness in GPNs in many developing and developed country locations. In discussing the nature of labour regulations within China, she shows that informality and the exclusion of particular categories of labour have been central to China’s emergence as the global factory and to its industrial and productive prowess. Phillips underlines the need for more careful consideration of the position of labour within GPNs, and of the ways in which particular categories of labour (such as women and migrant workers) may be adversely incorporated into
global systems of production. The relationship between informality and poverty also emphasizes how the processes of informality and formality, as well as exclusion and inclusion, are closely tied to the nature of value creation by capital and the consequences for workers and their livelihoods. This implies the need for a more nuanced understanding of GPNs in which firms cannot be seen as the sole units of analysis.

Development, transition or transformation? 

In this article, we have briefly attempted to place some of the debates about GPNs, and their developmental significance within China and elsewhere, in the wider context of the global externalization of the Chinese political economy and society. Implicit in our discussion, but flagged by our preference for the term ‘transformation’ rather than ‘development’, is a concern with whether the rise of China – still in many ways a developing country – is serving to emphasize some analysts’ longstanding worries about the utility of the concepts and discourses of ‘development’ for scientifically adequate and plausible investigations (not to mention as guides to appropriate practical and policy interventions). For a discourse that is (arguably irrecoverably) mired in Eurocentric (Europe-United States) ideas about ‘progress’ with its attendant notion that there is, indeed, a ‘royal road’ to modernization and prosperity (today associated with neoliberal economic and political agendas) – a proposition brilliantly dissected and rejected by Chang (2007) – the very idea that one developing country may be ‘developing’ another has an air of unreality about it. In any case, and in addition to its Eurocentric assumptions, the notion of ‘development’ – both in terms of its English language definition and its use in development social science and policy circles – is imprecise, referring to a range of unrelated processes and phenomena. As a result, without significant definitional clarification, it seems that the term has multiple, mutually exclusive meanings that render it unhelpful and an analytic concept for understanding historical change, particularly of the sort with which this article is concerned.

Since the historical rupture in the Soviet Union and other European state socialist societies twenty years ago, an additional term purporting to grasp the processes of change has re-entered the social sciences – ‘transition’. While from the 1950s to the 1980s this term was widely (and correctly) used to inform debates about large-scale historical change – as in the transition from feudalism to capitalism in Europe – its employment in analyses of the movements away from state socialism, not only in Europe but also now in China (see Henderson 1998; Pei 2006), is inappropriate. It is inappropriate because the term ‘transition’ assumes a known end to the change process. Thus, while a discourse of transition is a legitimate way of understanding processes of historical change with now settled consequences and legacies, this is not the case when we are dealing with contemporary processes where we ourselves are living through the period of change. In those circumstances – and this is true of contemporary Greater China and the whole swathe of the developing world – to adopt a discourse of transition is, in effect, to assume that we can predict the future and
allow our predictions (albeit unconsciously) to influence our analyses of the change process. Thus, whatever the consequences of foreign-led GPNs in China, and Chinese-led GPNs elsewhere in the developing world, we cannot assume that they are inevitably contributing to the emergence (or strengthening) of liberal capitalism. We are presuming that this on the one hand underestimates the resilience of some national forms of capitalism – including the Chinese one – and on the other treats state-owned Chinese corporations as if they were the same as privately owned US transnationals. In short, the employment of a transition discourse is a methodologically dubious way of proceeding that is likely to lead to implausible analyses and inappropriate policy responses.

The rise of China and its global externalization, via GPNs as much as anything else, has underlined the need for new discourses of ‘development’ based on new analytic categories. We suggest that discourses that focus on the dialectics of ‘transformation’ may well be the way forward. We do so because that term (at least in English) assumes that the end of the change process is unknown. Employing a discourse of transformation, then, allows for the possibility of serious but, crucially, open-ended reflection on the dynamics and consequences of political, economic and social change.

Using a discourse of transformation for the analysis of political-economic and related changes in China, the developing world and for the nature of globalization, seems particularly appropriate for a number of reasons. First, unlike transition-type discourses (such as those informed in various ways by neoclassical economic theory, modernization theory and related versions of neoliberal theorizing), those focused on transformation should be better equipped to avoid premature theoretical closure. As a consequence, the absurdities of ‘end of history’ (Fukuyama 1993) triumphalism and thus many of the pitfalls of earlier and current policy engagements with economic and social development (such as the IMF/World Bank ‘structural adjustment’ and ‘good governance’ agendas) that it helped legitimate, can be even more powerfully criticized and, it is hoped, laid to rest. Second, and relatedly, transformation discourses should help to encourage analysts to transcend the Eurocentrism that continues to inform ‘Western’ social-scientific analyses of the ‘Global South’ and other parts of the ‘non-Western’ world. Taken together, these intellectual innovations suggest that the adoption of ‘transformational’ analysis may lead to a substantial rethink in some of the fundamentals of development policy and practice. It may even legitimate the idea that developing countries should be encouraged and supported to find their own routes to economic success, drawing on their own histories, cultures and internal resources, with or without the benefits of China’s global externalization.

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Notes

1. All the articles in this special issue were, in embryonic form, originally presented at a conference held in Taipei in September 2008 jointly organized by colleagues at the National Taiwan University and the University of Manchester. The editors were also able to include the article by Zhou and Hsu (2011) in this issue of the journal, which, though its theme matches the other articles, was submitted independently.

2. China’s GNI per capita was US$ 2940 in 2008 compared with, for instance, $6970 in Malaysia, $7350 in Brazil, $21,530 in South Korea, $38,210 in Japan, $42,440 in Germany and $47,580 in the USA (Henderson 2011a, Table 1.1: 3). In 2004, according to Gini coefficient calculations, income inequality in China was 0.45 (Chen 2007) compared (in the mid-2000s) with 0.38, 0.34, 0.32, 0.31 and 0.28 for the USA, Britain, Japan, South Korea and France respectively (Henderson 2011a: 6).

3. There was partial colonization by Britain from 1842 to 1997 (Hong Kong) and Japan from 1895 to 1945 (Taiwan and then from 1931, Manchuria and the subsequent invasion of other parts of China). Britain and France extracted trading ‘concessions’ from the early nineteenth century and other European powers (like Germany, Italy and Belgium), the USA and Japan extracted them from the latter part of that century.

4. See Henderson (2011b) for an argument that globalization should be conceived as a ‘global externalization’ of elements and dynamics associated, in origin, with particular national forms of capitalism.

5. A number of contributors to this special issue also use the related notion of ‘global value chains’ (GVCs) (Gereffi et al. 2005). The GVC and GPN frameworks, while very similar, are distinguishable by the focus of the former primarily on vertical interfirm relationships within the chain, whereas the latter also consider extra-chain factors that impact on interchain ties. For an account of the distinctions between GPs and GVCs, see Henderson et al. (2002) and Bair (2005).

6. A joint venture between the China Railway Engineering Corporation and Sinohydro.

7. This section draws partly on the discussion initiated in Henderson (2011a: Chapter 1).

References


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