Chinese transnational engagements represent one of the most far-reaching socioeconomic developments of our times. Chinese global engagements have been studied mainly through features of their input (high labor supply, capital surplus, quest for international recognition, etc.) and output (foreign direct investments, trade, diplomatic achievements, etc.). Considerably less is known about the processes between these end-points—the distinct ways incentives translate into concrete transnational linkages. The ERC Starting Grant project BROKEX: Brokering China’s Extraversion, launched this year, will fill specific gaps in knowledge concerning how China’s international integration advances.1 We use brokerage as an opening wedge for examining the diverse logics that produce informal and formal, licit and illicit transnational connections from China.

Corporate brokers as frontier workers

Corporate brokers, such as KPMG, Deloitte, and McKinsey, commonly present the following narrative about Africa and China: Westerners showed up to exploit the resource riches on the continent before the Chinese get it all. “Africa is the world’s last frontier market, and Western firms need to start taking advantage of its tremendous potential, as Chinese firms already are”, Signé states. The quote depicts the African continent as a frontier to be capitalized on by outsiders, void of indigenous actors, its internal diversity and long history of global integration neglected. Against this problematic geopolitical representation, the multinational consultancy firms offer Western companies guidance to operate in markets characterized by informality.

A quintessential broker

The interaction between China and African countries alluded to above commonly advances through brokerage by transnationally connected individuals. One such broker was a Chinese man who had taken the name Mike. He solicited customers among the many Africans who had moved to the Pearl River Delta for short or longer periods. Mike displayed none of the aloofness in dealing with different groups commonly associate with brokers. Skilful brokers are often able to deflect tense situations by employing humor, display empathy with several parties in a transaction, and identify creative ways to resolve entrenched conflicts. Mike, by contrast, seemed ill at ease both when interacting with other Chinese people and with African clients. Short, balding, and dressed in the kind of dark clothes typically worn by middle-aged Chinese men, his looks were inconspicuous. Yet, his presence was easily noticed because he spread profusely and seemed constantly flustered. Furthermore, he was prone to wantonly delivering provocative and inappropriate statements.

While socially awkward, Mike was an agile businessman. As he navigated between formal and informal institutions, he expected opportunities for profit to be fleeting. Upon getting to know African traders through his employment in a logistics company in 2001, he started to offer them surplus stocks of shoes from manufacturers in the Pearl River Delta. The factories produced for European and North American markets, but deliberately manufactured surplus stocks for sales to other parts of the world. After the 2008 financial crisis, Mike also saw European and North American companies default at greater rates than before. Mike helped them sell products that customers failed to pay for, bridging formal and informal economies. The shuttling of surplus stocks was tiring and yielded dwindling profits. When I first met Mike in 2010, he had largely abandoned this trade. Instead, he brokered between undocumented immigrants in China, local landlords, and the Public Security Bureau. He assisted migrants with expired visas in leaving China, charging hefty fees. As China’s immigration control tightened, the risks he faced increased and the work got more difficult. He explored a range of other options, including brokerage of marriages and escorts. In 2015, he told me he had found a brokerage opportunity that suited him perfectly: helping clients from Central Asia and Eastern Europe illegally export wealth via China. His workdays were spent in the airconditioned interiors of banks alongside a handful of foreigners who like him facilitated informal and illegal transactions. Knowing how slow the wheels of academic publishing turn, he comfortably imparted details about the currency exchange with me. He reckoned that the business would soon be cracked down upon, and he was already scouting for new brokerage opportunities in the interstices of the legal and illegal.

Dilettante brokers and social networks

As brokers, multinational consultancy firms and people like Mike have in common that they are professional brokers—their core business is to find and fill spaces between other actors. However, many brokers, if not most, connect others only occasionally and under particular circumstances. As Lindquist, Xiang, and Yeoh remark in relation to migration brokerage: “While some are professional brokers, others are dilettantes—amateurs who become involved in recruitment by accident or as an effect of their social position. As such, a broker is not a fixed identity and must be considered in relation to location, time and power.”2

Social science research on brokerage commonly takes the shape of social networks as its starting point, and focuses on how actors positioned at the intersection between groups operate. This is the perspective adopted by the most cited scholar on brokers, Ronald Burt. Some people are ‘bridges’ in social networks, positioned to create connections between otherwise separate groups. Burt asserts that when there are few bridges across a gap between groups, actors in the middle have much to gain from taking on a brokering role.3 Effective brokers create new connections between groups and profit from trust within them. This analysis takes sets of social relations as its point of departure. Scholars who study social relations in China, by contrast, have focused as much on social interactions as on how social relations are forged as they are utilized. This provides analytical tools for understanding brokerage as contingent events, as discussed next.

Relationships understood from China studies

Studies of guanxi, i.e., connections or interpersonal relations, place the formation of strategic connections at the center of analysis.4 From the sojourn by Fei Xiaotong (orig. 1947)—a classic text in the Chinese social sciences—analyses how people work to achieve their desired outcomes and rationalise social connectivity. Descriptions of guanxi emphasize that flows of wealth and feelings in relationships are often mutually enabling and connected in material obligations, and material exchanges incite feelings.5 The commonly used expression ‘pull guanxi’ articulates the mediated nature of social influence, whereby a chain of relationships is activated until it reaches the person one intends to influence.6 As favors are extended, they induce debts that are repaid with future favors. Familiarity must be established before resources can be exchanged for mutual benefit. Such familiarity may be bred where no prior foundation exists, or it can be supported through shared characteristics, such as kinship, place of origin, and educational history. In the case of their ties, relationships can only subsist by being actively cultivated and maintained.7

The literature on guanxi has been focused on China and the Chinese diaspora, but the relevance of its methods and conceptual frameworks is potentially broader and extends to transnational brokerage across ethnic boundaries. The BROKEX project approaches guanxi practices as historical and cultural adaptations to broader contextual circumstances. Accounts from China in the post-reform period document how guanxi networks have proliferated in some domains, yet declined in others. The ways guanxi practices emerge, transform, and disappear suggest that they are historically specific—they are not some quintessentially Chinese phenomenon that can be pitted against detached individualized Western relations.

Notes

1 ERC research project Brokering China’s Extraversion: An Ethnographic Analysis of Transnational Arbitration (funding ID 802070).