

## **Nanning Economy, Society and Culture**

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**Abstract:** China's economy has advanced dramatically. It has become an important world economic power by the development of Science, Technology and a Market Driven Economy. China has formed strategic partnerships with many countries and has aspirations to develop the City of Nanning in the Province of Guangxi to become the Gateway to Southeast Asian Nations. China is currently a member of the WTO and has steadily opened up trade negotiations to free trade agreement. In general exports from China are promoted, while imports are highly regulated. Complicated restrictions have caused imports from many nations such as imports from Thailand to be below target. Guangxi has many advantages in costs contributed by a large ethnic Zuang labor forces. Even though other nations are disadvantages but Guangxi and the capital city of Nanning still holds many promises to expand trade, commerce and the exchange of education and cultural treasures. The city of Nanning has many modern facilities and the infrastructure has been modernized to meet international standards. Thailand is a strategic partner in trade with China and the city of Khon Kaen in Northeast Thailand is a sister city with Nanning. The continued exchange of cultural programs and educational projects between Thailand and China has been successful and provided tourism income to both nations. Thailand's dominant exports to China include *Khoa Hom Mali*, Natural rubber and Tapioca products. Thailand should continue to support the development of these exports along with the promotion of High grade handicrafts, Indigenous Knowledge craftsmanship and quality products.

**Key words:** Nanning, guangxi, society, economy, culture, commerce, development

### **INTRODUCTION**

China has been one of ASEAN's most important Partners (The Ministry of Foreign Affairs, 2006) and has been reaching out to other Asian nations promoting the concept of the road to a Win-Win situation. China is sincere in its effort to become a dependable neighbor and a strategic partner to all countries and is willing to help others to achieve their goals and be able to respond to their own country's problems effectively. Southeast Asian Nations and China have been trade partners for many years but China wants to express that it is willing to do more to help local Southeast Asia's economy and prosperity. China is opening up the country to be a market place of choice and a second home to help ASEAN nations in achieving their goals.

### **MATERIALS AND METHODS**

**Research area and methods:** The research was conducted in (October 1st 2006-November 30th 2007). Qualitative research methods were applied to the study and Data was collected from Field research, document analysis and online sources of information. Research area's included

The City of Nanning in Guangxi China, The City of Khon Kaen and Maha Sarakham in Northeast Thailand. This research is aimed to familiarize the Province of Guangxi and the capital city of Nanning to students, researchers and to the general public who are interested to learn about the many advantages and potentials that Nanning can provide as a gateway to Southeast Asian commerce and investment opportunities.

### **RESULTS AND DISCUSSION**

**China:** China is a country that is rapidly developing. There are 3 principle institutions that govern China. The first is China's Communist Party, Management and People's Liberation Army. The Chinese Communist Party or CCP was instigated in 1921 and has the highest authority. The secretary of the CCP is the highest ranking official. The CCP consists of many institutions and organizations, which include the following institutions.

- The National assembly is the nations leading and central party, which is made up of Party leaders throughout China. Meetings are held every 5 years to determine the country's political policy and

management. The assembly is responsible for the drafting and modifications of the constitution, Evaluation and approval of reports from central governments, advisory panel to central governments and the investigation of discipline.

- The Central Committee is entitled to 5 years of office and is responsible for laying out Political, Economical and Social and Cultural policy of the party. The secretary of the CCP is the chairman.
- The Administrative Political Party consists of the Secretary, the Prime Minister and high officials of the CCP.
- Permanent Committee of The Administrative Political Party is made up 5-7 officials and exercises the highest control in China.
- Central Secretary Office is the central management center for the committee. The office is governed by the Secretary of the CCP and consists of 5 offices. The establishing office, Public relations, Foreign relations, Center for Policy Research and The center for analyzing documents.
- The Military Committee is under the Central committee and is responsible for defense policies, management of the Army and the relocation of military positions.
- The Central Advisory committee is responsible to respond to the requirements of senior party officials.
- Central Investigative Committee will pursue the investigation corruption of Party members and government officials. The committee also accepts petitions from party members and officials.

Municipal governments also have their own organizations, which are independent according to their Province, City, District and Sub district. State enterprises, University and Hospitals also have their own management groups.

Currently, China is a member of the WTO and has opened up to free trade, but this has mostly been in the form of Exports. Imports into China are tightly controlled and have many restrictions. This has limited the amount of imports into China from many Asian Nations including Thailand. Thailand and China are strategic partners in trade with Thailand having a deficit with China. Exports from China include Fabrics, Threads and Fibers, Chemical products, Steel, Stainless Steel, Industrial Machinery, Leather and Wasted vegetable oil. There used to be exports of Petroleum and Petroleum related products from China, but currently these exports have been discontinued. Even though China has announced free trade policies, but in reality it has only been and export only market. Imports are restricted and involve

complicated procedures. Private firms have no rights to send products directly into China. Imports are controlled and maintained by Chinese Government Agencies. China has only given import authorizations to corporations that are managed by the Ministry Of Foreign Trade and Economical Cooperation or MOFTEC. MOFTEC is made up of 19 State enterprises with the main office located in Peking. Their responsibilities include the authorization of all imports, purchase and sales of goods, monitor world markets, the setup of small trade exhibitions and provide information to Chinese manufacturers and producers for product development. This special import privilege is also given to Government branches and Factories under management by the Ministry of Industry. Agricultural products are especially difficult to imported into China. MOFTEC and Chinese government agencies prefer to order imports from large countries and only in large amounts. Small countries aren't given any attention and receive minimal orders. This has caused imports from Thailand to be below target.

#### **Thai exports to China**

**Rice:** *Khoa Hom Mali* or Thai Fragrant Rice is in demand and held in high regards in China. Rice Quotas have been increased to Thailand and Private Chinese organizations can import 50% of the national quota.

**Natural rubber:** China imports natural rubber from Thailand in large amounts to use in various industries such as the Automotive and Commercial manufacturing. Future trends indicate that China will expand import of Natural Rubber from Thailand.

**Tapioca products:** Tapioca from Thailand amount to >50% of total Yam imports into China. Indonesia and Vietnam are close competitors in these products.

**Frozen shrimp:** China is Thailand's 7th largest market of Frozen Shrimp. In the past, China only exported shrimp to international markets such as Japan. But advanced improvements in transportation routes have broaden and opened new local shrimp markets and Thailand has provided Frozen Shrimp for the consumption to Chinese households.

**Frozen fresh fruits:** Fruit imports to China include Logan, Banana, Grapefruit and Durian. In the past China used to order Thai fruits in large amounts, but China has successfully researched and produce their own seedlings, which have almost the same qualities as Thai Fruits. This has caused Fruit imports from Thailand to be decrease and be below target.

**Computer systems and parts:** In the past, China imported Computer systems and parts from Thailand in large quantities. But the advancement of China's computer industries and manufactures in has multiplied, causing minimal imports from Thailand and Other countries.

**Guangxi:** Guangxi is Western China's only province that has transportation routes to the sea and has rail links into the inner provinces of China. Guangxi is an excellent choice for Thailand to expand trade into China. The close proximity of Guangxi to Thailand and the availability of a deep sea port can provide a direct shipping lane to Thailand. New transportation links have also been constructed linking Guangxi to Vietnam via railroad and a new expressway. The Chinese Central Government has expressed their ambition to develop Guangxi as a gateway to South East Asian Nations. Private and Government organizations in Guangxi have also expressed their desire to open trade negotiations with Thailand to expand commerce and investment. Guangxi is also a targeted destination for Thai commercial goods and services. Many Thai products are highly regarded by Guangxi communities. Favored products from Thailand include *Khao Hom Mali* or Thai Fragrant Rice and Natural rubber. Guangxi's economy mostly comes from agriculture. There are many farming communities that grow sugar cane making Guangxi the largest producer of sugar in China. There has been a lot of advanced developments in the agriculture transformation industry. Canned products such as canned Foods, Vegetables, Health foods, Green beans, Lychee, Frozen foods and Seasoning and Spices. Guangxi also has a growing automobile industry supported by many foreign investments. Guangxi also has the capability for electrical power generation, which is the China's 5th largest producer of Hydro electricity. About 40% of Guangxi residents are ethnic tribes. The largest ethnic group is the Zhuang ethnic tribe. Zhuang tribes are very polite and thoughtful. They enjoy meeting people and greet all those who come to visit. When, guests arrive they will anxiously prepare meals and refreshments with sincerity (Kullawanit, 1988).

The National University of Guangxi is the most famous campus in the province. The campus offers a wide range of studies, faculties and beautiful natural surroundings. The campus has many international students from Thailand, Vietnam, Laos, Japan, South Korea, Philippines, United States of America, England, France, Russia, Australia, New Zealand, Canada, Portugal, Spain, Netherlands, Austria, Switzerland, Germany and Mexico.

**Nanning:** Nanning is an important economic center around the bay of Beibu and the city is a gateway

between Southern and Southwestern China with Southeast Asia. The Youjiang River is an important tributary of the Joujiang River, which flows through Nanning providing important naval transportation for the region.

**Environment:** The City of Nanning has received many environmental awards. The city is revered as a stunning city with many outstanding achievements. The city has received the national award for environmental preservation, National example city for the development of Science and Technology, A conspicuous city of excellence in management and social order and a national example of excellence in producing green metropolitan areas. The Idea of Building the city into a national park, A city with shaded streets and House yards into Gardens is due to the vigorous development towards preserving and maintaining the environment and natural eco system. The developments have transformed the city into the Greenest city. The city has been developed to provide 39.80% green zones in the metropolitan area and provide 8.10 m<sup>2</sup> of green areas per person. Nanning's ultimate goal is to become a city within the jungle, a jungle within a city, trees united to become forests and flowers nestled into gardens.

**Economy:** The Economy of Nanning has been developing at an advanced pace. Thoroughly thought economic policies and efficient management has contributed to the growing industries, which has been prosperous and greatly benefited the local economy. The city has a primary goal of becoming an international city by implementing the 136 Development plan, which started in 2002. The 136 Development Plan is to have immediate goals realized within 1 year, intermediate goals within 3 years and long term targets met within 6 years. Public utilities and services have greatly improved and modernized. The city invested about 8,947 Million Yuans in 112 city projects in 2005 in accordance with the 136 Development Plan. Completed projects today include the 26.90 km. *Teelu Yuan* Road on the southern bank of the *Yongjiang* River, The newly created *Yao Ai Nan* street, 336 roads and passageways, 8 public parking buildings, 6 new bridges spanning the *Yongjiang* River. The city's transportation infrastructure was developed according to the model of 5 main horizontal lanes, 3 vertical lanes and 4 bypass roads, which have all been completed.

**International relations:** The city of Nanning has received the award for being The City with the most Efficient International Political Alliance in China. Many years of

development has opened up the city of Nanning to the exchange and joint ventures with many countries and international cities. ASEAN nations, Japan and Korea have joined hands in strategic partnership, which Nanning and has over 20 sister cities in cultural exchange. The city of Khon Kaen in Northeast Thailand is currently a sister city of Nanning with numerous exchanges in cultural and educational projects. In Thailand, there are numerous Thai-Chinese organizations that have been founded by Chinese immigrants. These organizations are mostly non-profit and contribute to Thai society by providing charity and emergency rescue services to Thai society (Gumlungrit, 2008). These organizations have nurtured the well intentions and provided a cultural connection to both nations.

**Society and the quality of life:** The quality of life of Nanning citizens has greatly improved over the years. There are many modern appliances and utilities that are efficient and advanced. Central emergency services are of international standards. Insurance policies are enforced and public utilities such as water and electricity are accessible throughout the city. Transportation is convenient and modern housing is abundant. Social security and insurance are dependable. Modernization and Globalization has also contributed to the rising cost of living in Nanning. Urban centers such as Nanning face the modern dilemma of the rising costs of consumer products and services. Housing expenses are much higher than those compared in rural areas.

**Science and technology:** Nanning has a promising potential in Science and Technology. Modern technology is continuously being integrated into the daily lifestyles of Nanning citizens. Nanning has consistently received the award of being the Nations Most Advanced Technological City for 3 consecutive years.

**Cooperation between the university of Guangxi and the university of Maha Sarakham:** Currently there are projects to create 33 international *Khong Jue* institutions or Confucius centers worldwide. Many of these projects have been implemented successfully and many universities are eager to organize a Confucius center within their campus. These universities already are engaged and have faculties of Chinese studies and projects related to China. The Office of Chinese Language Council International in Peking has organized The World Confucius Institute Conference during July 6-9 in 2006. Plans during the meeting were discussed to create more Confucius Institutions with numerous international organizations. The purpose of the Confucius

institution is to promote good relations with Thailand and China. The institutes will provide studies on Chinese languages, culture and the institution will be opened to Chinese Language professors and to the General Public (Maha Sarakham University, 2006). Once completed the institute will provide Chinese language classes for university students and support academic services to the public in promoting Chinese language and cultural studies. The institute will also provide training to Chinese Language teachers and arrange exams to verify standards and certification. Exhibitions will also be organized and with activities and competitions to promote Chinese culture. The institution will also be a center for Chinese research and center for Chinese related projects and coordination. When agreements are finalized, the Confucius institute will be located at the University of Maha Sarakham in the city of Maha Sarakham in Northeast Thailand. Funding of the institute is supported by the Chinese Embassy in Thailand and the Chinese Central Government.

## CONCLUSION AND SUGGESTIONS

The economy of China has advanced to a successful market driven economy. Average household income per person in China has increased but expenses have also risen.

Most household costs include housing, recreation, health and transportation expenses. Urban communities are faced with higher costs of living than those in rural areas, especially in housing prices and rent.

During the 3rd China-ASEAN expo in 2006 fewer Thai producers opened booths at the show. Many Thai manufacturers view that China is more of a contender than trade partner. Many Chinese products are cheaper and more in variety. Some manufacturers were afraid that their products would be copied and cloned.

Trade results between Thailand and China have only been summarized on a country level only. Further development can only be made possible if there are results that specify in detail of how much trade is exchanged on a province to province basis. The most important Provinces that should be included are the Province of Sichuan, Yunnan, Chongqing and Guangxi (Painctisart, 2006).

The amount of trade between Thai-Guangxi-Nanning is still minimal and there is still much potential and opportunities to expand trade. Many of the agricultural exports of Guangxi are very similar to Thailand such as Sugarcane and Tapioca. Guangxi also has many industries engaged in the transformation of agriculture, herbal and medical products. Many ethnic Zhuang citizens have

contributed to the labor force in Guangxi, which has enabled the goods from China to be manufactured at a lower cost than Thailand. Thailand's exclusive export to China is *Khao Hom Mali* or Thai Fragrant Rice. The Development and advanced production of *Khao Hom Mai* should be supported with extended research and funding by the Thai Government.

Many of the products on display in Nanning are mostly copied items from Name Brand products sold cheaply and are of economical grade. Thailand should not compete in making the same quality of products. Thailand should engage in the exports of high quality handicrafts by supporting the production of handicrafts such as Hand made textiles, Pillows, Weaving looms and handmade furniture that involves Indigenous knowledge and advanced craftsmanship. The central government should enforce standards and approve the quality levels of exports to create a solid foundation for Thai Handicraft products, which will gain international approval and that the quality products will receive a higher price.

There are numerous potentials for Nanning to become a commerce center for China, Thailand Vietnam and Southeast Asia. Nanning is a city that has excellent infrastructure. Transportation is convenient and modern. There is a friendship expressway linking to Vietnam and a deep harbor seaport providing important sea hub for Southeast Asia. There is also an efficient train route to Vietnam.

Nanning and Guangxi has over 40 ethnic tribes. This cultural divergence is very similar to Northern and Northeastern Thailand. Many traditional beliefs and culture are very similar to Thailand. Such as Spirits and Ancestral worshipping, Supernatural beliefs, Custom of eating betel nut, Lion dance celebrations, Cow dancing. Many of the traditions and celebrations are exciting and full of life as in Northeast Thailand. Other similar traditions include *Tesakal Kanom Khao Niew* or *Sticky rice candy festival*, *Tesakal Khao Mai* New rice festival, *Tesakal Jong Yuan*, *Tesakal Han Ee* and *Tesakal Chao Tao*.

Guangxi has modern transportation routes linking Laos and Vietnam. Nanning's many seaports and roads offer advantages towards tourism. The many cultures treasures

from numerous ethnic tribes and local traditions in the province can create an enormous amount of extra income to residents from developing tourism. Governments of Thailand, Guangxi, Laos and Vietnam should cooperate together to support the exchange of tourism and commerce. Private organizations should join hands to promote shopping destinations in each country and promote local handicrafts and natural tourist attractions. Zhuang ethnic groups have many handicrafts such as ethnic embroideries, Zhuang pattern cloths and textiles, Porcelain, Engravings, Art, Paper crafts and Dyed fabrics. Zhuang ethnic handicrafts have been preserved and passed down through generations for over 1,000 years. Therefore the Research Institute of Northeastern Arts and Culture Maha Sarakham University and The Cultural Institute of Maha Sarakham should together cooperate and support the study and exchange of cultural research with University and government organizations in Guangxi to promote the preservation and conservation of ethnic cultural treasures.

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