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# **19** 2007 May

# Port of Rotterdam in Chinese Eyes

## Peter J. Peverelli

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#### Port of Rotterdam in Chinese Eyes

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#### ABSTRACT

The Port of Rotterdam is a typical European organisation that undertakes several activities towards China annually and has a clear understanding of what it has to offer to its Chinese counterparts, but does not always succeed in achieving rapport with those counterparts. This paper studies the identity constructs of the Port of Rotterdam in a selected number of Chinese contexts (central ministries, main ports, etc.). The methodology is narrative analysis using corpora of texts compiled for each context. The core theoretical principle<sup>1</sup> is that identity is not a property, but a process of ongoing interaction. The identity of A can only be established in a particular context, by observing the interaction between A and parties in that context. A will thus obtain multiple identities in multiple contexts. The results can be used by the Port of Rotterdam to improve the effectiveness of its delegations to China.

Keywords: Corporate identity, narrative analysis, cognitive space

#### Preamble

#### The vicious circle

The current study is an analysis of the perception of the ports of Rotterdam by a selected number of Chinese organisations. Although the usefulness of such a study seems obvious, remarkably few European organisations dealing with Chinese counterparts actually make an effort to investigate the way 'the other sides' look at them.

Each year, numerous delegations from European ministries, chambers of commerce, local governments, etc., visit China. The basic format of these projects is very similar: a minister, mayor, etc., heads the delegation, followed by a number of aides and representatives of companies. The counterparts of such delegations are usually the symmetric counterparts of the leaders of the delegations: the Chinese minister, mayor, etc. It is believed that political leaders can open doors for the industry that will otherwise be much more difficult, or even impossible, to open.

The leaders of the delegations and the captains of industry following them are frequently interviewed by the media before departure. During these interviews they display detailed information on how 'the Chinese' can benefit from the delegation from the expertise accumulated in the participants of the delegation. Immediately after their return, the delegation members are invariably enthusiastic about their achievements. Chinese are perfect hosts, hotels are comfortable and Polo shirts, Gucci handbags, etc., are cheap. Suitcases are filled with freshly signed memoranda of understanding, ready to be transformed into hard business deals. The hangover follows soon, not only caused by the Chinese spirits, but also because most of those business deals never transgress the stage of MoU or are completely cancelled. Controllers point at the waste of money, while the participants attribute the lack of success to the long-term nature China business. The 'How to Do Business in China' books tell us that you need to take a long term view in China and that it requires years to build a sufficient network of relations. This view forms the basis for the organisation of the next delegation to China, making the circle round.

#### An eye for differences

While the previous section has been deliberately written in a slightly mocking way, the problems pointed out are real. They are caused by a number of misunderstandings and misconceptions. First of all: who are 'the Chinese'? The 1.3 billion (at least) people inhabit a country roughly as large as the United States. There are bound to be considerable cultural differences between regions. Interestingly, there is an extensive literature on regional cultures in China, but somehow, these sources are neglected in the preparation of delegations to China. While we are very eager to point out the differences between, etc., people from various regions of my native country, The Netherlands, which is smaller than any Chinese province, we have no eye for the differences between people in Beijing and Guangzhou, even though the distance between these two cities is larger than that between Amsterdam and Madrid.

An even more serious (because it should not take place at all) neglect is that organisers and participants of such delegations show so little interest in what the other side expects of them, or how the parties to be visited perceive themselves. To stick to Rotterdam: the mayor of Rotterdam is always able and willing to tell the world what China can learn from the experience of this famous port city, but what do his Chinese counterparts expect of that visit? What do they know about Rotterdam? How do they perceive Rotterdam? Rotterdam has a sister relationship with Shanghai, but what other regions of China perceive themselves as affiliated with Rotterdam in one-way or another? The answers to these questions could have serious consequences for the organisation of events like trade delegations, bilateral conferences, etc. At this point in the argument, a couple of examples will clarify the points made.

#### Dalian – Incheon = Rotterdam – Tokyo

An issue of the First Economic Daily of early January 2006 (Li 2006) carried an article on negotiations between the municipal governments of Dalian in China and Incheon in South Korea on a possible train-ship link between these two ports. The header of this article read: 'Railway link between Rotterdam and Tokyo.' Apparently this sea link was made sense of in terms of a larger link between Rotterdam and Tokyo.

#### Rotterdam of the East

Chinese like set phrases like 'Paris of the East,' 'China's Silicon Valley,' etc. When you ask people in Rotterdam what city would be the typical 'Rotterdam of the East' almost 100% would vote for Shanghai. A search of the Chinese Google site with the phrase 'Rotterdam of the East' (accessed: 08/01/2006) reveals that the city

with that name is: Lianyungang, a second echelon port of Jiangsu, North of Shanghai.

We could speculate endlessly on the consequences of these two concepts. When the mayor of Rotterdam starts planning his next visit to China, should he include Lianyungang, and greet its mayor as his Chinese counterpart? Does the way Rotterdam is perceived in Dalian offer new perspectives on business opportunities for the Port of Rotterdam and its affiliated companies?

In this study I will make an inventory of the way the port of Rotterdam is perceived by a selected number of relevant Chinese parties. I will then use the outcome of the inventory to reconstruct the sensemaking of Port of Rotterdam made by Chinese, and compare the outcome with the current self perception of the Port of Rotterdam vis-à-vis China.

#### Background

As a consultant I have conducted a number of assignments for the Port of Rotterdam during the past decade, including the SANI research mentioned in the reference section of this paper. Part of the information used for this paper was collected during the latest assignment to investigate the perception of the Port of Rotterdam in China conducted in 2006.

#### Theoretical framework

In this theoretical section, I would like to introduce the thinking on which this study has been modelled. The model, usually referred to as Social Integration Theory, is based on Karl Weick's theory of organising (in particular Weick 1979, 1995 and 2001) and developed by a group of researchers in The Netherlands (in particular: Van Dongen e.a. 1995), including your author (in particular: Peverelli 2000, 2006-1 and 2006-2).

#### Defining organising

We can define 'organising' as follows: 'The reduction of equivocality by actors through ongoing social interaction in order to couple their behaviour in ways that suit the joint performance of certain activities' (Peverelli 2006-2: 73). People are constantly exposed to such a large amount of information that they are unable to cope with it. Actors who have to cooperate in performing a certain task will at first hold different interpretations of various aspects related to that task (equivocality). During their initial interaction, the actors will exchange these interpretations and mutually adapt until a workable degree of common interpretation has been attained. Only through such a process of transforming seemingly chaotic information in intelligible chunks, actors can start understanding their environment, their position in it, their relation to other actors, etc. This process is called: reduction of equivocality. It is a functional process in the sense that it is necessary to make organising possible. It is simultaneously dysfunctional, in that in the course of the reduction process information is discarded as unimportant.

#### The nature of sensemaking

Karl Weick has introduced sensemaking as the core concept of organising. Sensemaking is an approach to thinking about and implementing communication research and practice and the design of communication-based systems and activities. It consists of a set of philosophical assumptions, substantive propositions, methodological framings and methods. In Weick's model, sensemaking virtually equals organising. The organising process has two aspects: the social aspect, the actors, and the cognitive aspect: their sensemaking. During the ongoing sensemaking process, an the resultant coupling of behaviour, groups of actors gradually emerge sharing certain beliefs on reality, particular use of language, common symbols, etc. Weick refers to these groups as social structures. In this respect, sensemaking is not simply about 'making sense,' it is also the basic process of actors gradually forming more and more complex social structures. As sensemaking is a key term in this survey, I will introduce this concept more elaborately.

#### Interlocked behaviour

As a consequence of the sensemaking process, actors will adjust their behaviour to their fellow actors, resulting in interlocked behaviour. Actors can construct a plot of how a certain task can be fulfilled and define roles in that plot for each participating actor. Actors also develop a set of rules to reduce equivocality, which Weick refers to as assembly rules. According to Weick: 'Assembly rules can be viewed as procedures, instructions, or guides that members [of an organisation] use' (Weick 1979: 113). In the Social Integration model these rules are called construction rules, and also include other rules to construct reality.

#### Social structures

Organising, as defined above, has a number of consequences. Before the start of the interaction process, *which is a hypothetical situation, as organising is an* 

ongoing process, actors hold different perceptions on the task to be performed and have not yet formed a (common) opinion on their relative roles in performing the task. At a certain stage a group of actors emerges with a shared view regarding the task, their roles, etc., that they can communicate about the task effectively and can couple their behaviour to perform the task in, what they perceive as, the most efficient way. Such groups are referred to as social-cognitive structures. Socialcognitive structures have two elements:

- The social element: the actors involved
- The cognitive element: their shared perception of reality, common language, symbols, etc.

#### The social element

Actors in social-cognitive structures are linked by social relations. 'Social relations' is a more accurate term to describe these links than the term 'role' which is also frequently used in the academic literature. Although the concept of role does imply more than one person, it does so rather indirectly. Role is still very much regarded as something pertaining to an individual actor. Moreover, actors are attributed a certain degree of activeness in taking on their roles. The term social relation more strongly emphasizes the fact that relations between actors require at least a minimal social situation of two actors. Moreover, actors do not take on a role in a social vacuum. Actors A and B can only have a social relation, if both of them accept it and act in accordance with it. McCall and Simmons (1966: 175) point out that actors involved in a social relation are more than single actors without a relationship: 'Like other social structures, an interpersonal relationship is a social

unit capable of collective action as a unit, not merely the joint action of its members as individuals. A man and a woman, as individuals, are not capable of adopting a child, for example, although a married couple is.'

#### The cognitive element

The cognitive element is a set of processes, common to the actors in the social element, on how unstructured information streams are structured and transformed into knowledge and actions. These include rules governing how unstructured streams of information are divided into intelligible chunks, which in turn will function as building blocks of perceptions on reality. This includes the assembly rules introduced above in the section on sensemaking. Some of those meaningful chunks of information are used so frequently that they become regarded as a separate category called 'symbols.' A highly useful definition of symbol has been formulated by McCall & Simmons (op. cit.: 53): 'If a gesture elicits the same response from the actor and his audience, it is said to be a 'significant gesture,' or a symbol.' This study is adopting this definition, but in a slightly broader sense than McCall & Simmons seem do. We will also regard words and concepts as symbols. and not merely gestures. Once a group of actors who are engaged in the process of making sense of the world in order to couple the behaviour for the most efficient performance of a certain task, or, simply, a group of actors who are organising, agree that one of them will be the leader of that group, then the very word 'leader' becomes a symbol. Every time that word is spoken within the social context of that group, it will evoke connotations related to the leadership status of that actor. Moreover, it will evoke similar connotations in all members of that group. In short: the lingual word 'leader' has become a symbol. In this study, I intend to point out a

number of highly significant Chinese symbols constructed in relation to the Port of Rotterdam.

#### Types of social cognitive structures

The term social-cognitive configuration, or simply: configuration is one of the core concepts of Social Integration theory. It is defined as: 'A relatively small group of actors who frequently interact about a specific topic.' (Peverelli 2006-2: 73). The power of the notion of configuration is that it can describe the social structural consequences of ongoing social interaction without classical terms like 'group,' 'organisation,' 'aggregate,' etc. Those terms basically refer to actors, while the term configuration combines actors, their shared view on reality, their actions based on that view, etc. (Maas 1988: 108-110; Bolk 1989: 35-36; Van Dongen e.a. 1996: 84-85). Moreover, it enables the organisation theorist to describe the emergence of social structures in great detail, in particular combined with another powerful concept of SI theory: multiple inclusions (see below).

I my revision of SI theory in Peverelli (2000), I asserted that the term configuration was very well suited to describe the basic organising processes, the micro-level, but less so on the meso- and macro-level. I introduced the term 'cognitive space', or simply: space Peverelli (2000: 22-40) to refer to all social-cognitive structures. In his revised model of SI theory, configuration is retained and redefined as the smallest type of cognitive space.

Cognitive spaces can be imagined as lying on a gliding scale. On one end there are the configurations with a small social element and a specific cognitive element. Towards the other end of that scale, the number of actors (the social element)

increases and, as a consequence, the cognitive element becomes less and less specific.

#### Organisations

A special section of the imaginary gliding scale can be labelled 'organisations.' Most configurations dissolve quickly after the cause of their appearance has been perceived to have ceased to exist ('the task has been accomplished'). However, some configurations appeal to other actors than those of the original configuration, and start attracting more and more actors. As a result the configurations grow in size, but as a consequence the possibility for any actor to interact with any other actor decreases proportionally. Such 'sticky' configurations cease to be configurations on their way towards the other end of the imaginary scale. At a certain combination of size and cognitive coherence, such social-cognitive structures perceive a need to interact under a common symbol, a name. Moreover, the actors involved feel that they can perform their regular tasks within the context of that structure more efficiently, if they do so in a fixed place: e.g. an office, a plant, a workshop, etc. At that stage, they frequently interact as a group with other similar groups and, once for efficiency's sake, they obtain telephone numbers, e-mail addresses, etc. In the scope of this course, such social-cognitive structures are referred to as 'organisations.'

#### Multiple inclusion

Membership of an actor to certain social-cognitive structure is referred as inclusion. Actors are at any moment included in a large, theoretically indefinite, number of structures. A particular instance of social interaction always takes place

within a specific social-cognitive structure. However, during social interaction, actors can access the cognitive elements of their other inclusions and bring it in in the current interaction. This introduction of new cognitive matter can bring stagnating interactions to live again, and can even lead to the emerging of new configurations. Multiple inclusions are therefore regarded as the motor of organisational change (Van Dongen e.a. 1996: 98-99).

#### Application to this study

Studying topics like the theme of this study can start from two directions. We can make an inventory of ideas, opinions, symbols, etc., and then try to link them to actors using them. This should allow the researcher to determine configurations and spaces. However, we can also apply existing knowledge of the organisation of Chinese society and pre-select a number of contexts. We can then make the same inventory of ideas, etc., but a separate one for each selected context.

I have chosen a mix of both options. This study is a sequel of previously conducted research in relation with the Port of Rotterdam and I have used results of that research to select organisations like the Ministry of Communications, the Port of Shanghai, etc. For the other option, I have made a search for the exact phrase 'Port of Rotterdam is' (*Lutedangang shi*) in the simplified Chinese edition of Google (accessed; 7/72006). The resulting hits (text snippet + URL) have been entered into a database that allows for grouping the findings according a variety of criteria. Due to the limited size for a paper like this, I will limit this text to two topics:

- Rotterdam as benchmark;
- Rotterdam as West end of the Eurasian Continental Bridge.

#### Port of Rotterdam's aspirations for China

This study is mainly occupied with the symbolic construction of (Port of) Rotterdam by Chinese parties. However, in order to understand the consequences of these symbolic values, we need to give a basic look into the way the Rotterdam Port Authority imagines itself in relation to China. I could quote from the numerous discussion with various Port Authority officials, but in line with the research methodology of this study, I will mainly use a highly informative document (*Rotterdam Daily* 2006), which reports on the signing of an alliance between the ports of Rotterdam and Shanghai signed on August 24, 2005, and which contains quotes on various issues that are apparently regarded as essential in this context by the Port of Rotterdam. All quotes in this section are derived from that source. Names of individuals have been omitted to protect their privacy.

Rotterdam's basic aspiration is very simple: it wants to attract as much cargo from China as possible. Or, in the words of the relevant Port of Rotterdam manager: 'for us it is all about cargoes.' However, the cooperation agreement between the ports of Rotterdam and Shanghai, comprises more than sending cargo from Shanghai to Rotterdam. The alliance with Shanghai is viewed as giving Rotterdam 'a link with the Chinese government. And that is a great advantage in establishing contacts with companies there. An official partnership like this opens doors much more easily.'

Shanghai is said to be in need of 'know-how about hinterland transport links, inland waterways in particular.' Rotterdam does want to help it with that, 'but will mainly be using the partnership to penetrate deeper into Chinese logistical chains.' Here 'penetrating' seems to refer to the Yangtze River, as a Port of Rotterdam

representatives states that 'The Yangtze is to Shanghai what the Rhine is to us but much bigger. We want to push our contacts further upstream. Almost at the end of the Yangtze is the city of Chongqing, the centre of a urban area in which 25 million people live.' For Rotterdam It has become clear that decisions about the transportation of goods to Europe and elsewhere are increasingly being made inside China, 'so it is important that we are able to speak to those decisionmakers. We have to explain to them that Rotterdam is the best route for exports to Europe. In the past there were just a couple of state companies that did all that, but now there are many more small logistical businesses. The challenge is to reach deeper into China. In those conversations we have to prove that a container destined for Frankfurt arrives there faster, and so cheaper, via Rotterdam [than via Hamburg].' Finally, the Port Authority hopes to persuade Chinese companies to set up offices in Rotterdam. 'Fiscally, the Netherlands has a number of great advantages over other European countries at the moment.'

A discrepancy between the views of the Ports of Rotterdam and Shanghai already emerge in this text. Shanghai had requested a sister relationship, analogous to that between the municipalities of Rotterdam and Shanghai. The Port of Rotterdam refused this, arguing that it is not interested in a 'subtreaty within a treaty'. However, after repeated Chinese requests, the Executive Board agreed to an official partnership between the two ports 'not as twins, but a special partnership between two unique ports.'

To summarise the Rotterdam sensemaking of its China business development:

- Treaty between the municipalities of Rotterdam and Shanghai includes the respective ports, hence no separate treaty needed for the ports
- Ports of Rotterdam and Shanghai are on friendly terms, but not alike
- Partnership with the Port of Shanghai = door to the government
- Partnership with the Port of Shanghai = means to penetrate deeper into China in particular further upstream the Yangtze
- Penetrating deeper into China = better access to decision makers inside China
- Better access to decision makers inside China = more cargoes from China to Europe via Rotterdam
- Rotterdam is a good location for a European subsidiary of Chinese companies
- It is faster and cheaper to ship goods from China to Frankfurt via Rotterdam than via Hamburg

The quote on goods destined for Frankfurt may seem of secondary importance. However, in the methodology used in this study, such premeditated remarks are regarded as extremely useful cues of the world outlook of actors. Further in this paper, Frankfurt, and other symbols used in the news item quoted here, will play a major role in revealing the wide gap between the self image of the Port of Rotterdam and the image of that organisation 'made by Chinese.'

#### Rotterdam as benchmark

One of the aspects of the Chinese sensemaking of the Port of Rotterdam I have included in my survey is what I have named 'comparisons.' These are statements about Chinese ports which use the Port of Rotterdam as comparison.

Corpora of texts containing the phrase 'Port of Rotterdam' were built by searching the websites of Chinese organisations using the respective site's search engine. The organisations mentioned are not the only Chinese organisations included in this survey. However, the above organisations are the only ones with comparative statements using Rotterdam as a benchmark.

#### Ministry of Communication

The Ministry of Communication is the ministry in charge of infrastructure, including ports. All Chinese ports are part of the hierarchy of the Ministry of Communication, except Qinhuangdao, China's largest coal port, which is operated by the Ministry of Coal. An organisation like the Port of Shanghai reports to Shanghai Municipality, but first of all to Ministry of Communication. Communication between the Port of Shanghai and Ministry of Communication can take place directly, without participation of the municipal authorities.

This probably explains why the Port of Shanghai requested a sister relationship with the Port of Rotterdam, separate from that between the two cities. In the Rotterdam perception, the Port is part of the city. The following comparative statements were found in the context of this ministry (accessed: 23/06/2006):

- Shanghai's container throughput exceeds that of Rotterdam;
- Shanghai exceeds Rotterdam;

- Yangshan Port can compare with Singapore and Rotterdam;
- Qingdao's handling of ore exceeds that of Rotterdam;
- Ningbo and Zhoushan combined would be the world's fourth port after Shanghai, Singapore and Rotterdam;
- The area of Zhanjiang Port is three times that of Port of Rotterdam;

#### State Council Research & Development Centre

The texts in this corpus have been retrieved from a site called Central People's Government, the website of the State Council, China's equivalent of the cabinets in Western European countries. I originally intended to search the site of the State Council Research & Development Centre (SCRSC), China's highest political think tank. However, when surfing to that organisation's search page, you are automatically directed to the site of the State Council itself.

The usefulness of including the State Council in this research is obvious. SCRSC is involved in all major decisions in the field of infrastructure. I visited SCRSC for the SANI survey in September 1996 (SANI 1997) and found it one of our better visits during that visit.

The following comparisons were found (accessed: 23/07/2006):

- Ningbo and Zhoushan combined will create the world's fourth port after Shanghai, Singapore and Rotterdam;
- Shanghai's throughput exceeds that of Rotterdam;

#### Port of Shanghai

This organisation and its relevance for this study do not really need to be introduced (accessed: 23/06/2006).

- Port of Rotterdam admits that it has lost its top position to Shanghai;
- Port of Shanghai has implemented some of the experience with the standardisation of the flow of goods from the ports of Hong Kong and Rotterdam;
- Port of Rotterdam has many things for Port of Shanghai to learn from;
- Port of Shanghai handles more goods per year than Port of Rotterdam;
- Qingdao has become a larger ore port than Port of Rotterdam;
- Asian ships can save 2000 miles, if they transport goods for Europe to Koper in Slovenia, instead of Port of Rotterdam or Hamburg;
- The surface of the port of Zhanjiang is three times that of Port of Rotterdam;

#### China Port & Harbour Association

This organisation was not on my primary list of organisations to be considered in the survey. However, a couple of interesting statements from the China Port & Harbour Association were produced by the Google search (see the introductory section of this paper), which seemed to justify constructing a separate corpus of texts for this organisation (accessed: 21/07/2006).

• Shanghai exceeds Port of Rotterdam in throughput

China Council for Promotion of International Trade (CCPIT) Shanghai subcouncil

The CCPIT positions itself as a Non-Governmental Organisation providing a wide range of services to Chinese and foreign companies related to international trade, including arbitrage in case of conflicts. The various subcouncils operate rather independently. I selected the Shanghai subcouncil for this survey, as it can be expected to be more involved with port related matters than its sister organisations (accessed: 17/07/2006).

• Port of Shanghai exceeds Port of Rotterdam in throughput since 2004

#### Discussion

The comparative statements can be roughly divided into two categories: statements that say that a certain Chinese port is like the Port of Rotterdam in a certain aspect and statements saying that a certain Chinese port exceeds the Port of Rotterdam in a certain aspect. Only one statement (found in two corpora) says that two Chinese ports are smaller than the Port of Rotterdam, but still, only one position under Rotterdam. In other words: these ports are 'almost' like Rotterdam. This use of Rotterdam as a benchmark is hard to define. One could state that Rotterdam is an idol, something you aspire to be. However, simultaneously the Chinese are proud that some of their ports exceed that of Rotterdam in certain aspects, like container throughput, ore handling, etc.

The Port of Rotterdam seems to be perceived as the leading port in the world from a holistic point of view. Even though Shanghai's container throughput is higher than that of Rotterdam, Rotterdam still has the edge in a number of other aspects. Shanghai exceeds Rotterdam on one aspect, but Rotterdam is still ahead of Shanghai in the holistic perspective. The same applies to the ports of Qingdao (ore handling) and Zhanjiang (area). This explains why hardly any such comparative statements are found in the corpora constructed during this survey for other main European ports.

These comparative statements are a consequence of the Chinese propensity to construct identity interactionally. Westerners, in particular Northwest Europeans like Dutch, British and their descendants in regions like North America, tend to construct their identities from a singular self perception of the individual or group: 'this is what I am/we are.' We use these identity constructs to differentiate ourselves from others, so in that sense it is also a interactive in nature, but a rather indirect way. In my study of Chinese corporate identity I already pointed out that being like (one of) your competitors is something that Western companies strive to avoid (Unique Selling Proposition), while for Chinese companies it is often a source of pride (Peverelli 2006-1: 217ff.).

My consulting practice seems to indicate that this difference in constructing identity is one of the major sources of misunderstanding between Western and Chinese companies. We can observe such a misunderstanding (identity conflict) in the Dutch newspaper article quoted above. The Port of Rotterdam perceives itself as an unalienable part of Rotterdam. As a consequence it does not see any need for another separate sister relationship with the Port of Shanghai. The Port of Shanghai constructs different identities in its interaction with Shanghai Municipality and the Ministry of Communication. When requesting a sister relationship with the Port of Rotterdam, it did so from its identity as a Chinese main port, which is constructed in relation with the Ministry of Communication. We may presume that the Port of Shanghai would have been rather disappointed about Rotterdam's refusal to a full sister relationship. However, its perception of the Port of Rotterdam as holistically the leading port in the world was probably still sufficient for the Port of Shanghai to accept a lower degree of partnership.

#### Rotterdam and the Eurasian Continental Bridge

The Eurasian Continental Bridge (EACB) is an umbrella term linking a number of railways imagined to link Chinese main ports with their fellow ports in West Europe. Chinese sources often distinguish between the old EACB, which includes the Trans-Siberian Railway, and the new EACB, sometime referred to as the 'New Silk Road,' which is said to run from the Chinese port of Lianyungang/Rizhao to Rotterdam/Antwerp. The latter links a number of major Chinese cities, including provincial capitals like Zhengzhou (Henan) and Xi'an (Shaanxi) and leaves China at the China-Kazakhstan border. The term EACB has been in use in China since the early nineties of the previous century and its realisation is regarded as a major issue in the development of Chinese infrastructure by the national government. Although China incessantly tries to interest European governments in the project, EACB has so far gained little attention in Western Europe. Within the Port of Rotterdam, e.g., it is not regarded as a viable alternative for sea transport. One the Chinese side, however, a number of statements regarding the relationship of Rotterdam and EACB can be found. The following is an inventory of the corpora constructed during this study.

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#### Ministry of Communication

For an introduction see the previous section.

- New EACB from Lianyungang to Rotterdam (currently finished to the middle section, the extension to Rotterdam has not yet been made);
- New EACB from Lianyungang to Rotterdam, Lianyungang handles more than 90% of the international goods on the track;
- Modern environmental road from Rotterdam in the West to Xi'an in the East;
- Railroad from Lianyungang is a new Silk Road ending at the Atlantic coast at Rotterdam;
- The new Silk Road is longer than the old one, it starts at Lianyungang in the East and ends at Rotterdam in the West;

#### State Council Research & Development Centre

For an introduction see the previous section.

- The New Silk Road leaves the country at Alashan Pass ... and finally ends at Rotterdam;
- EACB is a railway from Lianyungang in China to Rotterdam in the Netherlands;
- EACB starts in the East at Lianyungang and Rizhao and ends in the European ports of Rotterdam and Antwerp;

- EACB, an international economic boulevard crossing the Eurasian continent, starting in the East in Lianyungang and end in the West at Rotterdam, crosses Shaanxi province;
- EACB that starts in Lianyungang in Jiangsu, China, and ends in Rotterdam, The Netherlands, crosses Henan province;
- EACB that starts in the East at Lianyungang and ends in Rotterdam crosses Jiangsu province;

#### National Development & Reform Commission

The National Development & Reform Commission (NDRC) is a ministry-like organisation in charge of economic reform. The period of economic reform has started around 1979. In spite of the rapid developments since then, the central government has notably reached its objective to stay in control and NDRC is an important government body in this process. One source from which NDRC regularly derives ideas is monitoring similar process in other countries. This makes NDRC a potentially interesting organisation to include in this study, as it may or may not regard the Port of Rotterdam as a source of inspiration.

- Yangshan Deep Water Port Distribution Centre can link up with EACB to transport goods directly to Rotterdam;
- EACB starts in the East at Lianyungang and Rizhao and ends in the West at Rotterdam and Antwerp;

*China Council for Promotion of International Trade (CCPIT) Shanghai subcouncil* For an introduction see the previous section.

 Mayor of Rotterdam refers to Eurasian Express Way, with Rotterdam as one end and Shanghai as the other

#### Discussion

Regarding this topic, we can observe a slightly different way of sensemaking in different cognitive spaces. In the corpus of the Ministry of Communication the new EACB runs between Lianyungang and Rotterdam, while the State Council Research & Development Centre (SCRDC) uses the broader definition, that allows for two ports at each end, Lianyungang and Rizhao in the East and Rotterdam and Antwerp in the West. Another observable difference is that in the parlance of the Ministry of Communication the metaphor New Silk Road is used, but only mentions one other Chinese city: Xi'an, which has strong links with the historical Silk Road. SCRDC on the other hand emphasises that this rail link between East and West runs through a number of Chinese provinces and cities. It also stresses EACB's economic importance with the use of the metaphor 'economic boulevard.'

The National Development & Reform Council (NDRC) also uses the broader definition, but goes even further by adding Shanghai's latest port project, Yangshan Port, to EACB as well. This becomes even more interesting, if we consider that no EACB reference is found in the Port of Shanghai corpus in this study. Apparently, the link between EACB and Shanghai is made by the central government in Beijing, but not (or less so) by the Port of Shanghai itself. Another interesting statement is the one found under the Ministry of Communication, that says that the 'extension to Rotterdam has not yet been made.' This confirms the imaginary status of EACB; it is perceived as ending in Rotterdam, but does not (yet) do so physically.

However, the most interesting aspect of most of the above statements, in particular in connection with the Port of Rotterdam's aspirations for China, is that Rotterdam is mentioned as the typical Western end of EACB, but hardly ever as a destination for cargo. This seems to indicate that Rotterdam is used in a rather symbolic way, as the symbol of the West end of the EACB, rather than the end of a transportation channel. It makes one wonder, if this 'bridge' has ever been intended to be used for the physical transportation of goods to West Europe.

This has indeed been the case, though regular transportation has started only recently. A major Chinese logistics website reports on the start of a container transport flow from Huhhot (the capital of Inner Mongolia) to Frankfurt (Jctrans 2006). The article reports that, after a year of testing, this transportation line has officially been launched on November 2, 2006. The service uses the old bridge (the Siberian route) and is based on an agreement between the railroad authorities of China, Russia, Mongolia, Belarus and Germany. The most striking detail in this text is that a number of goods on this particular train and their final destination are mentioned. These destinations do not include Frankfurt, which is mentioned as the end of this transport service. Frankfurt here seems to have a symbolic meaning. This detail strikes me, as it coincides with mentioning of Frankfurt as an important destination of Chinese goods entering Europe through the Port of Rotterdam. The

Rotterdam Port Authority and the Huhhot Railway Bureau Foreign Economic Technical Cooperation Group both use Frankfurt, the financial capital of the European Union, as the symbol of the European destination of goods from China. However, while Rotterdam exclusively sees these goods as being transported over sea, the Inner Mongolians perceive a choice: the sea or EACB. The latter option is regarded as cheaper and faster, hence a real option for smaller batches.

A common aspect between the theme of this section and that of the previous one seems to be that here as well the people in Rotterdam seem to use a singular identity construct: 'we are a port.' As a consequence all marketing activities of the Port of Rotterdam are aimed at stimulating parties all over the world with goods to ship to Europe send the through Rotterdam. Also the further transportation of goods from a main port is mainly understood as transportation over rivers, both in Europe (Rhine) as in China (Yangtze). The Hohhot Railway Bureau obviously perceives itself as primarily affiliate with the railway, but also considers sea transport. For some batches sea transport is still the best option, while others could be sent to Europe over land. I have mentioned this difference between (West) Europeans and Chinese in earlier publications. In Peverelli (2000: 52-58) I described how the Chinese joint venture of a Dutch retailer failed due to its singular perception of that project. The main theme of Peverelli (2006-2) is to describe how the Chinese partner of a Dutch dairy company makes sense of their joint venture in different ways in different cognitive spaces. The fixation of the Port of Rotterdam on water transport is even more remarkable, when we consider that a major railway for the transportation of cargo from Rotterdam to the German industrial regions is nearing completion.

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There is linguistic aspect as well. While the question whether language is a product of sensemaking, or vice versa, is unsolvable, the restrictive effect of language on sensemaking is apparent. Here it will suffice to presume that language, or more precisely: a common vocabulary is a product of sensemaking. However, once a social structure starts using a certain term (a lingual symbol), the use of that word will evoke a complex set of connected ideas. When any of the readers of this text hears or reads the word 'tax,' this not only evokes the system of taxation, but simultaneously feelings of regret that the State takes away so much of our income, etc.

A typical Chinese term for 'point in a border through which goods and people enter and leave the country' is *kou'an*. This term is translated as 'port' in many dictionaries, but it comprises land border crossings as well. *Gangkou* on the other hand, means water port, but not necessarily a border crossing. A small river port is still a *gangkou*, but not necessarily a *kou'an*. The Port of Shanghai is both. Alashan at the China – Kazakhstan border is only a *kou'an*. On the other hand, Beijing is a *kou'an* as well, as the Beijing Customs are allowed to clear goods for sending abroad from Beijing, by whatever mode of transportation. Shanghai as a *kou'an*, does not only mean that goods can leave Shanghai through one of its sea ports. A cargo can be cleared by the Shanghai Customs and loaded on a train to any foreign destination, etc. In other words, the term (symbol) 'Port of Shanghai' as used in English (or Dutch, spoken in Rotterdam) covers two different Chinese terms: *Shanghai gang* and *Shanghai kou'an*. The first refers to the physical port, while the second represents the port as a point of entry or exit of goods. At this point of my research, I am not ready to discuss the consequences of this difference in more detail, but it is necessary to point it out here for a more complete understanding of all the finesses that are involved in the research of sense making.

A final aspect to be considered regarding the choice between water and land transportation is the historical one. The Dutch are a sea faring nation. The Netherlands is geographically a small country and 'abroad' is never far away. Holland, which is officially only the Western part of the The Netherlands, with its long sea border, developed remarkable skills in ship building, navigation, cartography, etc., ahead of most other nations. Already several centuries ago, intercontinental cargo for many European urban centres reached their destination through The Netherlands, enabling the Dutch to become one of the world's prime trading nations.

Although China also has a large coastal region, due to the enormous size of the country, it is still considerably smaller than the land border. More important, however, is the fact that the Chinese have, until recently, mainly been an agrarian nation. People who are bound to the land are less likely to develop an interest in going out to the sea to explore other continents, or develop strong mercantile skills (Fairbank e.a. 1973: 200). The cultural gap between China Proper and most of its peripheral regions gave the Chinese a feeling of superiority, that is reflected in the name *Zhongguo*, 'Middle Country.' The peripheral nations regularly sent envoys with gifts to pay tribute to the Chinese court, so why bother to go abroad yourself. This perception in some periods evolved to a fear of foreign things and people.

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The word for ocean (*yang*) was used in a neutral sense to indicate non-Chinese people and their artefacts. However, words containing the prefix yang very often had a rather negative connotation. At one time, in the Ming Dynasty, the fear of aliens from overseas became so fierce, that the government issued a so called Maritime Prohibition (*Haijin*), according to which contact between Chinese and foreigners was to take place only by means of the above mentioned tribute missions. When the sea faring Europeans, including the Dutch, reached the Chinese coast in the 17<sup>th</sup> century, and tried to engage in trading as they were doing elsewhere, the Maritime Prohibition was a major source of conflict between them and the various local governments (Andrade 2004).

Although the Maritime Prohibition has been lifted for a very long time, the continental inclination in the Chinese self perception seems to be very much alive today. The Chinese government recognises the need to develop strong main ports, but pays equal attention to the development of continental modes of transportation. Moreover, sea ports are located at the border. Once a cargo ship has left the port, it is very quickly outside the national territory. Most goods shipped by train remain in China for some time. In the case of the goods from Huhhot, the route to the border is also quite short, but a train departing from one of the major urban centres in China Proper to, e.g., Frankfurt, will be already almost half way, when it passes the China – Kazakhstan border. Almost half of the 'New' EACB runs on Chinese soil, and the soil is sacred in the Chinese perception; unlike the sea, which still inspires fear and suspicion in the minds of many Chinese.

#### Conclusion

A common aspect of the two themes discussed in this paper is the difference between the Dutch and the Chinese way of constructing identity. Where the Port of Rotterdam has a strong propensity to define its identity in a singular way, Chinese organisations seem to construct identity in an more interactive way. As a result, Chinese organisations construct multiple identities in multiple social contexts. The Port of Rotterdam's counterpart, the Port of Shanghai, e.g., constructs an identity in its relation with Shanghai Municipality, but a (slightly) different one in its interaction with its mother organisation (or in Chinese: mother-in-law; see Peverelli (2006-1: ), the Ministry of Communication.

This difference is continued in the way each party makes sense of the other. The Port of Rotterdam makes sense of the Port of Shanghai in a similar fashion as it makes sense of itself, and vice versa. Neither party is apparently able to notice this difference nor how it hampers the development of their relationship. A possible explanation is that the difference is rather subtle, perhaps too small to be noticed by untrained actors. However, it is still large enough to disturb the interaction between the two ports.

Sensemaking: Rotterdam and Shanghai are sister cities, which implies that the respective ports are already sister ports. Decisions for the shipment of cargo are made by local governments. Port of Shanghai is a gateway to the local governments.

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**Recommendations:** 

- <u>Actions</u>: refuse a request from Shanghai for a sister relationship, but agree to a partnership
- <u>Sensemaking</u>: Rotterdam is overall the world's leading port. A relationship with PoR adds symbolic value to the Port of Shanghai. The closer the relationship is defined the higher the value. A sister relationship is the closes type of relationship
- Actions: request a sister relationship, but still agree to a partnership

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the Port of Rotterdam. The total number of texts, searched in various ways using

database and concordance software is approximately 3000. The locations of these

texts have not been included in this reference section.

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