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A study on the interaction between civil business groups and the state from the perspective of public sphere theory—A comparison between the Shanghai branch of the China association and the Philippine Chinese charitable association Inc.

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Abstract: This article attempts to use public sphere theory as a starting point to compare the behavior of the British government in protecting the interests of British business in China in the 19th century with the Chinese government's neglect of the interests of Chinese business in the Philippines. Mill's method of finding identities will be used. This article uses the Shanghai Branch of the China Association and the Philippine Chinese Charitable Association Inc. as representatives of civil business groups in the UK and China. For the UK, due to the public sphere of competition with the central government within the UK, civil business groups must consult with relevant civil business groups when implementing any economic foreign policy. This process promotes consensus between the British government and society to promote the British government's determination to maintain British business in China. However, for China, due to the absence of a public sphere where the central government interacts with society, even though Chinese civil business groups have huge interests overseas, the state and society have always been unable to form a positive interaction. At the same time, this situation also results in Chinese business in the Philippines having to rely on their abilities to maintain their local interests.

Keywords: business in China; Shanghai branch of the China association; Philippine Chinese charitable association Inc.; public sphere; civil business groups

1. Introduction

For a long time, the interaction between the state and society has been a concern of many scholars. The political decisions or foreign policies made by the central government as a representative of the state have more or less influenced the interests of different groups in society. Especially in the economic aspect, whether the state takes into account the interests of civil business groups in the “public interest” is the key to positive interaction. Generally speaking, “public interest” is considered as a national interest. If a state wants to effectively mobilize its members of society, it must have the ability to take into account the “public interest” of the majority of its members. According to Mike Feintuck's discussion of “public interest”, it can be found that “public interest” roughly has three functions. The first function, “public interest” is as a means of legitimizing intervention in private behavior. To shape citizens who are highly bound to their relationships, the state will attempt to change their living conditions to possess the core values of the state. The second type of governance and function, “public interest” is the function of the “arena”, that is the

ability of the “public interest” represented by national interests. In other words, what extent do national interests represent the public. The third function is whether social actors can consciously represent the “public interest” and interact with the state (Feintuck, 2014). However, if we consider civil business groups as a part of society, why do some countries strongly support these groups to make the interests of the state and society effectively bound together? However, in some countries, conflicts between the state and society arise due to differences in their interests.

During the period from the 19th century to the early 20th century, as one of the most important countries in the world, Britain not only could safeguard national interests overseas but also greatly protected the interests of British business in China. For example, when discussing the issue of increasing tariff on China with the Chinese government, the British government not only solicited opinions from British business organizations in China, such as the Shanghai Branch of the China Association. The British government is also actively negotiating with other private chambers of commerce in its home state to ensure the maximization of public interest. On the contrary, China is not only unable to safeguard the basic sovereignty interests of the state but also unable to safeguard the interests of Chinese business in Southeast Asia. For example, the Philippine Chinese Charitable Association Inc., a Chinese business association in the Philippines, actively sought help from the Chinese government during the Spanish-American War, but still had to rely on its own self-supporting.

Why did Chinese and British civil business groups receive different feedback from the state on similar interest demands at the same time? Why is there such a huge difference in the attitude of the Chinese government and the British government towards domestic business groups? This article will take such questions as the starting points for discussion.

2. Literature review

Based on the above topics, we can roughly focus on two parts for discussion: “British businessmen in China in the 19th century” and “Chinese businessmen in the Philippines in the 19th century”.

In the first part, some scholars believe that the British government originally intended to maintain “informal diplomacy”, but because the interests of British business in China were damaged, they turned to supporting the British force against China to change China’s foreign trade system (Zhang, 2014; Zhang, 2011). Regarding the game between British business in China and the British government, Li Kuanbai believes that it is a competition between the principles of free trade and monopoly trade in the UK (Li, 2005). Pelcovits argued that it was the conflicting interests of the British government and British businessmen in China that have led to the decline in trade with China in the Shanghai branch of the China Association (Pelcovits, 1948). However, due to the small group of British businessmen in China, current research has mainly focused on the relationship between British civil business groups, the East India Company, and the British government. These researches have not explained why the British government reached a consensus with civil business groups, leading to a change of British foreign policy.

In the second part, the current academic discussion has only focused on the Chinese business network in the Philippines or the historical significance of charitable organizations (Song, 1995). These studies did not discuss how the Charity Commission, as a self-supporting organization for overseas Chinese businessmen, interacted with the government and why the Chinese government in the 19th century was unwilling to support this group. Gong Ning and others discussed how the Philippine Chinese businessmen played games with local businessmen in the 19th to 20th centuries to earn profits. This study slightly touches on the strategies of Philippine-Chinese business networks. However, it does not address the interaction between Chinese business groups in the Philippines and their home country (Gong, 2020). Chen Zhongping focused on the network structure of Chinese chambers of commerce (Chen, 2023).

In summary, there is currently no in-depth and systematic research in the academic community on British businessmen in China in the 19th century or Chinese businessmen in the Philippines. At the same time, there was no discussion on the issue of concern in this article why Chinese civil business groups and British business groups have received different feedback from the state on similar interest demands. However, the two chambers of commerce faced the same situation during the same period. There must be some difference between the two which led to very different results. Therefore, we chose these two chambers of commerce as the subjects of study to find out how they differed in their interactions with their motherland.

3. Research method

We use Mill's method of finding identities. Mill believed that if an attribute is a necessary condition. If an effect exists, it must always exist. The method for identifying causal connections between phenomena. That is, if the phenomenon under study appears in the first place, it does not appear in the second place; And only one of the two occasions is different, and this situation occurs in the first and not in the second. The only different case, then, is the cause (or effect) of the phenomenon being studied. We are interested in examining the situations where there are effects, while paying attention to which attributes exist and which do not exist among those considered "possible necessary conditions". Any attribute that does not exist when an effect appears cannot be a necessary condition for the effect. Based on the logic of seeking common ground, we will analyze the similarities between the UK and the Shanghai Branch of the China Association to China and the Chinese Charitable Association Inc. as identify patterns.

- 1) Comparing the public interest demands and social interaction between China and Britain in the 19th Century.
- 2) Comparing the interaction between civil business groups and the "Public Interest" of the home State between China and the UK.
- 3) Analyzing the conflict between the interest demands of civil business groups in China and the UK and the "Public Interest" of the home State.

Reviewing the interaction between the foreign policies of China and the UK and the legitimacy perception of the "public interest" of civil business groups.

4. Research hypothesis & theory

Throughout the international environment of the 19th century, whether it was the British Chamber of Commerce in China or the commercial activities of Chinese businessmen in Southeast Asia, they were both spontaneous commercial organizations. They were a part of society exercising civil rights. To explain the interaction between the state and civil business groups, this article will be revised based on Habermas' theory of the "public sphere" as the framework. The historical excurses on the rise of a functioning public sphere in the political realm remain abstract as long as they are confined to the institutional interrelations of public, press, parties, and the parliament, amid to the tension-charged field in which authority and publicity confronted each other (Habermas, 1989). Habermas believed that the public sphere was a platform which consists of various dialogues. Every dialogue between actors promotes its aggregation into a public group. When actors (including the state) engage in dialogue regarding their interests, issues related to private interests become public issues, resulting in an interactive field that affects the cognition between actors (Habermas, 1999). Habermas well explains the process of the game between the state and society. His explanation is that if there is an interactive platform between the state and society, there should be no (too many) contradictions in the interaction between the state and society. However, the fact is that some countries do not have a public sphere in their interaction with society. Some countries and societies may have a public sphere which may not necessarily leading a consensus. Therefore, to explain the interaction of the Chinese businessmen in Southeast Asia with China, we need to revise the public sphere theory.

Regarding the relationship between the public sphere and consensus, Habermas well explains the formation of consensus between the state and society. A consensus will be formed, which represents the trust relationship between the state and society. Consensus can help civil society trust the behavior of the central government representing the state. At the same time, the public sphere is also a type of "rites d institution". The "recognition ceremony" is a way of reproducing social rules to achieve the effect of the state's authority over social construction. The "recognition ceremony" not only occurs in various units authorized by the state (such as schools) but also in the feedback of society on the legitimacy of the state (central government). Therefore, we can say that the "public sphere" is crucial for the interaction between society and the state (Bourdieu, 2023a; 2023b).

The significance of the "public sphere" also illustrates the logic of interaction between the state and society. Although the state has absolute control over society, society follows two patterns of feedback towards the state. One is "conformism logic". "Logical obedience" means that society and the state form a common logical category, achieving mutual spiritual identity. In short, society's rule over the state is a "trust" attitude. The second type is "moral obedience". "Moral obedience" refers to ethical participation in a shared domain of shared value. Ethical value sharing means that society follows the norms set by the state (Bourdieu, 2023a).

From the above examination of the relationship between "consensus" and "public sphere", we can observe that society always relies on the recognition of its rights by the state. Therefore, we will use the variables of "public sphere" and

“social dependence on the state” to explore the causal mechanism of the interaction between the state and society.

Assumption 1: When a state’s public sphere exists and society has a high degree of dependence on the state (obedience and trust coexist), it indicates a positive interaction between the state and society. In this situation, the state will support society and develop colonial organizations.

Assumption 2: When a state’s public sphere exists, and the degree of social dependence on the state is low (obedience and trust only exist on one side). It indicates that the state and society have only reached a partial consensus, but adhere to the principle of mutual interaction.

Assumption 3: When a state’s public sphere does not exist, but the degree of social dependence on the state is high (obedience and trust coexist), it indicates that the state directly governs society, but the society lacks autonomy.

Assumption 4: When a state’s public sphere does not exist, and the degree of social dependence on the state is low (obedience and trust only exist on one side). It indicates that society can only ensure its interests through self-supporting. We present the logic of the above hypothesis in the following **Table 1**. At the same time, we attempt to illustrate our analytical logic in **Figure 1**.

Table 1. Public sphere-dependence hypothesis (self-drawn by the author).

	Public sphere exists (Consensus exists between the state and society)	Public sphere does not exist (No consensus between the state and society)
The high degree of dependence of society on the state (Obedience and trust coexist)	The state supports society and develops colonial organizations.	The state directly governs society. Society lacks autonomy.
Low dependence of society on the state (There is only one aspect of obedience and trust)	The state and society have only reached a partial consensus. But they adhere to the principle of mutual interaction.	Society can only ensure its interests through self-supporting.

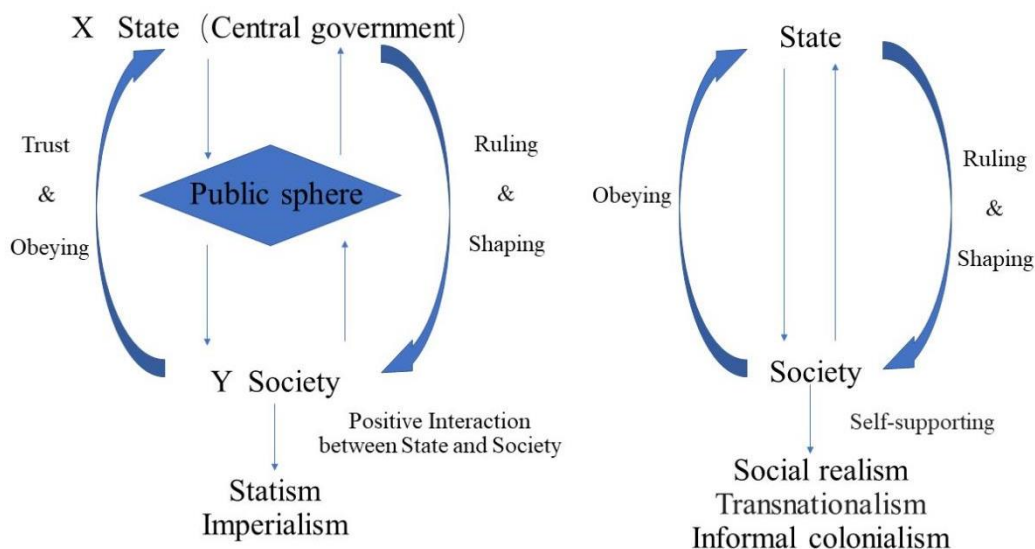


Figure 1. The analysis logic of public sphere-dependence (self-drawn by the author).

5. Result

5.1. Shanghai Branch of the China Association

5.1.1. Proposal of the issue of canceling likin and increasing tariff: Positive interaction between the Shanghai Branch of the China Association and the British government

In terms of economy, the Shanghai branch requested abolishing the likin barriers. To solve the financial crisis caused by the suppression of the Taiping Rebellion, the Chinese government established likin barriers (Luo, 2010). From then on, indiscriminate collection of likin seriously hindered the smooth flow of goods throughout the state. To further develop trade with China, British businessmen in China were eager to abolish likin barriers. They seek support from the British government. After the Boxer Rebellion, the British Consulate-General in Shanghai consulted with the Chamber of Commerce. The Shanghai branch strongly demanded to abolish likin barriers (Dudgeon, 1901). Faced with the global decline of the British Empire, responding to the United States' demand for an "open door", the British government supported the demands and promoted the issue of canceling likin into the negotiation of the Renewed Treaty of Commerce and Navigation between Britain and China.

In terms of diplomacy, the Shanghai Branch of the China Association required that tariff increases must be based on canceling likin. To obtain the Boxer Indemnity as soon as possible, Germany, Russia, France, and other countries proposed increasing import tariffs on China to 10% (Liu and Liu, 1984). This move would increase the cost of the Shanghai Branch's trade with China. After learning about it, the Shanghai branch called the London headquarters of the Chinese Association to oppose that any tariff increase should be with something returns (Dudgeon, 1902a). It was difficult for individual units to obtain public power. But when many individual units acted together, it was possible to compete with the state. The Shanghai branch, through the London headquarters of the China Association, liaised with many British chambers of commerce engaged in trade with China to jointly exert pressure on the British government. The Chinese Association had extensively sought support from the Bristol Chamber of Commerce, Leeds Chamber of Commerce, and Liverpool Chamber of Commerce for the proposal of canceling likin and increasing tariff (Spear, 1901; Calvert, 1901; Barker, 1901). Under pressure from the British business groups, the British government representative stated at the negotiation of the Boxer Protocol that if the tariff was raised to more than 10%, the Chinese government should cancel likin (Wang, 1985). The issue had also been recognized by the major powers. But at this moment, the focus of the negotiation was the aftermath of the Boxer Rebellion. The issue of canceling likin and increasing tariff was scheduled to be carried out later.

In terms of internal affairs, the Shanghai branch requested an adjustment in the composition of the negotiation of the Renewed Treaty of Commerce and Navigation between Britain and China mission. The British government appointed Sir James Lyle Mackay, a British businessman who had been long engaged in shipping in India, to lead the negotiation (Chen, 1995). British businessmen in China were unwilling to

let their interests be influenced by British businessmen in India. The Shanghai branch immediately wrote to the British government to express strong dissatisfaction (Gundry, 1901). The British government did not cancel Mackay's appointment. Therefore, Charles John Dudgeon, the chairman of the Shanghai branch, was elected as a treaty assistant as a compensation (Bolitho, 1936). This showed that the British government had recognized the importance of the Shanghai branch in Chinese issues, allowing British businessmen in China to participate directly in the entire negotiation process.

5.1.2. Planning about canceling likin and increasing tariff: A partial consensus between the Shanghai branch and the British government

In terms of economy, the Shanghai branch required that the import tariff on China should not be too high. Firstly, the Shanghai branch launched a collective appeal to the British government through an organizational motion. In January 1902, Mackay and the committee of the Shanghai branch jointly formulated a plan for canceling likin and increasing tariff. However, most ordinary members were dissatisfied with the proposal to increase the tariff rate to 15%. To address this issue, the Shanghai branch held a plenary meeting on March 3rd to vote on it. The vote at the meeting rejected the Mackay's plan (Mackay, 1902a). Without the support of British businessmen in China, there would be a lack of practical implementers of policies towards China. The British government adopted a cooperative attitude after that. The British government actively attracted committee members, attempting to use the support of the elite class to control the outcome of the rally. Both Charles John Dudgeon and the new Shanghai branch chairman James L. Scott had reached a cooperative relationship with the British government. The committee declared the resolution invalid on the grounds of excessive abstention and reconvened the meeting (Dudgeon, 1902b). Mackay submitted to Scott the whole plan of canceling likin and increasing tariff, suggesting to express details at the next meeting to win the recognition of members (Mackay, 1902b). Given the difficulty in reaching an agreement with the British government, the Shanghai branch had also actively sought support from other organizations with common interests. When the Manchester Chamber of Commerce learned about the situation in Shanghai, it objected to the British government's plan (Manchester Chamber of Commerce, 1902). The statements of local businessmen made the British government realize that opposition was not limited to China. The British government didn't intervene forcefully in the second assembly of members of the Shanghai branch. After rejecting the original plan again at the second meeting, the British government chose to listen to public opinion and invited representatives from the chambers of commerce to jointly adjust the plan. Under the coordination of Robert Edward Bredon, the deputy general tariff department of customs, the tariff rate increase was reduced to 12.5% (Editorial Committee of the Series of Modern Chinese Economic History, 1994). Despite taking so many methods, the British government was unable to completely shake the stance of British businessmen in China due to the existence of the Shanghai branch. The British government had ultimately to make compromises.

Secondly, the Shanghai branch intervened in British government decision-making by appealing its claims to the media to create public pressure. *The North China Herald*, an influential newspaper founded by British businessmen in China, had become one of the most powerful public opinion tools for the Shanghai branch. After the announcement of the plan of canceling likin and increasing tariff, Edward S. Little, a member of the Shanghai branch, wrote a manual titled *China's Income and the New Treaty: Protests against Tariff Increasing, from a Merchant's Perspective* to promote public opinion against the plan (Little, 1902). The editorial department of *The North China Herald* printed and published this manual, which not only affected the attitudes of many members at the Shanghai branch but also sparked widespread discussion among the British public. Many opponents who were directly involved in China's trade used media such as *The North China Daily News* to raise a large number of persuasive objections. Mackay sent all the newspaper clippings to the Marquess of Lansdowne, regretfully stating most of the comments were against the plan (Mackay, 1902c). Almost of all English newspapers in China represented the interests of British businessmen. The British government had failed in the public opinion arena which leading a concession on the amount of tariff increases.

In terms of diplomacy, the Shanghai branch requested the British government to force the Chinese government to expand the scope of the likin barriers abolition. The abolishing likin barriers plan originally proposed by Mackay did not include salt barriers and local opium barriers. The Chinese government had emphasized the differences between the above and likin barriers, as well as the importance of collecting taxes on the mainland. If the actors have specific interests, they strive to maximize their utility (Milner, 1997). The Shanghai branch insisted these barriers were as same as likin barriers which must be abolished. The Shanghai branch criticized fiercely by publishing a series of articles in newspapers. These articles pointed out if the salt barriers and local opium barriers were not abolished, the extortion of goods circulation would continue to exist. Under the pressure of public opinion, Mackay proposed the abolition of salt barriers and local opium barriers at the Treaty Amendment conference. Sheng, who was a Chinese treaty envoy, expressed confusion and opposition to the sudden expansion of the scope (Editorial Committee of the Series of Modern Chinese Economic History, 1994). The British government compromised by renaming the salt barriers to salt reporting stations, and the local opium barriers to opium stations. Without appreciating it, the Shanghai branch launched another public opinion offensive. British businessmen in China pointed out that salt barriers were only nominal extinction. However, salt tax and opium tax were both important sources of fiscal revenue for the Chinese government, especially used to offset foreign debts, including those of the UK. The British government was unable to support the Shanghai branch's demand. In the end, the British government set an ex-factory tax in exchange for recognition of the plan by local British businessmen. The Shanghai branch was forced to accept the result.

In terms of domestic affairs, the Shanghai branch requested the British government not to add the ex-factory tax. The British government wanted to add an ex-factory tax on machinery products in China to balance the trade cost difference between British businessmen in local and in China. The Shanghai branch opposed it to avoid increasing the cost of machinery manufacturing in China. As an

intermediary between the British government and the Shanghai branch, Charles John Dudgeon had become a special public sphere presence. Dudgeon wrote a letter to Mackay acknowledging that the ex-factory tax could avoid vicious competition caused by overcapacity. But he also pointed out that the tax rate was too high (Dudgeon, 1902c). At the negotiation meeting, he called on both delegations not to forget the difficulties of developing industry in China (Editorial Committee of the Series of Modern Chinese Economic History, 1994). However, Mackay stated that the ex-factory tax was imperative to promote the local British businessmen's approval of the plan. The British Ministry of Foreign Affairs convened representatives from the China Association, the Manchester Chamber of Commerce, the Glasgow Chamber of Commerce, and other groups to review the new plan of canceling likin and increasing tariff. At last, it was unanimously approved (Lansdowne, 1902).

On September 5, 1902, the Renewed Treaty of Commerce and Navigation between Britain and China was signed (Wang, 1957). British businessmen in China launched a new public opinion offensive, lamenting that the Treaty was solely for the benefit of the British government and local British businessmen (The North China Herald, 1902). However, compared to British businessmen in China, the larger group of local British businessmen had a more important influence on the decision-making of the British government. The ex-factory tax was ultimately added. The Shanghai branch held a general meeting to requested the adjustment of ex-factory tax. The resolution was forwarded to the British Ministry of Foreign Affairs (Nelch, 1902). In the view of the British government, the Shanghai branch just demanded the resolution of the likin without bearing the loss of ex-factory tax. It was difficult to safeguard all interests. In the end, the Shanghai branch's request was not responded to.

In the issue of canceling likin and increasing tariff, the British government (public/government actors) engaged in a fierce game with the Shanghai branch (private/non-governmental actors). The Shanghai branch exerted pressure on the British government through collective motions, public opinion attacks, and other means, which was a manifestation of private actors attempting to extend their power to the public space. The British government adopted administrative coercive orders, differentiated organizational structures, and other methods to maintain its authority in public affairs.

However, the ultimate goal of the game between the Shanghai branch and the British government was still to pursue the maximum common interest. Although the British government used various means in this issue to try to suppress the claims of the Shanghai branch. The Shanghai branch also used various methods to pressure the government to change policies based on the opinions of British businessmen in China. However, the British government has always provided a platform for communication and cooperation. The various demands of the Shanghai branch had not deviated from this platform. It was obvious that the British government fully understood that under a market-oriented system, public affairs were in the hands of two leading group. They must do their best to cooperate (Lindblom, 1997). Based on a mutual compromise, the two bodies reached an agreement on the issue of canceling likin and increasing tariff, which provided convenience for British business in China.

The Shanghai branch also had to accept an additional ex-factory tax on machinery products in China, to safeguard the interests of local British businessmen.

5.2. Philippine Chinese Charitable Association Inc.

5.2.1. The issue of establishing a consulate of China in the Philippines: The informal colonialism of the Philippine Chinese Charitable Association Inc.

In terms of economy, the Philippine Chinese Charitable Association Inc. requested the Chinese government to establish a consulate to promote the development of Chinese business in the Philippines. Under Spanish colonial rule, the economic capacity of overseas Chinese was greatly restricted (Zhuang and Liu, 2009). Industry tax and store tax were imposed to restrict overseas Chinese business (Huang and He, 2009). Faced with such unfair treatment, the Philippine Chinese Charitable Association Inc. turned its attention to home state. In 1886, the core directors of the Philippine Chinese Charitable Association Inc., including Ye, Chen, Lin, and Xu, came to China to submit a paper signed by 290 Chinese businessmen, requesting the Chinese government to establish a consulate in the Philippines (Wickberg, 1965). Compared to the interests of Chinese businessmen in the Philippines, the Chinese government was more concerned about the funding for establishing a consulate. The newly appointed ambassador to the United States, Spanish, and Peru, Zhang, met with representatives in Hong Kong. However, the overseas Chinese businessman had not yet made a clear statement about providing consul funds, Zhang decided to send personnel to the Philippines to investigate the situation (Yuan et al. 1998). The subsequent investigation results showed that Chinese businessmen in the Philippines were willing to raise funds for the consulate establishment. However, the Foreign Office was still concerned that the consulate would be like the ones in Cuba and Singapore. Overseas Chinese businessmen initially actively raised funds, but became weak later (The First Historical Archives of China, 2003). In essence, the Chinese government did not want to bear any economic burden of a consulate in the Philippines.

After the outbreak of the Katipunan revolt, Chinese businessmen' shops in the Philippines were looted by the rebels. The Philippine Chinese Charitable Association Inc. once again requested the Chinese government to establish a consulate to protect the security of the Chinese business (Wilson, 2004). However, the Spanish ambassador to China claimed that the rebels' hatred of Chinese businessmen was due to normal trade competition (Huang, 1989). Faced with such excuses, the Chinese government had neither pursued nor held accountable the security of the Chinese business in the Philippines (Huang, 1989).

In April 1898, the Spanish-American War broke out (Yang, 2019). Under the precarious situation of the safety of Chinese businessmen in the Philippines, the Chinese government requested the British consul in the Philippines to protect Chinese businessmen (Huang and He, 2009). The Chinese government also required the Philippine Chinese Charitable Association Inc. to raise funds to pay the expenses of the British (Huang, 1989). It could be seen that the Chinese government was unwilling to bear the cost of protecting the Chinese in the Philippines.

In terms of diplomacy, the Philippine Chinese Charitable Association Inc. requested the Chinese government to establish a consulate to improve the political status and protect life safety. The Philippine Ministry of Foreign Affairs declined the request of establishing a consulate after meeting Zhang. His excuse was that the issue belonged to the colonial administration. However, Zhang wrote in diary that he was well aware of the difficulties faced by the Ministry of Foreign Affairs (Ren and Ma, 2005). In 1889, the new ambassador to the United States, Spanish and Peru, Cui, was preparing to resume negotiations on establishing a consulate in the Philippines during his visit to Madrid. However, due to an incident in the United States, he returned in a hurry (Wang and Wang, 2015). From the attitudes of the two ambassadors, it could be seen that the Chinese government paid little attention on this issue.

During the Katipunan revolt, the Philippine Chinese Charitable Association Inc. once again proposed to the Chinese government to establish a consulate with the request for the dispatch of warships. They also begged for imploring other countries to protect them (Wilson, 2004). The Chinese government had made no mention of the dispatch of warships. The request to establish a consulate was only mentioned by the Chinese government in response to the Spanish Ambassador to China. The Chinese government proposed that overseas Chinese were deeply persecuted. If they could establish a consulate like other countries, it would not be so tragic (Huang 1989). This hypothetical euphemism naturally couldn't be a legitimate expression for requesting the establishment of a consulate. In response to the request for assistance from other countries, the Foreign Office called Yang, the ambassador to the British to request the British consul in the Philippines to protect overseas Chinese (Huang and He, 2009). But when the Spanish Ambassador to China opposed it, the Chinese government didn't mention it again (Huang, 1989).

During the Spanish-American War, the Philippine Chinese Charitable Association Inc. pleaded for the establishment of a consulate in the Philippines as soon as possible to provide protection (Huang, 1989). When the Chinese businessmen in the Philippines were in danger, the ambassador to the United States, Spanish, and Peru, Wu, only suggested the Foreign Office state that if the Spanish government still refused to establish a consulate, China wouldn't bear any responsibility for the troubles made by overseas Chinese (Huang 1989). This statement, similar to an exemption from liability, was far from meeting the needs of Chinese businessmen in the Philippines. At this moment, Manila had been surrounded by the United States military. To save the current crisis, the Spanish government agreed to the temporary establishment of a consul by the Chinese government in Manila (Wilson, 2004). On July 29th, the Foreign Office appointed Chen as the consul in the Philippines (Liang, 2004).

In terms of internal affairs, the Philippine Chinese Charitable Association Inc. had requested the establishment of a consulate for core departments such as the Foreign Office, the Governor General of Guangdong and Guangxi, and the ambassador to the United States, Spanish, and Peru. The attitude of the Foreign Office towards the issue could be seen in a memorial in 1888. The article listed many difficulties in this issue. Most of all, the Foreign Office pointed out that Myanmar, Siam, and Saigon were already in trouble. It was no need to pay attention to small

overseas countries (Wang and Wang, 2015). The issue of establishing a consulate in the Philippines was not an urgent matter for the central government.

The opinions of previous governors of Guangdong and Guangxi had slightly deviated. In Liu's memorial to the Foreign Office, he stated that there was no danger for Chinese businessmen in these areas. It didn't need to establish a consulate to protect them (Chen, 2018). Zhang appeared quite proactive in this issue. But what he considered was that if there was no consul protection, the overseas Chinese could be treated harshly and returned to the mainland. There would be an increase in the number of homeless people in coastal areas (The First Historical Archives of China, 2003).

The attitudes of the ambassadors to the United States, Spanish, and Peru could be seen in their previous actions. Moreover, when negotiating with the Spanish Ministry of Foreign Affairs to establish a consulate in the Philippines, Zhang emphasized that the China Merchants Steam Navigation Company intended to carry cargo to expand the scope of the Chinese government business (Ren and Ma 2005). The various considerations of the Chinese officials were different from the consul role those Chinese businessmen in the Philippines hoped for. The Chinese officials' support for the establishment of a consulate was limited.

5.2.2. Issue about the consul's role of China in the Philippines: The mutual distrust between the Philippine Chinese Charitable Association Inc. and the Chinese Government

In terms of economy, the Philippine Chinese Charitable Association Inc. still needed to solve many economic affairs by itself. When the Chinese General Hospital, a charity organization under its jurisdiction, was facing a shortage of funds, the Philippine Chinese Charitable Association Inc. prepared to levy export tax on Chinese returning to China with the approval of the Philippine Governor General (Philippine Chinese Charitable Association Inc., 1977). The consul was unable to assist the Philippine Chinese Charitable Association Inc. in resolving funding, but also coveted the financial resources of Chinese businessmen in the Philippines. In 1906, the Chinese government ordered the consul to gather chambers of commerce such as the Philippine Chinese Charitable Association Inc. to discuss the joint organization of overseas Chinese corporations (Philippine Chinese Charitable Association Inc., 1977).

In terms of diplomacy, the Philippine Chinese Charitable Association Inc. requested the consul to negotiate with the United States government to ban discriminatory regulations against overseas Chinese. In 1906, the United States government issued regulations requiring all Chinese returning from China to Manila to stay for a week for illness test. The Philippine Chinese Charitable Association Inc. protested it to the consul (Philippine Chinese Charitable Association Inc., 1977). However, this matter remained unresolved until the downfall of the Chinese government. In 1913, the Philippine Chinese Charitable Association Inc. elected representatives to protest against the harsh treatment of customs quarantine doctors during entry inspection (Philippine Chinese Charitable Association Inc., 1977).

In terms of internal affairs, the Philippine Chinese Charitable Association Inc. lost trust in the Chinese government which could not provide basic protection for

overseas Chinese, turning to support the anti-Qing movement. The Philippine Chinese Charitable Association Inc. provided financial and weapon support for the Xinhai Revolution. In 1911, Zheng, a director of the Philippines Chinese Charitable Association Inc., was elected as the president of the Philippine branch of the Tongmenghui of China. He donated actively and raised 52,000 pesos for the revolution (Hong, 1999).

6. Discussion

Through the above cases, we find that the public sphere is an important feature in determining whether a state can establish positive interaction with civil business groups. In the case of the British, when the Shanghai branch proposed a request for canceling likin and increasing tariff, the British government supported it. It became a core issue in the negotiation of the Renewed Treaty of Commerce and Navigation between Britain and China. When the Shanghai branch proposed to adjust the plan of this issue, the British government engaged in a game in the public sphere with the Shanghai branch. They made mutually acceptable adjustments to the plan, ultimately reaching a partial consensus. In the case of China, when the Philippine Chinese Charitable Association Inc. proposed to the Chinese government to establish a consulate in the Philippines, the Chinese government did not support it. The Philippine Chinese Charitable Association Inc. could not change the process. When the consulate was finally established, the role of the consul was limited. The Philippine Chinese Charitable Association Inc. chose to seek a solution through its efforts.

From the interactions between the two civil business groups and their home states, we can find four forms of interaction that correspond to different results. When the public sphere existed, the Shanghai branch and the British government could engage in positive interaction around public issues. When the Shanghai branch obeyed and trusted the British government, the British government supported it. When the Shanghai branch only obeyed but did not trust the British government, the British government reached a partial consensus with the Shanghai branch.

When the public sphere didn't exist, the Philippine Chinese Charitable Association Inc. and the Chinese government couldn't engage in positive interaction around public issues. When the Philippine Chinese Charitable Association Inc. obeyed and trusted the Chinese government, it could only use the submission of petitions and private meetings with Chinese officials to proposal interest demands. When the Philippine Chinese Charitable Association Inc. did not trust the Chinese government, it took private measures to solve problems. The analysis results of Shanghai Branch of the China Association & Philippines Chinese Charitable Association Inc. through comparative method are roughly shown in **Table 2**.

Table 2. Comparative of Shanghai Branch of the China Association & Philippine Chinese Charitable Association Inc. (self-drawn by the author).

	Shanghai Branch of the China Association	Philippine Chinese Charitable Association Inc.
The attitude of the state	Ruling and shaping	Ruling and shaping
The property of the public sphere	Present and effective	Absent
The interaction between civil business groups and the state	From “Good Interaction” to “Partial Trust”	From “trust” to “distrust”
Relief methods for civil business groups	Dialogue and communication with the British government, collective voting, and pressure from the media.	When there was a high level of dependence on the Chinese government, the Philippine Chinese Charitable Association Inc. submitted requests and met privately with Chinese officials. When the level of dependence on the Chinese government was low, the Philippine Chinese Charitable Association Inc. directly communicated with overseas governments.
Legitimacy of state interests/public interests	legal	illegal
Autonomy of Folk Commercial Groups	stronger	weaken

7. Conclusion

By comparing the interactions above, we find that the presence or absence of the public sphere has a significant impact. It is precisely because of the public sphere between the Shanghai branch and the British government that they could establish public issues to promote the development of public affairs. Due to the absence of public sphere between the Philippine Chinese Charitable Association Inc. and the Chinese government, they were unable to establish public issues.

Moreover, based on the theory of the public sphere, this article finds that when civil groups have different levels of dependence on the states, it will produce four different outcomes. When there is a high degree of dependence, the state provides support to the civil group. When the dependence is low, there will be a partial consensus between them. In the absence of a public sphere, when the civil group have a high degree of dependence, the state is in a dominant position. When the dependence on the civil group is low, it will turn to adopt self-supporting.

Therefore, the presence of the public sphere is extremely important for the development of the organization of the Chamber of Commerce. However, it is undeniable that in the presence of the public sphere, the Chamber of Commerce can make dynamic choices about the decision-making of the state.

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