
The Tumen River Project – sensemaking in multiple contexts

Peter J. Peverelli

Faculty of Economics & Business Administration,
VU University Amsterdam,
Room 4A-24 -> Room 3A-38, 1105, De Boelelaan,
1105 Amsterdam, Netherlands
Fax: +31.20.5986005 E-mail: ppeverelli@feweb.vu.nl

Abstract: The core theme of this article is cross-border economic zones. Such zones are regarded as useful way to increase economic cooperation between the participating nations. However, not all zones live up to the expectations, while others seem to be able to continue forever. The author intends to offer a new methodology of analysing cross-border economic zones, embedded in organisation theory that is hoped to have a higher explanatory power to account for otherwise unexplainable failure or success. As an example, the Tumen River Area Development Zone, consisting of regions of three nations, China, Russia and North Korea has been selected. This zone seems to be very resilient, in spite of the turbulent history of the region and the difficult relationships between the three participating nations. The main conclusion of this study is that the zone also makes sense to another nation, which is not directly participating in the zone. The indirect support of that nation is probably the force behind the continuation of the zone.

Keywords: cross-border economic zone; Tumen River Project; sensemaking; multiple contexts.

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Biographical notes: Peter Peverelli studied Chinese Language and Culture at Leiden University. He received his PhD in Arts at Leiden and PhD in Business Administration at Erasmus University Rotterdam. He has almost a decade of working and living experience in China. He is currently affiliated with the Faculty of Economics and Business Administration of VU University Amsterdam, which he combines with a private consulting practice. His academic interests are general organisation theory, corporate culture, corporate identity and Chinese entrepreneurship. His main publication is *Chinese Corporate Identity*.

1 Introduction

My aim with this paper is to find new angles for studying transnational economic zones. More precisely, I intend to look at this phenomenon from an organising perspective and show how successful zones obtain multiple identities in multiple

contexts. An improved insight in this aspect will increase our understanding of why on one hand they not always work the way they were envisioned to work and on the other hand they sometimes work in ways that were, seemingly, not planned by the initiators.

As a concrete case to test my model, I will use the Tumen River Project. The Tumen River Area Development Project (TRADP) is a multi-nation project. The Tumen runs from the Sea of Japan to several hundred kilometres into Manchuria, and is bounded at various points by China, Russia and North Korea. Long stretches of the Tumen function as the border between China and North Korea and North Korea and Russia. Should full port and expanded rail facilities be developed along the Tumen, traders would have a far shorter and cheaper route from the far east to the markets of Europe than existing overland rail lines, or the current sea route that runs from the port of Dalian around the Korean Peninsula and through the Sea of Japan.

The United Nations Development Project (UNDP) is involved in this project. A 20-year project is envisioned, costing over USD 30 billion, which will transform the Tumen River area into the transportation and trading hub for Northeast Asia. The goal is to make the area into a free economic zone for trade to prosper and attract investment into the area.

Existing studies [see in particular, Davies (2000)] mention a number of problems hampering the development of this project. First, the countries involved are long-time adversaries and several wars have been fought in the region during past 100 years. The project may help to promote stability, but could also lead to further instability in the region if there is significant disagreement on issues. Secondly, and more importantly, there are a number of environmental concerns with the development of the region. Much of the area is fragile wetlands and some of the areas affected by TRADP comprise unique ecosystems and are currently protected as nature reserves. The hinterland of the TRADP area is also rich in natural resources and there is a major concern about the extraction of these resources.

2 Historical overview

As stated above, the Tumen River region has witnessed a number of conflicts and downright wars. The river itself springs from the Changbai Mountains (see Figure 1), which is currently located in the Yanbian Korean Autonomous Prefecture of Jilin, China, but is regarded as the mythic birthplace of their people by the Koreans. The region used to be known in Chinese as Jiandao or Kando in Korean. Although there is officially no dispute anymore between Korea (North or South) and China regarding the status of this region, Kando remains to play an important role in Korean nationalist parlance (Park, 2000).

Already in the 17th century, the Chinese rulers built a harbour at Hunchun to export Chinese goods to Japan and beyond. The Treaty of Aigun (1885) [Fairbank et al., (1973), p.479] transferred sovereignty over the last few kilometres of the river from China to Russia. However, the waterway was kept open for commercial traffic. The trade in region continued to expand and by 1929, Hunchun had developed an annual shipping capacity of 25,000 tons. Even during the initial years of the Japanese occupation, trade was not obstructed by the war activities.

Figure 1 Map of the region



Source: provided by Keidanren representative during interview in 1996

After the surrender of Japan, the region remained to be plague with war and conflicts. First, there was the Korean War followed by the hostilities between China and the Soviet Union after the split between the two communist allies. It was not until 1989, after China's rapprochement with Moscow, that shipping on the Tumen River was continued.

It was the Chinese government that first proposed to establish an economic development zone on a Northeast Asia economic and technology cooperation conference in Honolulu in July 1990. Chinese representatives depicted the region as a 'golden triangle'. The proposal met with general approval and the concept was developed during a number of regional conferences in the following couple of years. Phase 1 of the project, at that time already supported by the UN, was formally launched in September 1993. The Tumen Programme Management Office was relocated from New York to Beijing and placed under the auspices of the UNDP Beijing Office in the end of 1994.

A year later, the geographic limits of the region were defined as:

China	Yanbian Autonomous Prefecture
North Korea	Rajin-Sonbong (declared a free trade zone by the North Korean authorities)
Russia:	Southern Primorsky (including the port cities Vladivostok and Nakhodka)

The following years up to the present date were characterised by a concatenation of meetings in various cities in stakeholder countries. Progress on the construction of

infrastructure was reported regularly. Promotion missions are sent around the world to seek support from governments and to persuade companies to invest in the region.

However, the Tumen Project has so far never made the headlines of major international newspapers. It has hardly ever reached short lists of investors to be looking for a suitable location. Davies (2000, pp.77–83) contains an extensive appendix stating the ‘progress achieved’, but most of these achievements are in the field of infrastructure in the broad sense of word, including facilities like hotels. Most tangible results seem to have so far been achieved in tourism.

The project seems to linger on without ever breaking through. It almost seems a miracle that it has not already been aborted. This is exactly the reason that this project has aroused my interest. Apparently, the Tumen River Project does make sense in more contexts than the official TRADP. The main purpose of this paper is to identify those contexts and how they can help explaining the continuation of the Tumen River Project.

3 Contexts for sensemaking

The term context used in this study refers to the various types of social-cognitive structures that I introduced in earlier publications (Peverelli, 2000, 2006a, 2006b).

I propose to define organising as the reduction of equivocality by actors through ongoing social interaction in order to couple their behaviour in ways that suit the joint performance of specific activities. In order for people to successfully cooperate in performing a certain task, they will exchange views on aspects of that task until a certain level of shared perception of the task has been reached (reduction of equivocality). At that moment, they can coordinate their activities (couple their behaviour) and create synergy.

One result of organising is the social-cognitive structure; aggregates of people linked by their shared perception of reality. For such structures, I use the term cognitive space. I have chosen the term space, because it refers to something that confines, but is broader than the notion of configuration. Space touches upon time as well as place, it refers to space in which interaction can take place, but simultaneously to the socially constructed limitations (impediments) of the interaction. Within a certain space, activities proceed according to the rules that hold in that space. A nation is a space and so is a province or city. Enterprises, associations, street gangs, are all examples of spaces.

Actors, natural persons, as well as institutional actors like enterprises, usually interact simultaneously in a number of spaces. This phenomenon is referred to as multiple inclusions. While interacting in one space, actors can access cognitive matter from their other inclusions. This process will continuously create new meanings and therefore new social-cognitive structures.

Returning to my main theme, the Tumen River Project, we can observe that the region itself constitutes space, it is by itself a context of sensemaking. However, the project makes sense in a large number of different types of space. One type of space is nation: the project may make sense in different ways to China, Russia, North Korea or any other nation involved. Then there are the various local governments, international organisations, companies, etc. The variety is too much to be exhaustively treated within the confinement of an article. I will, therefore, mainly restrict my analysis to the three nations directly involved in the Tumen region: China, Russia and North Korea and only occasionally touch on others, when this is essential for a proper understanding.

4 Sensemaking of the participating nations

First, I will have a look at the ways the Tumen Project makes sense to the three participating countries. Each participating country has identified a number of key industries in their part of the zone:

China	Pharmaceuticals*, food, textile
North Korea	Fishery, pharmaceuticals*
Russia	Ship building/repair, defence, fishery

Note: *Traditional herbal medicines.

China and North Korea meet one another in the field of pharmaceuticals. The North Koreans and Russians find themselves in fishery. Only China and Russia share no industry.

In terms of metaphors, I already mentioned the Chinese designation of 'golden triangle'. Officials of the Vladivostok government appeared on CNN a number of years ago, stating the intent of transforming their city in the 'Hong Kong of North Asia'. The UNDP has at one occasion depicted the Tumen region as 'a future Hong Kong, Singapore or Rotterdam' (Manguno, 1993). Most of these metaphors refer to sea transport. Even the Chinese expression *jinse sanjiao*, that is usually translated as 'golden triangle' in English texts on the Tumen region, could be translated as 'golden delta' as well, which would be more in line with core notion of 'sea transport'.

However, the people with the strongest emotional link to the region are the Koreans. Much of what is presently known as the Yanbian Autonomous Prefecture of Jilin province, PRC, used to be called Kando (Jiandao in Chinese) by the Koreans and is considered the region of origin of the Korean nation (Schmid, 2000). At the beginning of the last Chinese dynasty (Qing), Manchuria was not considered Chinese in the ethnic sense of the word. Manchuria was the home region of the Manchus, whose rulers ruled the whole of China during the Qing period. Apart from the Manchus themselves, and Han Chinese who started 'immigrating' in the course of the Qing period, the region was inhabited by a number of nationalities, including Koreans. According to a Korean myth, the founding father of the Korean nation was Tan'gun, who was believed to have appeared in the Changbai Mountain region and then moved to the Yalu River basin. From there, the Korean nation spread northward to Liaodong and Manchuria and southward into the peninsula.

This could, at least partly, explain Korean interest in the Tumen Project. However, for China, it would be the very reason not to participate. The problematic nature of the Korean connection of the Yanbian region has intensified in recent years by the increasing number of illegal border crossings by North Korean fugitives.

In a similar fashion, China has an emotional relation with the Russian territorial contribution to the Tumen Project. Part of that region used to be part of Manchuria, but was handed over to the Russian Empire during the late Qing period.

Again, this could explain Chinese enthusiasm for the Tumen Project, but would simultaneously be an impediment for the Russian government to expose the disputed region even more to the expansionist Chinese.

How about the Russians? Although Russia does not directly claim any significant part of Chinese territory, Russian influence in the region has been considerable for a number

of decades. Especially after the Russian revolution, thousands of Russians fled to Manchuria, in particular Harbin, the current capital of Heilongjiang province. As a city, Harbin was more or less founded by the Russians and at one time, Harbin was known as 'the Moscow of the Orient' (Bakich, 2000). The Russians had to accept Japanese rule after the latter invaded the region and set up the puppet state of Manchukuo in 1932, but a kind of peaceful coexistence between Russians, Japanese and the other nationalities, until the Chinese Communists took over control. During the most recent decade, Russian influence in the region, in particular Heilongjiang has been increasing again, due to the intensive border trading. Seen from this angle, participating in the Tumen Project does not seem to offer that much extra access to China. One centre of Sino-Russian border trade is Suifenhe in Heilongjiang, slightly north of the Tumen area. Much more trade seems to be going on through this border crossing than in the entire Tumen region. Via Suifenhe, the hinterland has a much shorter connection to the Russian ports and beyond.

Nationalist sentiments certainly play a role in the complex sensemaking processes behind the construction of the concept of a TRADP, but do not suffice by themselves to explain why the project has been able to linger on for such a long time, without ostensible economic benefits to the participating nations. We seem to need a larger context of sensemaking and I intend to identify such a context in the following section in the shape of a fourth nation that does not actively participate in the project, but may benefit more from it than any to the other three – Japan.

5 Japan's territorial strategies in China's northeast

The relation between the north-eastern region of China and Korea on one side and Japan on the other has always been highly problematic. The basic problem in the Japanese national sentiment is the unanswered question: where did the Japanese nation originate? The Chinese have the Yellow Emperor as the founder of the Chinese nation and his Korean counterpart Tan'gun. These founders have been linked to a specific geographic location: the Wei Valley in China's Shaanxi province and the Kando region (currently Yanbian), respectively. The Japanese have Amaterasu, but they strongly believe that their roots have to be looked for outside the present Japanese borders, on the (Eur)asian continent.

All this has created a strong feeling among the Japanese that Korea and China's northeast are somehow related to Japan and therefore to some extent Japanese. Some researchers even refer to Japan's activities in the region from the late nineteenth century to the start of World War II as an 'informal Japanese empire' in Manchuria and Korea (Duus, 1989). Japan invaded Korea in 1910 and occupied the territory until 1945. However, Japan's strategy to gain influence in Northeast China has not always been one of direct military force. If we try to periodise Japan's attempts to increase its control in Manchuria (and beyond), one useful way of doing is by distinguishing between indirect and direct strategies. Direct strategy is straightforward military force; indirect strategies are more complex political machinations that try goad the local people into assistance by linking Japanese national sentiments with those of the regions it wishes to control.

5.1 First indirect period (1895–1937)

The 1895 Shimonoseki Treaty offered Japan rights to access all open trading ports of China and freely engage in business, reside, travel and establish enterprises. However, Japan focused most of its energy on Manchuria. One of the indirect means of control was the establishment of Manchukuo in 1932, which was presented to the rest of the world as a sovereign state, but de facto was a vassal state of Japan.

One of these treaties was the 1909 Jiandao Treaty that consolidated the rights of Koreans in Jiandao, while precluding similar privileges of Koreans elsewhere in Manchuria. At that time, Korea was already a complete colony of Japan (Tamanai, 2000). Koreans were regarded as Japanese subjects. A large number of impoverished Korean farmers settled down in Jiandao in the first half of the 20th century, until the capitulation of Japan in 1945. Official Japanese documents from that period show that this settlement was actively stimulated by the Japanese government partly as a means to prevent too many Koreans from settling in Japan, but also to strengthen the influence of Japan in Manchuria by increasing the number of 'Japanese subjects' in that region [Park, (2000), p.197]. To prevent this, the Chinese authorities regularly struggled with the Japanese military leaders in Manchuria over the citizenship of the Koreans in Jiandao to prevent the Korean settlers taking on a Japanese identity [Park, (2000), p.204].

A large part of the Korean émigrés, however, remained in China. They formed the basis for the considerable Korean population in China's Jilin province. Ethnic Koreans in China are not restricted to the Yanbian region. It is reported that Koreans make up 8% of the provincial capital Changchun (private communication by staff of Jilin University, April 2002).

The foundation of Japanese success in gaining influence in Manchuria using the Korean settlers seems to be that the Koreans were able to re-identify themselves as part of the local (Jiandao) population. While Russians and Japanese settlers almost completely disappeared when the Chinese took over control after the Japanese surrender, the Korean settlers staid on. During Japanese control, they were ethnic Koreans, but Japanese citizens. During Chinese control, there became Chinese citizens while remaining ethnic Koreans.

5.2 Direct period (1937–1945)

This is the period of Japan's participation in World War II, in which it attempted to enforce the Pan-Asian imaginary by means of occupying a number of Asian countries with military force.

I have opted not to analyse this period in this paper. For the Tumen region, the transition for indirect to direct occupation was less dramatic than for other part of Asia, Japan's influence in Korea was already that of an occupying power and although Manchukuo was an independent state in name, Japan's hold on all aspects of its policy was complete. Only the Russian part of the present Tumen River Project region remained free of Japanese occupation.

The occupation was not favourable for the advancement of Pan-Asian sentiments. The reign of terror of the Japanese occupation forces effectively stifled the little support that was built up during the previous period of indirect influence.

5.3 *Second indirect period (1945–present)*

The most concise way to typify the Japanese strategy in gaining and developing influence in the region in the period following World War II would be creating contexts. The Japanese government has never participated in the Tumen River Project directly, but a number of Japanese organisations have been involved in activities directly or indirectly related to the program. The Japanese contribution seems to take the shape of supplying ideas, conceptual environments, etc., to the parties directly involved. However, such assistance is never provided completely for humanitarian reasons; Japanese interests are always served (see below). From a more negative angle we could therefore also formulate Japanese involvement as: maximising the Japanese benefit from the project with the least possible investment in capital and effort.

A major type of Japanese activity in this respect is making feasibility studies. Researchers responsible for a final feasibility report of, e.g., port construction, can derive huge power from that activity, as their analyses, perceptions, advice, etc., are directly linked to the interests of parties that will be involved in the execution of that particular project. This power can not be easily overestimated. Such feasibility studies are also simultaneously intelligence collecting activities. To stick to the above example, the researchers involved will gain considerable knowledge on the various options for the construction of the port, the existing infrastructure, perceptions about the port and its region held by key politicians, business leaders, etc. That information will be accessible by the Japanese government through the various links between the mother organisations of the research agencies.

I will introduce the most important Japanese organisations whose activities have directly or indirectly affected the Tumen River Project. My methodology in analysing the nature of these organisations is quoting elaborately from stories published by the organisations themselves.

6 **Global Infrastructure Fund (GIF) Research Foundation**

‘The GIF Research Foundation was established in 1990 with the support of leading Japanese enterprises, led by Keidanren (introduced below). The foundation’s launch was endorsed by seven ministries of the Japanese government. GIF’s major objective is to help develop the global infrastructure with the ultimate aim of sustainable development of developing countries, and the world as a whole, while protecting the environment for future generations (GIF, 2003)’.

GIF’s research projects include the ‘Eurasian transportation network (New Silk Road)’.

‘It has organised conferences on the Euro-Asian Land Bridge (New Silk Road) in Berlin, Beijing and Tokyo, where policy leaders and experts of the interested countries considered alternative approaches to developing a trunk line of the Eurasian transportation system’.

The largest of these conferences was the one held in Beijing in 1996. It was attended by more than 100 representatives of a large range of government organisations from Asian and European countries.

GIF maintains relations with leading cognate organisations in other Asian regions. Research visits I made to a number of such organisations in Japan, China and Hong Kong

in 1996 revealed a strong link between GIF in Japan, the Worldbridge Foundation in Taiwan and a group of people based at the State Science & Technology Commission in Beijing. The latter was again connected with a think tank on international transportation, in particular the Eurasian Landbridge, at the Jiaotong University in Xi'an. Xi'an is strategically located at the Chinese end of the Silk Road and is still considered a pivotal city between the richer eastern regions of China and the less developed west. A more recent visit I made to Jiaotong University (April 2002) confirmed that the infrastructure think tank still exists and that Jiaotong is also the centre for research regarding the economic development of Western China.

GIF's distinct message that, as long as the Asian peoples would concentrate on promoting the free exchange of goods and persons through increasingly intricate multimodal infrastructures, peace and prosperity would be almost guaranteed. This idealistic justification of Japanese involvement in the planning of infrastructural development in other Asian countries could be explained as a modern version of the older Pan-Asian ideology.

7 Mitsubishi Research Institute, Inc. (MIRI)

Mitsubishi Research Institute was established in 1970 to provide 'consulting and research services on a variety of themes pertaining to corporate activity and policy development' (MIRI, 2003). The scope of expertise of MIRI is defined as 'economics and management, social issues and public policy, systems and information, and science and technology'. It is especially interesting to notice that 'social issues' are regarded as equally important as items to study as economic and technological matters. The latter two are perceived as being embedded in social contexts. In MIRI terms: "In today's world, the pace and scope of social and economic change is ever increasing, as illustrated by the rapid penetration of advanced information networks in society in recent years, and likewise the increasing irrelevance of national borders to economic activity".

When I visited MIRI in 1996, one of their key research projects concerned the possibilities for fast ships suitable to transport goods rapidly over short distances. Routes between West Japanese ports like Niigata and Russian and Chinese ports were part of the envisioned routes (personal communication).

8 Japan Bank for International Cooperation (JBIC, Eximbank)

This organisation has financed part of the Tumen River Project. According to the introduction on its web site, 'the purpose of JBIC shall be to contribute to the sound development of Japan and the international economy and community through undertaking lending and other financial operations: for the promotion of Japanese exports, imports or Japanese economic activities overseas; for the stability of international financial order; and for economic and social development or economic stability in developing areas' (Eximbank, 2003).

Eximbank is very overtly linking Japanese economic interests to a stable international financial order and economic stability in developing areas.

9 Japan International Cooperation Agency (JICA)

JICA was established in 1974 and is responsible for the technical cooperation aspect of Japan's Official Development Assistance (ODA) programs. 'Japan's ODA began in 1954, when it joined the Colombo Plan, an organisation set up in 1950 to assist Asian countries in their socio-economic development. Whilst receiving aid itself in the 1950s from the World Bank for the reconstruction of its own economy, Japan began the process of delivering aid to developing countries. Since that time, Japan's ODA commitment has increased and expanded yearly. With this expansion, there has also been a gradual move to include countries outside Asian countries in Eastern and Central Europe being the most recent additions.

The following four principles are cited in the ODA Charter published in 1992 (JICA, 2003):

- 1 Environmental conservation and development should be pursued in tandem.
- 2 Any use of ODA for military purposes or for aggravation of international conflicts should be avoided.
- 3 Full attention should be paid to trends in the recipient countries' military expenditures...in order to maintain and strengthen international peace and stability.
- 4 Full attention should be paid to efforts towards democratisation and the introduction of a market-oriented economy.

The most salient item in this charter is that Japan's provision of economic cooperation is based on the concepts of 'humanitarian and moral considerations' and 'the recognition of interdependence among nations'. This is as close as one can get to the old Pan-Asian ideology, without actually mentioning it verbatim.

10 Keidanren

Nippon Keidanren is the federation of Japanese business leaders. The self-published scope of its activities (Keidanren, 2003) includes economics, politics, science, social development, etc. Again, we can observe a combination of economic, technological and social interests.

Keidanren has been, and still is, heavily involved in the Tumen River Project. However, its efforts are completely concentrated on the development of Russian ports in the region, in particular Zarubino, the Russian port closest to the Tumen River. The introduction to those activities I was given during a visit to the Keidanren Head Office in Tokyo in 1996 was that they perceived Russians as easier to deal with than Chinese due to sensitivities related to the Japanese occupation during World War II, while it was forbidden for Japanese organisations to interact with North Korean parties (SANI, 1997). Keidanren, as a typical Japanese government agency cloaking NGO status, was regarded as a suitable organisation to coordinate the development of Zarubino port, as its industrial members can supply both finance and technology.

11 Economic Research Institute for Northeast Asia (ERINA)

‘It is said that the growth pole of the world is now shifting towards Asia. Particularly, Northeast Asia, including Northeast China, the Democratic People’s Republic of Korea, Japan, Mongolia, the Republic of Korea and the Russian Far East, is the region promising great positive changes as the world enters the 21st century. In order to contribute to the development of Northeast Asia, ERINA delivers reports on this rapidly changing region and conducts continuous and extensive in-depth research. ERINA organises the Northeast Asia Economic Conference annually. ERINA also conducts research on the Tumen River Area Economic Development, as well as encouraging, supporting and organising exchanges and international seminars’ (ERINA, 2003).

ERINA, established in October 1993, is a foundation sponsored by a number of Japanese prefectures, including the port city of Niigata. I already stated above that Niigata has considerable interests in developing the transportation on the Sea of Japan. ERINA’s HQ is also located in Niigata, but the organisation is sponsored by the Ministry of Economy, Trade and Industry.

The Tumen River Project is specifically mentioned in this story. This is the most unequivocal statement found in this study linking the traditional Japanese Pan-Asian ideology to the Tumen Project.

ERINA has been involved in the Tumen Project a number of times (ERINA, 2003):

- *December 1996*: Keidanren and ERINA commence a feasibility study on the expansion plan for Russia’s Zarubino Port associated with proposed loans from Japan Eximbank.
- *August–September 1999*: Field trips to review the investment climate and existing investor services in the Tumen region by representatives of a number of international organisations, including ERINA, UNIDO and the Tumen Secretariat.
- *8–10 March 2000*: Tumen Project workshop in Beijing on the subject of stimulating trade, investment and growth in and around the Tumen region. ERINA representatives present papers at this workshop.

These activities reveal working relations between ERINA, Keidanren and Eximbank. These semi-government organisations form an emerging network [Peeverelli, (2000), pp.48–49] that can crystallise in various temporary networks for specific purposes.

12 Discussion and conclusions

The concerted activities of the Japanese organisations introduced above show analogies with the investment strategies of Japanese companies in China that I described in an earlier publication [Peeverelli, (2000), pp.123–126]. There I compared the investment strategies between the Dutch retailer Ahold and its Japanese competitor Daiei in China in terms of different ways of coping with multiple cognitive spaces. Ahold claimed to have performed considerable market research before it decided to sign a joint venture agreement with a Chinese partner. The objective stated by Ahold was to set up a supermarket chain in Shanghai and develop it into that region’s main supermarket within

a specified number of years. Daiei had, in roughly the same period, entered into a number of ventures of various sizes in different Chinese regions. It seems that people from different cultures have different strategies to deal with their activities in multiple social-cognitive contexts. Europeans seem to identify themselves singularly in one context [Peverelli, (2000), pp.52–57; Peverelli, (2006a), pp.140–141]. They are certainly aware of the multiple contexts, but are inclined to designate one context as the location of their identity. Sometimes, one has to ‘adapt’ to a certain extent when interacting in other contexts, but one’s basic identity should remain intact. Japanese seem to identify themselves with the context in which they are currently interacting. Each context produces a new identity. Back to Ahold and Daiei, the result of these different cultural orientations made Ahold pinpoint one partner for one project to be established in one location. Daiei went for multiple partners in multiple projects in multiple regions. Ahold bet its entire China budget on one major venture, while Daiei rather distributed it over a number of smaller ones. When we compare Daiei’s investment strategy with that of Chinese companies (e.g., Ahold’s partner), it seems that Daiei’s approach fits in better with the Chinese cultural environment than Ahold’s, leading to an early demise of Ahold’s Chinese venture, while Daiei is still active in that market.

The way the Korean settlers in the Kando region dealt with their national identities in the early twentieth century corroborates my redefinition of culture as coping with multiplicity. They had three national spaces, Korean, Chinese and Japanese, each producing a different identity and could for each situation select the identity (nationality) that offered the most benefits in that particular context.

There was another difference between the approach of Ahold to the Chinese market and that of Daiei. While Ahold justified its move in purely commercial terms, Daiei’s CEO also told a more idealistic story of why Daiei should invest in China, its main proposition being that investment in China would bring peace and stability in the entire East Asian region [Drucker and Nakauchi, (1997), pp.3–22]. Daiei’s Grand Narrative shows many similarities with the Pan-Asian narrative used by the Japanese government during the pre-World War II period. The same holds for the stories told by the modern day Japanese (quasi) NGOs introduced above, motivating their various activities in the region. Each activity by each individual organisation serves a specific cause in a specific context, but that activity is also positioned as being part of a larger context. In terms of sensemaking, an activity makes sense in a local context as well as in a large. The latter seems to strengthen the sensemaking of the former.

Now, we are ready to go back to Hyun’s proposition to divide the Japanese strategies to increase influence in the region we are dealing with in this paper into two types: indirect and direct. Hyun stopped at the start of the war, the period of direct military occupation. My research is mainly concerned with the period after the war. I believe that we can draw the following conclusions:

- Japan has resumed its indirect strategy of gaining influence in Northeast Asia.
- The Tumen River Project continues to make sense, because it makes sense in larger contexts produced by Japanese organisations for other projects.

The above introduction of Japanese organisations active in various ways in the development of the Tumen River Project shows that Japan is an important motor behind much of the activity in that region. Japanese organisations do the research and draw up

the plans, they provide financing and participate in executing the plans. The number of such organisations is large; my list is not exhaustive. The affiliation of the Japanese organisations involved is mixed. Some are directly linked to a central ministry, while others claim to be NGOs. Yet others are established by local governments, like ERINA that is affiliated to Niigata, which has a direct interest in the development of the Russian ports, some of which are part of the Tumen Project region. The role of the central government as reflected in the activities of the various Japanese organisations introduced above seems to deviate somewhat from the mainstream vision summarised by the cliché 'Japan Inc.' Most authors discussing the role of the Japanese government in economic development describe it as highly centralised [see e.g., Fingleton for an extreme vision; Fingleton, (1995), p.128]. However, the construction of the Japanese Grand Narrative of Asian infrastructure seems to be bidirectional: bottom up as well as top down. A central organisation commissions the research to lower ones, but the recommendations of the lower organisations are usually accepted by the former, which means that the Grand Narrative is produced by a network of organisations in a highly interactive process.

The Japanese organisations form a variable network. Any combination of two or more of them can cooperate on a certain project on a case to case basis. For the improvement of the port of Zarubino, ERINA takes care of the research, while Eximbank provides the financing and Keidanren supervises the technical execution of the plan.

This is exactly the foundation of the strength of the Japanese Grand Narrative that makes it so attractive for other Asian nations to pick it up as the guideline for their national and local policy-making: it is a product of the synergetic expertise and effort of a large number of researchers, entrepreneurs, government officials, etc. [compare, Clark, (2000), pp.149–152].

Now, I can return to my core objective of this paper: explaining the continuous sensemaking of the Tumen River Project, in spite of the fact that it does not seem to be very successful in terms of creating a synergistic effect in the economic development of the participating Chinese, North Korean and Russian regions. The Japanese network has created a master plan for the development of several multimodal Eurasian infrastructure corridors. GIF and its affiliates have drawn up the overall plans with a convincing story for each corridor. Other organisations have picked these master plans up and crafted more detailed local plans, like ERINA has done for the Tumen region. In my terminology, GIF created a large cognitive space in which others could produce smaller spaces that inherit the traits of the larger space, but also contain more detailed local meaning. The existence of a master plan is a necessary condition for that of the local plans and the master plan would fail to make sense without a sufficient number of small plans to support it. The Tumen River Project seems, for the time being, to exist mainly to support a larger plan, which could be described as the multimodal transportation corridor linking the Western Japanese ports, in particular Niigata, via Russian ports to the resources in China, Russia, Mongolia, etc., that the Japanese economy needs to sustain its continuation. The project itself has so far consumed more than it has produced, but without it, the larger plan may disintegrate. For example, the Japanese efforts to improve Zarubino would be useless without linking that port to the Chinese railway system. The existence of a transnational economic development zone facilitates the negotiations to accomplish such a railway link and the attraction of funding from international organisations like UNIDO. The Tumen region may boom at some point in the future, but for the time being its bare existence already makes sufficient sense.

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