HALAL MARKETS IN CHINA: POTENTIALS AND CHALLENGES

Isa Ma

ABSTRACT

This paper aimed to evaluate Halal markets in China including Halal market potentials and challenges in China through analysis of Chinese Muslim populations (market size), purchasing powers, geographic locations (market places), and Chinese Muslim living situations in China (challenges). This paper also combated some problems relating to Halal markets in China and provided some basic information about Chinese Muslims and on Halal markets in China for potential Halal marketers.

Keywords: Chinese Muslims and Halal markets in China

1. INTRODUCTION

As companies head towards a global market that deals with people from many different cultural backgrounds, it has become essential for marketers to understand culture’s influence on consumer behaviours. The recognition of the importance of culture on consumer behaviours has led to an increasing amount of research across cultures (Sojka and Tansuhaj 1995). More significantly, many studies have succeeded in establishing links between culture and consumer behaviours (McCracken 1986).

As the cultural variables and differences increase, the number of communication misunderstandings also increase. Barnlund (1989) suggests that a way to approach cultural understanding is to undertake a careful description of how people relate to one another in search of the norms that regulate social acts or behaviours. The most powerful elements of cultures are those that lie beneath the surface. Kluckhohn and Strodbeck (1961) call these underlying cultural principles “value orientation”. Each society has distinctive set of value and belief orientation. While each of these societies will certainly have significant variations on the mainstream culture, a dominant value prevails at any one time (Kluckhohn and Strodbeck 1961, Hofsted 1981, Brislin 1990, Ramsey 1996). The dominant values are based on the frames of reference consisting of learned patterns of behaviours, assumptions and meanings, which are shared to varying degree of interest, importance and awareness among members of a group.

Numerous cultural studies on consumer behaviour have been conducted, especially in western context. In those studies, differences were found in consumption patterns or behaviours between people of various ethnic groups (e.g. Saegert, Hoover and Hilger 1985) and various geographic sub-cultural groups that hold differing cultural values (e.g. Gentry, Tansuhaj, Manzer and John 1988). For instance, researchers have found differences in various consumer behaviour aspects such as brand loyalty (Saegert et al. 1985), decision making (Doran 1994), novelty seeking and perceived risk (Gentry et al. 1988) across sub-cultural groups. Although previous studies have identified differences in various consumer behaviours across sub-cultural groups, most of the past studies dissected consumer behaviours and each study examined one or two specific aspects in a piecemeal-based way. There has been relatively little effort to examine the culture’s influence on consumer behaviours in an integrated framework.

In the context of international marketing and globalization, marketers have to decide what market strategies to be adopted in order to address a particular group of people. For example, if Malaysian marketers want to promote their Halal products to Muslims in China, they must know this market with details including where

---

1 Isa Ma is a Chinese Muslim originally from China and currently is a lecturer in the Department of East Asian Studies, University of Malaya 50603 Kuala Lumpur, Malaysia. Isa Ma could be contacted through mobile phone: 012-9174033 and email: isama007@yahoo.com or maziliang@um.edu.my
these Halal markets are exactly located, how large the market sizes are, what the purchasing powers are etc.,
and more precisely they must know whether the Chinese Muslims in China do prefer to buy Halal products,
including their Islamic values, beliefs and attitudes towards Halal products.

If the Chinese Muslims in China have low Islamic values, and beliefs in Halal products, they might not care
about the nature of a particular product. If the research found that the sub-cultural groups are different in
their Islamic values, and beliefs in Halal products, their attitudes toward Halal products will not be same too.
As a result, their purchasing behaviours toward Halal products might be different, then individualistic
marketing strategy is adopted for each target Muslim group in China; if the research found that the
underlying sub-cultural groups are not significant different in their Islamic value, beliefs, ethnocentrism, trust,
self-identity, dietary acculturation including their norms, attitudes and behavioural intentions towards Halal
products, then a uniformed strategy across-cultural groups is acceptable.

Although there are very significant numbers of Chinese Muslims in China, their levels of understanding in
Islamic values including religiosity, ethnocentrism, trust, dietary acculturation, norms and attitudes towards
Halal products are remaining unknown to us and this motives us to carry on this research.

We have been acknowledged from time to time that there are about 30 million of Muslim populations in
China, which can be considered as a very significant market for anyone who wishes to penetrate their Halal
products and services to this market. Especially, after 30 years of economic reform, average Chinese
citizen’s per capital income has increased to USD1500 (2008 figure).

### Table 1.1: Rural and Urban Chinese Resident Disposable per Capital Income
During the Period of 15th and 16th Five Year Plan

<table>
<thead>
<tr>
<th>Year</th>
<th>Rural Residents Family Disposable per Capital Income (¥:Yuan)</th>
<th>US$*</th>
<th>Urban Residents Family Disposable per Capital Income (¥:Yuan)</th>
<th>US$*</th>
<th>US$ Average (a + b) /2</th>
</tr>
</thead>
<tbody>
<tr>
<td>2001</td>
<td>2366.4</td>
<td>346.5</td>
<td>6859.6</td>
<td>1004.3</td>
<td>675.4</td>
</tr>
<tr>
<td>2002</td>
<td>2475.5</td>
<td>362.4</td>
<td>7702.8</td>
<td>1127.8</td>
<td>745.1</td>
</tr>
<tr>
<td>2003</td>
<td>2622.2</td>
<td>383.9</td>
<td>8472.2</td>
<td>1240.4</td>
<td>812.2</td>
</tr>
<tr>
<td>2004</td>
<td>2936.4</td>
<td>429.9</td>
<td>9421.6</td>
<td>1379.4</td>
<td>904.7</td>
</tr>
<tr>
<td>2005</td>
<td>3255.0</td>
<td>476.6</td>
<td>10493.0</td>
<td>1536.3</td>
<td>1006.5</td>
</tr>
<tr>
<td>2006</td>
<td>3427.5</td>
<td>501.8</td>
<td>11500.3</td>
<td>1683.8</td>
<td>1092.8</td>
</tr>
<tr>
<td>2007</td>
<td>3609.2</td>
<td>528.4</td>
<td>12604.4</td>
<td>1845.4</td>
<td>1186.9</td>
</tr>
<tr>
<td>2008</td>
<td>3800.5</td>
<td>556.4</td>
<td>13814.4</td>
<td>2022.6</td>
<td>1289.5</td>
</tr>
<tr>
<td>2009</td>
<td>4011.9</td>
<td>586.0</td>
<td>15099.1</td>
<td>2210.7</td>
<td>1398.4</td>
</tr>
<tr>
<td>2010</td>
<td>4214.0</td>
<td>617.0</td>
<td>16548.6</td>
<td>2422.0</td>
<td>1519.5</td>
</tr>
</tbody>
</table>


Despite this, yet we have known if these Chinese Muslims possess certain level of purchasing power, and
more precisely whether they are keen to seeking Halal products to fulfil their cultural needs. Neither do we
know about their level of understanding about Islamic values and beliefs, nor do we know the degree of their
understanding of Halal/Haram (CAP, 2006, pp17) and their attitudes toward Halal products. Marketing
strategy theory suggests us that if the research finds that the underlying sub-cultural groups are significant
different in their cultural value, beliefs, attitudes, and behaviours, then a individualistic strategy addressing
for each of the sub-cultural groups is employed, otherwise a uniformed strategy should be adopted across the
sub-cultural groups.

---

2 Halal literally means “lawful” or “permissible” according to Islamic laws/Shariah, and its opposite is Haram literally means “unlawful” or “prohibited” according to Islamic Laws/Shariah.
China, with 1.3 billion people including thirty millions of Muslim population increasingly enhanced buying power, is one of the largest consumer markets in the world. Especially after China joined WTO in 2001, China has become the fastest growing country in terms of its economic development in the Asia-pacific region and world, average GDP growth rate was 9% per year in the past 30 years since it started economic reform in 1978 and real GDP per capital has increased almost four folds.

<table>
<thead>
<tr>
<th>Table 1.2: China Socioeconomic Development to 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Year</td>
</tr>
<tr>
<td>Population/billions</td>
</tr>
<tr>
<td>Urbanization %</td>
</tr>
<tr>
<td>GDP growth</td>
</tr>
<tr>
<td>GDP per capita</td>
</tr>
</tbody>
</table>


This development trend has led China increased international linkages with global world. As a result, the country’s foreign trade system has undergone a complete reorientation, transforming China into a country where foreign trade serves as the primary engine for growing. Hence, from an insignificant pre-reform stage, China is today one of the major international traders and a significant participant to world capital market. How to handle China now is a hot topic among world political leaders. China is simply the biggest part of a new world. You cannot just switch it off.

What we can do is be prepared well. Naturally, both academicians and marketing practitioners agree on the enormous influence and economic power, which China will exert in the 21st century. Indeed, with more foreign companies plugging into this market, their experiences through both success and blunders have greatly increased our knowledge about this previously untouched market. Unfortunately, Muslims in China have yet to be touched by overseas researchers until recent chaos happened in Xinjiang on July 5th, 2010. The world begins to pay attention on Muslims in China.

Today, China is said as a powerhouse for 500 world famous multinational corporations (MNCS), such as World Marts, Carrefour, GM, NEC, IBM, Microsoft Corporation, Boeing, Starbucks, KFC, and McDonald and so on, you just name it, and you will find all of them are operating in China, and this does not include millions of factories owned by the local Han Chinese, who are considered as Non-Muslims or heathens by Chinese Muslims.

This is not the problem, the problem is that each of them including millions of local Chinese firms produces something in one way another which is not considered as Halal or permissible to people who believe in Islam (Muslims), but Muslim consumers unconsciously consume these non-Halal products daily. For example, Starbuck Coffee is not considered as Halal, KFC and McDonald restaurants in China serve pork burgers. Colgate and sweet candies are being sold in China containing animal fat which is not considered as Halal for Muslims.

China is becoming the largest manufacturer of goods in the world. It produces all kinds of goods on earth, and “made in China” is becoming a brand in the world marketplaces. Its membership to WTO has brought great impacts to Malaysian livelihood. Fifteen years ago when China requested investment from Malaysia (personal experience), many Malaysians ignored and turned down to that gold opportunity, but now China comes to Malaysia with flooded products including non-Halal and poised products.

A challenging scenario comes to Muslim consumers in Malaysia is uncountable Chinese made foodstuff/products now flooded in most supermarkets in Malaysia, and whose nature of Halal (Lawful or

---

3 "Mishandle China”, Fareed Zakaria, News Week 2007
4 According to news circulated on internet Starbuck has not got Halal certificate from JAKIM: Department of Islamic Development Malaysia
permissible in Islam) status is unknown to many Malaysians. To some people, I mean Muslim consumers may not choose to be particular about the nature of a product. But, the fact is that thousands and thousands daily consuming goods such as foodstuff, beverage and wearing products (for example, wallet, shoes, jackets and handbags made of pig skins, perfume contained alcohol, and cosmetic contained alcohol and pig fat or unidentified animal fats) are available in Chinese markets as well as in Malaysian markets, and the nature of Halal of these products is unknown to us, but Malaysian are buying them daily. Hence, to buy or not to buy a type of products, especially foodstuff made by the Chinese (Non-Muslims) in China is not only a challenge to Muslims in China, but also to Muslims in Malaysia. As a matter of fact, Muslim consumers in Malaysia do really go to supermarkets and buy products made by the Chinese Non-Muslims (infidels) every day, and so do Muslims in China.

Even if one is not so particular about the Halal nature of a product, then, the Chinese poison milk (Sin Chew Daily, July, August and September 2008) case should be a hard lesson to all of us to learn irrespective or regardless an individual consumer is Muslim or not. To worry some or not, it is not a simple matter anymore, not only is it concerned to Muslims about Halal of a product, but more importantly it is a matter of life and death. “The big white rabbit sweet candies” once were available in most markets in Malaysia which were contaminated by melamine. Only after the case of Melamine worldwide renown, the products disappeared from the Malaysian markets.

For a Muslim any issue that concerns the question of Halal and Haram should be taken seriously. As the beliefs of a Muslim are set by Islam, there is nothing that can be taken lightly. Due to cultural assimilation taken place so long since the Manchurian dynasty and ignorance of Muslims in China, this basic principle in Islam might be also traded off or sacrificed.

Today’s marketplaces in China and Malaysia are flooded with a wide range of foods made in China. Some of these are harmful to our health, for example, the poison milk and some are prohibited under Islamic law or Shariah, such as many processed foods containing high level of sugar and salt, various types food additives such as gelatine (CAP, 2006, PP98) whose Halal nature is unknown to us.

The issues of purity of a product or service (Halal) is something that is to be concerned to all of us, or at least it should be sensitive to Muslims in China if they want to continuously live as Muslims in a Communist Han Chinese dominated country. However, due to long term of enculturation with the Han Chinese, it can be noticed obviously that some Chinese Muslims adopt some Han Chinese habits such as heavy smoking and drinking alcohol in public places, especial the Uyghur Muslims who are general alcohol drinkers, they argued that it is their cultural heritage from their ancestors.

When the Uyghur look at the Hui, they would find that the Hui are more Chinese Han alike in appearance and dressing. If there is difference, that’s religion. The Huis take Islam as their only religion. The other ethnic groups, such as Bao’nan, Salars and Dongxiang are remaining as myths to most Chinese as well as to Muslims, as their origins of race are unknown or debatable. So Muslims in China too today lead challenging lives. They do not only face political and economic harassments, but their socio-cultural aspects, for example, the food products that they commonly consume in everyday life are also facing threat. Social events and activities are dominated by the mainstream culture that is the Han Chinese culture.

The Han Chinese dominated culture is unknowingly and insensibly influencing and assimilating Muslim lifestyles. As a result, Muslim lifestyles are gradually disappearing and assimilated into Chinese Han culture that is the final goal of this regime wanted to achieve, they did it successfully in certain aspects such as in the area of education and culture. Brainwashing TV programmes and cultural shows dominated by ethnic Han Chinese are intensified in the region of Northwest China.

Parallel to the economic reform, religious freedom was declared within the same year. Since then, the Chinese Muslims have not wasted time in expressing their convictions. According to Malaysian External Trade Development Corporation (MATRADE), the Chinese Muslim population as 2006 has grown to approximately 30 million people.

---

Has this presented a lucrative opportunity for foreign investments to enter into the Halal market in China? That depends entirely on which side of the fence you are on. There is currently a strong demand for Halal Products in China. However, with the exception of a few home grown small and medium scale enterprises which has successfully implemented international best practices for food processing and manufacturing, most of the small and medium enterprises (SMEs) in China still use traditional operating standards. This is due to the fact that Muslim SMEs in China lack the proper financing, business and technical expertise to compete in the local markets which we could see with our own eyes during the exhibition of Malaysian International Halal Showcase (MIHAS 2009) held from 7th-10th May 2009 at MATRADE.

Hence, assistance is required by the Chinese Muslims in China from foreign investors to expand and upgrade their processes to international standards and in this case the Chinese Muslims are eager to receive to investors from Muslim countries such as Malaysia. Generally, Muslims in China have positive attitude towards Malaysia. In addition, China currently lacks professional Muslims that are knowledgeable in international business and technical practices for the Halal industry. Investments from Muslim countries are required to upgrade the business management capabilities of the SMEs, manufacturing operations, acquire better technical expertise and introduce international best practices and standards (Rizal 2007).

The objective of the investments in Halal markets in China is to gain market share in the local markets in China and the gradual expansion into the international markets. A successful execution of these objectives will ensure lucrative returns to investors assisting local producers in developing the Chinese Halal market.

From the market demand perspective, 17th January 2003 marks a historical point for the development of Halal industry in the country with the unveiling of the first comprehensive Islamic supermarket in China. Located in the Niujie District in Beijing, the supermarket offers over nine thousand items with over three thousand products specific to the Muslim market. A small food court offers a range of tasty snacks, noodles and dumplings. The Niujie Islamic supermarket not only provides a one-stop centre for Muslims to fulfil their religious dietary requirements but also a channel for local Muslim enterprises to effectively market their Halal products to a wider range of consumers. Leveraged buyout on the low production costs prevalent most parts of China.

Chinese enterprises are more inclined in fostering partnership with foreign companies to the Halal industry locally and abroad rather than trading in imported products. Because of lack of transparency, my Malaysian friend Mr. Ahmad who has been studying in Beijing for the past decade told me in 2008 that most products being sold in Niujie Islamic supermarket were not Halal because product suppliers were non-Muslims. He argues how can non-Muslims supply Halal products for Muslims? It is ill-logic, he argued. I was shocked.

While companies from Malaysia with strong Halal product offering can still penetrate the Halal markets in China, this could be usually achieved by partnering with the local Muslim associations and Muslim companies in China through joint ventures.

Malaysian companies can leverage on the strong influence associations have over the Halal consumer markets in the area. For example, in Xinjiang, an organisation representing the Xinjiang Muslim food industry is the Urumqi Muslim Food Association. There are also thousands of Islamic associations spread all over of China across city, county and provincial level which can be sources for sorting out of Muslims owned or non-Muslims owned firms in a particular area for investment in the form of leveraging.

Fundamentally speaking, there are ten ethnic Muslim groups geographically located all over of China, although they are all Muslims, we believe that they will display great differences in preference of Halal products due to differences in their ethnic, cultural and geographical and educational backgrounds. Each of these ethnic Muslim groups across the regions, provinces, counties, cities, communities and neighbourhood in all over of China, has its own unique set of rules of behaviour (personal experience).

We also have the acknowledgment that there are 30 million of Muslim populations in China. By increasing average Chinese citizen’s purchasing powers, we believe that there is a potential for Halal markets in China. However, we do not know much about this previously untouched market. Therefore, we need to do a
research particularly addressing on Halal markets in China by focus on Chinese Muslims’ cultural values such as religiosity (beliefs), ethnocentrism, trust, Habits, self-identity, dietary acculturation, including their attitudes, norms, perceived controllable behaviours towards Halal products and their purchasing intention towards Halal products.

Globalization has led to the commercialisation and despiritualisation of all aspects of human life, including Muslim religious practices. In many traditions, consumption of food is not just to satisfy physical needs but has spiritual significance. Certain foods and products are considered lawful (Halal) while others are prohibited (Haram). Consumption of lawful foods and products promotes spiritual development (Sheikh Yusuf Al-Qaradawi). In information technology terminology this is called “GIGO”-garbage in and garbage out. Not long ago, we consumed foods that were produced by small famous using ecologically sustainable agricultural practices and that were free from chemicals. Natural farming based on millennia old wisdom of our farming tradition, was the prevalent practice until the appearance of industrial agriculture.

With the introduction of “scientific” farming practices promoted by Chinese bureaucrats trained in Western and Communist educational system, and under competitive pressure from big corporations, farmers in China began using increasing amounts of in-organic fertilizer, harmful pesticides, herbicides and other chemicals. For example, the poison rice⁶ case was just a piece of iceberg from millions of such cases unveiled in China. Only now are we beginning to realize the harmful effects of the use of chemicals on our health and the environment. Based on theory of GIGO-Garbage in and garbage out, can consumption of foods which are produced by destroying our health contribute to the “illumination of our hearts”? There was once upon a time when we consumed largely fresh, wholesome natural food. But with the advent of food technology and food industry, we have been eating more and more processed foods containing chemicals, additives, preservatives and taste enhancers. Consequently, we are taking into our bodies more chemicals which could be injurious to our health. There is an emerging view among public health practitioners and researchers linking exposure to chemicals, whether in the food we consume or the air we breathe, to diseases like cancer. Besides, the health risks, in many cases, processed foods offend the dietary practice or regulations of certain groups. Many additives are from animal sources, sometimes from cows and pigs. Therefore, vegetarians, Hindus and Muslims cannot eat food containing such additives.

Because we do not have adequate laws on labelling in China, Chinese Muslim people are consuming food that violates their dietary practice or rules. The problem is compounded by the import of food items from regions that are subject to proper inspection and testing. For example, some types of sweet candies, e.g. Big White Rabbit, which contain pig milks, animal fats and gelatine, manufactured in Guangdong province and widely being sold in Northwest China where Muslims occupy a big majority comparatively as well as being sold in Malaysia.

The issue of Halal or Haram is of cruel important to Muslims in China as well in Malaysia, because it touches on their Iman or faith. They are required to be scrupulous in avoiding prohibited and suspect things. Unfortunately, we do not have adequate information about Muslims in China including Halal markets in China, Muslims’ cultural values, beliefs, their attitude toward Halal products and their preference of Halal products.

When Muslims in China consume foods in public hotels and restaurants located in other than their own hometowns, or on trains and aircrafts travelling in China, or purchasing food items from supermarket and hypermarkets, very often, they are not sure whether the food conforms to Islamic dietary rules. There is no proper certification and they do not have access to information to form an opinion. The Muslims in China highly regard the Halal certification issued by the official Islamic institutions with full confidence and trust because they do not have adequate skilled personnel and testing facilities to conduct rigorous inspection and testing on food offered for sale to public.

The official Islamic institutions in China, such as China Islamic Association together with its branch offices in Provincial, County and City level should push for the enactment on different level of state legislation, regulating the production, transportation, storage, distribution and sale of Halal food and products. It must

---

⁶ Old rice polished with calcareousness and resold in the market as new.
provide for strict punishment of those who misrepresent non-Halal food and products as Halal and thereby deceive consumer into consuming or buying them. After the Shandong incident \(^7\), we cannot accept the mistakes made by the government by saying that the religion is not allowed to interfere the state affairs. This is not a matter of Muslim religion is interfering the state affairs but the state is violating the freedom of religious practice of Muslims by allowing non-Halal foodstuff and products being sold to public as Halal. For Muslims, Halal and Haram is a matter of state affairs as well as personal religious matter, and more precisely it concerns its citizens’ healthy matter, so the state must take stand on this issue. The World Health Organisation has come out with guidelines on Halal food which could be enacted as local legislation subject to amendments that we deem necessary.

Muslim scholars should not confine their studies and opinions only to how animals are slaughtered, meat is transported and stored, and food is prepared. Technological society has thrown up new issues that require authoritative answers rooted in Islamic teaching, and not Fatwa-s justifying what we have had in the name of value-free science and technology. Is it permissible to eat food loaded with chemicals injurious to health and produced by killing other living things, destroying the environment and fracturing the ecological balance created by God? Is it Halal (lawful) to consume meat from animals that are reared under extremely cruel conditions, for example, sheep slaughtered in the dark night using mechanic machines, in violation of the Shariah? Not only do we urgently need answers to these important questions to ensure that Muslims consume licit food, but also are we interested to know whether the Halal and Haram matters are indeed important to Chinese Muslims.

This research is a part of our effort to resist the homogenization of cultural values, attitudes, behaviours (taste and lifestyle) promoted by Sinocization process led by ethnic Han Chinese dominated governments and institutions. We believe in diversity and will struggle to preserve our way of life, culture, norms and values against the onslaught of capitalism, Chauvinism and Sinocization taken place on Muslims in China. On this backdrop, and faced by these challenges to Muslims in China, our research will focus on the following problems:

1. What is the level of Chinese Muslims’ understanding in Islamic beliefs (religiosity)? Is there any difference of Chinese Muslims’ understanding in Islamic beliefs (Religiosity) across ethnical Muslim groups and across geographical regions in China?

2. What is the level of Chinese Muslims’ Cultural Adherence (ethnocentrism) to Islamic culture? Are Chinese Muslims proud of Islamic culture? Is there any difference of Chinese Muslims’ Islamic culture across ethnic groups, and geographical regions in China?

3. What is the level of Chinese Muslims’ trust towards Halal products available in the markets? Do Chinese Muslims trust those products being sold in supermarkets, aircrafts and trains as Halal? Is there any difference of Chinese Muslims’ trust towards Halal products available in the market across ethnical Muslim groups and across geographical regions in China?

4. What is the level of Chinese Muslims’ self identity being a Muslim? Are Chinese Muslims proud of their Muslim identity? Is there any difference of Chinese Muslims’ self identity being a Muslim and being a Chinese across ethnical Muslim groups, across geographical regions in China?

5. What is the level of Chinese Muslims’ Halal Dietary Acculturation (Familiarity to Halal products)? Are Chinese Muslims familiar with Halal and Haram matters? Is there any difference of Chinese Muslims’ familiarity towards Halal products across ethnical Muslim groups and across geographical regions in China?

6. What are the Chinese Muslims’ attitudes towards Halal products? Are they positive or negative towards Halal products? Is there any difference of Chinese Muslims’ attitudes towards Halal products across ethnical sub-cultural groups and across geographical regions in China?


\(^7\) Pork butcher shop labelled as Halal (pure and genuine) in Chinese and drawn wide range of protest in Shandong, then spread to Hebei and Henan provinces and created regional chaos in 2003.
2. HALAL MARKET SIZE

Today, if you ask a Chinese Muslim or Chinese Muslim scholar, he will probably say that Muslim population figure in China is more than 65 million at least 30 million as conservatively, and if you ask the leaders of Chinese Islamic Associations in China and Communist government officials, they will say that Muslim population in China is not more than 20 million.

Many Chinese communist officials pointed out that the figure of 48 million (see table 2.1) before 1949 was incorrect and the figure of 20 million Muslim manufactured by the Chinese Communist regime in 1990 was accurate. However, that figure never changes in the past twenty years in Chinese government documents and official stances. Surely, the Chinese government downplayed the real figure of Muslim population in China as usually it did in its report on its military expenditure. Whereas in the case of Muslims in Taiwan, this would be another case where the Kuo Ming Tang (KMT: Chinese Nationalist Party) in Taiwan would play up the Muslim figures for international attentions.

In order to attract attention from international as well Muslim communities for the purpose to expand its diplomatic relationship, the Taiwanese government usually puffed up Muslim population figures in Taiwan. For example, there are only 20 thousand Muslims in Taiwan reported by Islamic Association in Taipei. However, the Taiwanese government often claims that there are about 200 thousand Muslims in Taiwan.

On the other hand, the Chinese Communist Regime in the mainland China downplayed Muslim figures in China in order to avoid international attentions. China has been condoned by international communities for violating human rights including Muslims’ freedom of religious practice. As a result, China’s report on Muslim population looks like its military expenditure, it is a state secret.

Today, the population of Muslims in China is estimated to be between 30 million to some 65 million, and some even estimate that Muslim population has reached 200 million according to unofficial counts. This big disparity may stem from the existing census method, although it is worth noting that before the liberation in 1949, the KMT government estimates were already at 48 million as Table 1.3 shows.

If you look at Chinese official documents on Chinese culture and history published by Chinese Ministry of Foreign Affairs, you would find that there were Buddhism, Daoism and Christianity in official documents, but no Muslims—if there were, there were only some minorities living in the northwest China. For ethnic Han Chinese, if there were Muslims in China, which meant that, the Chinese government’s assimilation policy would have failed. For the Chinese communist regime, the less Muslim population, the better it is for it to fool international communities. We should not forget that Confucian culture excludes foreign cultures. In the Biography of Zuo, Confucius says: “if he who is not from our race must have different heart from us”.

Nevertheless, neither Taiwanese KTM regime nor Chinese communist regime in the Mainland is speaking the truth. The Chinese communist regime in the mainland would insist that there are about 20 million Muslim populations in China. According to National Censuses conducted in 1990, 2000 and 2010, this figure never changes in the past twenty years.

The Chinese regime in Taiwan would also say there are 200 thousands of Muslims in Taiwan, although there are only 20 thousand Muslims in Taiwan and most of them have been assimilated into ethnic Han Chinese, which means that they speak Chinese, drinking alcohol, and eating pork.

<table>
<thead>
<tr>
<th>Province/Region</th>
<th>Muslim Population in China</th>
<th>Number of Mosques</th>
<th>Muslim Communities</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Xinjiang/新疆</td>
<td>2,350,950</td>
<td>2045</td>
<td>2045</td>
</tr>
<tr>
<td>2 Gansu/甘肃</td>
<td>3,510,920</td>
<td>3891</td>
<td>3891</td>
</tr>
<tr>
<td>3 Ningxia/宁夏</td>
<td>753,400</td>
<td>655</td>
<td>655</td>
</tr>
<tr>
<td>4 Qinghai/青海</td>
<td>1,186,590</td>
<td>1031</td>
<td>1031</td>
</tr>
<tr>
<td></td>
<td>Chinese Region/Province</td>
<td>Population</td>
<td>Reliance</td>
</tr>
<tr>
<td>---</td>
<td>-------------------------</td>
<td>------------</td>
<td>----------</td>
</tr>
<tr>
<td>5</td>
<td>Dong San Sheng/东三省</td>
<td>7,533,680</td>
<td>6570</td>
</tr>
<tr>
<td>6</td>
<td>Hebei/河北</td>
<td>278,950</td>
<td>241</td>
</tr>
<tr>
<td>7</td>
<td>Suiyuan/绥远</td>
<td>384,620</td>
<td>253</td>
</tr>
<tr>
<td>8</td>
<td>Cha Ha Er/察哈尔</td>
<td>195,050</td>
<td>175</td>
</tr>
<tr>
<td>9</td>
<td>Hebei/河北</td>
<td>3,379,410</td>
<td>2942</td>
</tr>
<tr>
<td>10</td>
<td>Henan/河南</td>
<td>3,094,800</td>
<td>2703</td>
</tr>
<tr>
<td>11</td>
<td>Shanxi/陕西</td>
<td>4,129,090</td>
<td>3616</td>
</tr>
<tr>
<td>12</td>
<td>Shaanxi/山西</td>
<td>1,589,570</td>
<td>1931</td>
</tr>
<tr>
<td>13</td>
<td>Shandong/山东</td>
<td>2,890,430</td>
<td>2513</td>
</tr>
<tr>
<td>14</td>
<td>Yunnan/云南</td>
<td>4,508,290</td>
<td>3971</td>
</tr>
<tr>
<td>15</td>
<td>Guizhou/贵州</td>
<td>519,160</td>
<td>449</td>
</tr>
<tr>
<td>16</td>
<td>Sichuan/四川</td>
<td>2,615,330</td>
<td>2275</td>
</tr>
<tr>
<td>17</td>
<td>Guangxi/广西</td>
<td>280,180</td>
<td>429</td>
</tr>
<tr>
<td>18</td>
<td>Guangdong/广东</td>
<td>558,450</td>
<td>201</td>
</tr>
<tr>
<td>19</td>
<td>Hunan/湖南</td>
<td>1,302,900</td>
<td>932</td>
</tr>
<tr>
<td>20</td>
<td>Hubei/湖北</td>
<td>1,587,080</td>
<td>1134</td>
</tr>
<tr>
<td>21</td>
<td>Jiangxi/江西</td>
<td>286,590</td>
<td>205</td>
</tr>
<tr>
<td>22</td>
<td>Zhejiang/浙江</td>
<td>357,300</td>
<td>239</td>
</tr>
<tr>
<td>23</td>
<td>Anhui/安徽</td>
<td>2,288,580</td>
<td>1515</td>
</tr>
<tr>
<td>24</td>
<td>Jiangsu/江苏</td>
<td>1,963,170</td>
<td>1302</td>
</tr>
<tr>
<td>25</td>
<td>Fujian/福建</td>
<td>471,750</td>
<td>157</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>48,104,240</td>
<td>42,371</td>
</tr>
</tbody>
</table>

Source: Fu, Tong Xian (1937), Islamic History in China, First published by Shanghai Commercial Publishing House and reprinted by Ningxia People’s publishing House in 2000, pp111. Chinese government officials as well representatives of China Islamic Association (CIA) rejected these figures without given valid reasons and proper calculations.

Because of this, we would never really know the exact Muslim figures in China-unless we conduct an independent census on Chinese Muslim population in China and Taiwan, which would be impossible in China.

As Table 1.3 shows that the largest Muslim population in China is the Hui people. The Hui name derived from Islam which means “Min Aina ila Aina” indicating those who shall return to their origin- the Chinese Name for Muslims and Islam”. The Huis comprise near half of China's Muslim population (48%) and are scattered throughout all over of China.
When we look at the Huis from their appearance, we will find that the Huis are very much similar with the Han Chinese, the Huis eat food with chopsticks, they dress like the Hans, their appearances look like the Hans, and they speaks Han Chinese language, especially those Huis live in South China or big cities such as Beijing, Shanghai and Guangzhou etc. These are Chinese Muslims whose mother tongue is Chinese, whose religion is Islam, and they are called Hui or Hui Hui in Chinese.

We may simply say that Chinese Muslims are the Huis or Hui Hui, or the Hui people. So when we say Chinese Muslims, we mean that we are referring to people who are speaking Chinese language and believing in Islam. The Hui does not have a “common area” and a “common language”, hence the definition of ethnic or nationality does apply onto the Hui.

The autonomous administrative system is originally designed to give the minorities' political equality with the Han people and to help them maintain their distinctive identities at the same time, but this sweet promise has been broken since 1957. The Han Chinese language (Pu Tong Hua or Mandarin) is being promoted as the official spoken language of the country. All minority peoples are urged to learn it, which is the primary step to ethnic Han assimilation.

Generally speaking, all minorities live harmoniously with the Han people side by side. Recent cases in Xinjiang\(^a\) and Tibet\(^b\) shows that the government polices do not work well to promote economic development among minorities to enable them to catch up with the Han people.

Due to bias and prejudice, the Hans always assume themselves superior than other minorities in all aspects, and all the minorities were considered as backward, therefore they need rescue and salvation or saviours from the Han Chinese. Because of this bias, those state-owned corporations and companies operating in Xinjiang, Qinghai, Gansu and Ningxia traditionally take employees from those Han Chinese who are originally from East or South China, instead of employing the local Minorities who are indigenous people in these areas.

---


\(^b\) In the month of June, July before the Olympic game started, Tibetans uprising in Lhasa, South Gansu and Aba in Sichuan against the Chinese Communist ruling.
Broadly speaking, the Hans always intentionally interfere in the ethnic minority affairs and try to convert them into Han Chinese. After having converted to Islam, a Han Chinese feels it is not right to call him as Han people continuously as he is Muslim now, so he decides to change his nationality status from Han to Hui, the government would say that he could not do so, even though he is a Muslim now and his Muslim (Hui) status cannot be recorded into his personal file or household account kept by the government. So long his Han nationality status does not change, his religion status will remain no change, although privately he is Muslim now, and the government records would maintain that he is still Han, therefore he is not counted as Muslim in the government statistics or census. Therefore a Han Chinese is not allowed to change his Han ethnic background to Muslim ethnic Hui background in the Northwest China.

However, if a Hui, somehow, because of marriage or other reason, has lost the religion of Islam and sense of belonging to Muslim community, and decided to change his nationality status from Hui to Han, he is most welcome, and he can do so very smoothly without facing any harassment.

Every time when the Government does national census survey, and the Muslim population announced by the government is always based on the accumulated figure of those ten minorities whose religion is Islam and other ethnic groups including the ethnic Han who might take Islam as their religions are not accounted. Whatever the government is trying to do, it eventually cannot cover up the fact that there is a huge Muslim population distribution in China.

<table>
<thead>
<tr>
<th>Region</th>
<th>Hui</th>
<th>Uyghur</th>
<th>Kazak</th>
<th>Dongxiang</th>
<th>Kyrgyz</th>
<th>Salar</th>
<th>Tajik</th>
<th>Uzbek</th>
<th>Bao nan</th>
<th>Tatar</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beijing</td>
<td>249223</td>
<td>6975</td>
<td>1602</td>
<td>484</td>
<td>189</td>
<td>644</td>
<td>21</td>
<td>51</td>
<td>24</td>
<td>23</td>
</tr>
<tr>
<td>Tianjin</td>
<td>177734</td>
<td>2170</td>
<td>476</td>
<td>121</td>
<td>41</td>
<td>122</td>
<td>11</td>
<td>19</td>
<td>10</td>
<td>4</td>
</tr>
<tr>
<td>Hebei</td>
<td>570170</td>
<td>864</td>
<td>320</td>
<td>78</td>
<td>25</td>
<td>131</td>
<td>8</td>
<td>7</td>
<td>7</td>
<td>17</td>
</tr>
<tr>
<td>Shaanxi</td>
<td>59709</td>
<td>670</td>
<td>277</td>
<td>30</td>
<td>6</td>
<td>43</td>
<td>1</td>
<td>3</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>Inner-Mongol</td>
<td>221483</td>
<td>658</td>
<td>377</td>
<td>574</td>
<td>141</td>
<td>53</td>
<td>6</td>
<td>6</td>
<td>90</td>
<td>6</td>
</tr>
<tr>
<td>Liaoning</td>
<td>245798</td>
<td>1917</td>
<td>448</td>
<td>27</td>
<td>125</td>
<td>88</td>
<td>10</td>
<td>5</td>
<td>2</td>
<td>14</td>
</tr>
<tr>
<td>Jiling</td>
<td>118799</td>
<td>1127</td>
<td>467</td>
<td>32</td>
<td>36</td>
<td>50</td>
<td>2</td>
<td>2</td>
<td>6</td>
<td>5</td>
</tr>
<tr>
<td>Heilongjiang</td>
<td>101749</td>
<td>884</td>
<td>165</td>
<td>19</td>
<td>1431</td>
<td>7</td>
<td>9</td>
<td>5</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>Shandong</td>
<td>78163</td>
<td>5254</td>
<td>639</td>
<td>362</td>
<td>58</td>
<td>941</td>
<td>14</td>
<td>14</td>
<td>16</td>
<td>12</td>
</tr>
<tr>
<td>Jiangsu</td>
<td>130757</td>
<td>4367</td>
<td>2124</td>
<td>420</td>
<td>61</td>
<td>353</td>
<td>17</td>
<td>15</td>
<td>32</td>
<td>19</td>
</tr>
<tr>
<td>Zhejiang</td>
<td>38192</td>
<td>5377</td>
<td>695</td>
<td>322</td>
<td>279</td>
<td>424</td>
<td>3368</td>
<td>86</td>
<td>17</td>
<td>9</td>
</tr>
<tr>
<td>Anhui</td>
<td>328062</td>
<td>710</td>
<td>1203</td>
<td>112</td>
<td>14</td>
<td>78</td>
<td>3</td>
<td>4</td>
<td>15</td>
<td>9</td>
</tr>
<tr>
<td>Fujian</td>
<td>115978</td>
<td>1159</td>
<td>1492</td>
<td>339</td>
<td>50</td>
<td>80</td>
<td>19</td>
<td>9</td>
<td>5</td>
<td>17</td>
</tr>
<tr>
<td>Jiangxi</td>
<td>8902</td>
<td>852</td>
<td>1718</td>
<td>49</td>
<td>46</td>
<td>44</td>
<td>33</td>
<td>9</td>
<td>0</td>
<td>4</td>
</tr>
<tr>
<td>Shandong</td>
<td>535679</td>
<td>4635</td>
<td>1116</td>
<td>126</td>
<td>90</td>
<td>609</td>
<td>32</td>
<td>13</td>
<td>7</td>
<td>11</td>
</tr>
<tr>
<td>Henan</td>
<td>957964</td>
<td>3035</td>
<td>4805</td>
<td>72</td>
<td>37</td>
<td>279</td>
<td>23</td>
<td>16</td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td>Hubei</td>
<td>67185</td>
<td>2577</td>
<td>2191</td>
<td>67</td>
<td>36</td>
<td>135</td>
<td>9</td>
<td>9</td>
<td>6</td>
<td>10</td>
</tr>
<tr>
<td>Hunan</td>
<td>94705</td>
<td>6716</td>
<td>2775</td>
<td>62</td>
<td>62</td>
<td>79</td>
<td>3</td>
<td>33</td>
<td>13</td>
<td>15</td>
</tr>
<tr>
<td>Guangdong</td>
<td>45073</td>
<td>6438</td>
<td>4602</td>
<td>403</td>
<td>577</td>
<td>823</td>
<td>165</td>
<td>73</td>
<td>25</td>
<td>55</td>
</tr>
<tr>
<td>Guangxi</td>
<td>32319</td>
<td>1795</td>
<td>1884</td>
<td>17</td>
<td>28</td>
<td>128</td>
<td>2</td>
<td>13</td>
<td>1</td>
<td>24</td>
</tr>
<tr>
<td>Hainan</td>
<td>10670</td>
<td>393</td>
<td>1553</td>
<td>19</td>
<td>1</td>
<td>21</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>
Those small figures, less than one thousand, are planted by the Chinese government to show the world that China is the paradise for all ethnic groups. Figures such as, 1, 2, 3 and 4, most of them are students enrolling universities and schools in these regions.

3. GEOGRAPHICAL LOCATION/HALAL MARKET PLACES

The most recent economic thrust is the opening of the Great Northwest since 2000, primarily an area where Muslims reside. This has been complemented by a series of ongoing trade exhibitions in Lanzhou and Ningxia among others. Much work is needed to make this economic developmental opportunity for Muslims a reality. Ideally, Muslim population size (N) multiplies disposal per capital income will be the market size or potential (N*S). Although we know there is a considerable Muslim population in China, and we know the disposal per capital income in China, yet we do not know whether they understand the Halal products, whether there is a need and want for Halal products. That leads this research.

**Figure 1.1 Chinese Muslim Communities in China**

Source: Muhammad Daniel Wang Dianwen, a famous Muslim calligrapher in China and my friend.
Muslims in China traditionally live around mosques and mosques are community centers too. If you can find a mosque in any particular place in China, you are almost ensured to find out a Muslim community in that area including Halal restaurants and business center, then your life would be easy there. Unlike Taoism and Buddhism temples in China which were normally built up in an isolated area or far away from community centers, but mosques in China were normally built in the gold places where commercial and community centers are usually standing, for example, Xiguan Grand Mosque in Lanzhou city, the capital city of Gansu province occupied the city centre and the most valuable and gold place in the city, no matter what price syndicates in the city wanted to pay for the place, Muslims there did not trade their mosque for money. A Fengshui master told ethnic Han Chinese in the city that the Xi Guan Grand Mosque sited exactly on the head of dragon worshiped by ethnic Han Chinese in the city, as a result, ethnic Han would never rise up their heads, so the ethnic Han used Chinese government power in Lanzhou and tried very best to reallocate the mosque to another place, the ethnic Han failed.

In China, each mosque represents a particular Muslim community and serves Muslim people in that particular community, and Muslim population in that particular community normally does not cross or conjoin with another mosque due to following different sects of the religion of Islam or geographical distance. It is therefore, a mosque means a community, a society, a market, more importantly.

There are now more mosques open in China than there were prior to 1949, one would finds among the Muslims in China today a wide spectrum of Islamic belief. Archaeological discoveries of large collections of Islamic artefacts and epigraphy on the southeast coast suggest that the earliest Muslim communities in China were descended from Arab, Persian, Central Asian, and Mongolian Muslim merchants, militia, and officials who settled first along China's southeast coast from the 7-10th centuries, and then in larger migrations to the North from Central Asia under the Mongol-Yuan dynasty in the 13-14th centuries, gradually intermarrying with the local Han Chinese populations, and raising their children as Muslims.

Muslims in China are practicing Sunni, Hanafi Islam, residing in independent, small communities clustered around a central mosque. These communities are characterized by relatively isolated, independent Islamic villages and urban enclaves, who relate with each other via trading networks and recognition of belonging to the wider Islamic "Umma" headed by an Ahong (from the Persian, akhun) or Imam who was invited to teach on a more or less temporary basis. Muslims in China live dispersedly in nationwide, however, in a particular place they live in small communities or clusters concentrically.

Before 1949, based on KMT government estimation there were 42,371 Mosques all over of China. If we assume that there were one thousand Muslims living around each mosque on average basis, the population of Chinese Muslims in China then would be 1000X42, 371=42,371,000 (≈42 million) which was very close to the figure, 48 million, which was the figure given by the then government. If there were about 500 Muslims living around a mosque, we would have at least about 21 million Muslims in China before 1949.

Suppose if there were about 250 Muslims living around a mosque, we would have at least 11 million Muslims in China before 1949. Census on Muslim population might not be accurate as what the Chinese KMT regime released and CCP leaders criticised. Regardless, whatever a case might be, it is a deadly fact that there are potential and substantial Muslim populations in China which no one could deny.

As what the Chinese Communist cadres argued on the inaccurate of Muslim population estimated before 1949, but the number of mosques would be accurate as mosques per see were public places in those and now days under government watching and monitoring, how many mosques in a particular city, county or province are obvious. The number of mosques was public and open information, and the government could not play fool with. The only possibility was something happened in the period of 1957 to 1960 to Muslim populations in China. In this period, the Great Leap Forward campaign took place, it was a man-made tragedy, at least thirty-five million of Chinese people died in starvation, so did Muslim population.
According to the Chinese Communist propaganda writer and promoter, Stockwell\textsuperscript{10} (1996, p144) there were more than 30,000 mosques in China in 1993. If we assume that the pro-communist western writer was correct because he got accurate data and sources from the Chinese Communist regime, if we assume on average there were one thousand Muslims living around a mosque, then the total Muslim population would be 1000 X 30,000= 30,000,000 (30 million) in 1996.

The estimated figure of one thousand is based on our experience, because those mosques on official list usually would have some voltage such as huge population or long history. If it was a historical mosque, the Muslim population living around a mosque would be not less than 1000 after hundred years of historical process.

In China, on average, an officially listed mosque normally has at least one hundred years of history. Otherwise it would not be listed as officially, without sufficient Muslim population support and request, it is impossible to build up a new mosque in resident area. Furthermore, one thousand is a minimum unit for counting population in a particular village, district and city for building up a mosque.

Therefore, in any case, the number of mosques is more accurate if the figure of population might be manipulated by administration for political agenda or calculated mechanically, then, we would have 30 million of Muslim populations in China, and this figure is still conservative figure as some Chinese Muslim scholars estimated about 65 million. Other estimation says that mosques in China were more than 3700 or 4000.

As mosques were not built just like that, without enough Muslim population supporting and active participating in contribution, to build a mosque is as difficult as building up a house on the top of Himalaya. Whatever the Muslim population is in China, one thing we are very sure that there are potential and substantial Muslim markets or Halal markets all over of China since there are concrete Muslim consumers.

4. HALAL MARKET IN CHINA: PURCHASING POWER AND MARKET SIZE

We assume that Muslim population size in China is 30 million, if the disposable per capital income on average Chinese citizen is USD1500 (2008), we assume, average disposal per capital income for Muslim minorities is USD1000, then, Halal market in China would be about approximately: USD1, 000X30 million=USD30, 000 million or 30 billion which is surely a huge market.

Generally, there are two major factors which can determine the Halal market potentials in China. First, assuming the Government is pro-business, pushing political concerns aside and other factors are constant, then the first factor determining the Halal market potentials would be the Muslim populations in China, the size of consumer population really does matter; the second factor determining the Halal market potentials would be the purchasing power which is measured through the disposal per capital income, which could be obtained from the reports of China national statistics, and the data of these two factor can be retrieved and digested from various national statistic reports. Hence, Halal market potentials can be calculated thoroughly. In 2012, Muslim disposal income has reached a significant level of USD1500 (based on surveyed data).

However, the challenge is do Muslim consumers in China need Halal products? Do they have wants for Halal products? Do they hold those Islamic values? We do not have answers to these questions. Muslim consumers’ Islamic values or the level of understanding of Islamic values will influence Muslim consumers’ attitude towards Halal products, as a result, which will influence consumers’ purchasing behaviours, such as buy or not to buy, prefer or not prefer Halal products.

5. WHY MUSLIMS IN CHINA?

Muslims in China take great pride in citing a Hadith that says "Seek knowledge even unto China".

This Hadith is a call for China studies. It points to the importance of seeking knowledge, even if it meant travelling as far away as to China. Especially, as at the time of the Prophet Muhammad (PBUH), China was considered the most developed civilization of the period. Islam in China began to spread and fruitful during the caliphate of 'Uthman ibn Affan (Allayhi Rahma, ra), the third caliph. After triumphing over the Byzantine, Romans and the Persians, 'Uthman ibn Affan, dispatched a deputation to China in 29 AH (650 C.E., Eighteen years after the Prophet's (pbuh) death), under the leadership by Sa'ad ibn Abi Waqqaas (Allah ArRahamuhi), Prophet Muhammad's (Suanlanl Allahi Allaihi WaSuanllaimai (S.A.W), or PBUH) maternal uncle, inviting the Chinese emperor to embrace Islam.

Even before this, the Arab traders during the time of the Prophet (PBUH) had already brought Islam to China, although this was not an organized effort, but merely as an offshoot of their journey along the Silk Road (land and sea route). Now, the question is what has happened on Muslims in China after thousand years of evaluation? Are they still Muslims who follow Islamic values? Or have they been Sinocized by ethnic Han Chinese? Do they particular about Halal and Haram in products they consumer?

Although there are only sparse records of the event in Arab history, a brief one in Chinese history, The Ancient Record of the Tang Dynasty describes the landmark visit (Fu, 1937).

To Chinese Muslims, this event is considered to be the birth of Islam in China. To show his admiration for Islam, the emperor Tang Gaozong, in the Second Year of Yonghui (651 C.E) ordered the establishment of China's first mosque (Fu, 1937). The magnificent Guangzhou city mosque known to this day as the 'Memorial Mosque.' still stands today, after fourteen centuries. One of the first Muslim settlements in China was established in this port city. The Umayyad and Abbasids sent six delegations to China, all of which were warmly received by the Chinese (Fu, 1937).

The Muslims who immigrated to China eventually began to have a great economic impact and influence on the country. They virtually dominated the import/export business by the time of the Sung Dynasty (960-1279 CE). Indeed, the office of Director General of Shipping was consistently held by a Muslim during this period. Under the Ming Dynasty (1368- 644 CE) generally considered to be the golden age of Islam in China, Muslims gradually became fully integrated into Han society.

An interesting example of this synthesis by Chinese Muslims was the process by which their names changed. Many Muslims who married Han women simply took on the name of the wife. Others took the Chinese surnames of Ma, Mai, and Mu - names adopted by Muslims who had the names Muhammad, Mahmud, Masoud and Mustapha. Still others who could find no Chinese surname similar to their own adopted the Chinese character that most closely resembled their name-Ha for Hassan, Hu for Hussein, or Sa for Said, La for Abdullah, Sha for Shamsuddin and so on.

In addition to names, Muslim customs of dress and food also underwent a synthesis with Chinese culture. The Islamic mode of dress and dietary restrictions were consistently maintained and not compromised. In time, the Muslims began to speak Han dialects and to read in Chinese. Well into the Ming era, the Muslims could not be distinguished from other Chinese other than by their unique religious customs. In spite of the
economic successes the Muslims enjoyed during these and earlier times, they were recognized as being fair, law-abiding, and self-disciplined. For this reason, once again, there was little friction between Muslim and non-Muslim Chinese. Over the years, many Muslims established Mosques, schools and Madrasahs attended by students from as far as Russia and India. It is reported that in the 1790's, there was as many as 30,000 Islamic students, and the city of Bukhara-the birthplace of Imam Bukhari, one of the foremost compilers of Hadith—which was then part of China, came to be known as the "Pillar of Islam."

The rise of the Manchurian Dynasty (1644-1911 CE), though changed this. The Qing was established by Manchurians (not Han) and who were a minority in China. They employed tactics of divide-and-conquer to keep the Muslims, Han, Tibetans, and Mongolians in struggles against one another. In particular, they were responsible for inciting anti-Muslim sentiment throughout China, and used Han soldiers to suppress the Muslim regions of the country. When the Manchurian Dynasty fell in 1911, the Republic of China was established by Sun Yat Sen, who immediately proclaimed that the country belonged equally to the Han, Hui (Muslim), Man (Manchurian), Meng (Mongol), and the Zang (Tibetan) peoples. His policies led to some improvement in relations among these groups.

Since the People's Republic of China was founded in 1949, tremendous upheavals occurred throughout China culminating in the Cultural Revolution. Muslims along with all the Chinese population suffered. After the third congress of the 11th Central Committee, the government greatly liberalized its policies toward Islam and Muslims. Since religious freedom was declared in 1978, the Chinese Muslims have not wasted time in expressing their convictions.

Under China's current leadership, in fact, Islam appears to be undergoing a modest revival. Religious leaders report more worshipers now than before the Cultural Revolution, and a reawakening of interest in religion among the young.

According to a publication on mosques in China (1998 edition), there are now 32,749 mosques in the entire People's Republic of China, with 23,000 in the region of Xinjiang. There has been an increased upsurge in Islamic expression in China, and many nationwide Islamic associations have been organized to coordinate inter-ethnic activities among Muslims. Islamic literature can be found quite easily and there are currently some eight different translations of the Qur'an in the Chinese language as well as translations in Uyghur and the other Turkic languages.

Muslims have also gained a measure of toleration from other religious practices. In areas where Muslims are a majority, the breeding of pigs by non-Muslims is forbidden in deference to Islamic beliefs. Muslim communities are allowed separate cemeteries; Muslim couples may have their marriage consecrated by an imam; and Muslim workers are permitted holidays during major religious festivals.

Muslims of China have been given difficulties to make the Hajj to Mecca. China's Muslims have no say in the country's internal politics. As always, the Muslims have been silenced. Islam is very much alive in a small area or village. China's Muslims have difficulties to manage and practice their faith, sometimes against great odds, since the seventh century.

However, few people outside China are aware of the presence of Muslims in the Middle Kingdom although China’s Islamic population may be as large as sixty-five million. Even within the country many Han Chinese, the majority ethnic group, have real knowledge of their Muslim neighbours. Most of these Muslims are members of families and lineages which can trace their religious heritage back through many centuries. Many of them live in villages, towns, urban neighborhoods, and even whole regions in which the dominant culture has for centuries been Islamic rather than Chinese.

In Muslim communities, with their own mosques, Madrasah, Halal butchers and food stalls, and many other distinctive features, are found in almost every part of China, from the Southern coastal provinces of Guangdong and Fujian, here the first Muslims to visit China came as sailors and merchants, to the far northeastern provinces of Liaoning and Hei long jiang.
The Capital, Beijing, has its own long-standing Muslim quarters in the area around the Niujie (Ox Street) Mosque which is considered as National Mosque of Chinese government. There are at least forty other mosques in the Beijing city. Far in the Southwest, for example, Yunnan has a large and influential Muslim population that is part of the complex ethnic path-work in the province and it was this province once upon a time had an Islamic State.

Islam and its highly visible culture have left the deepest impressions in China’s remote northwest, along what has become known as the Silk Road—the ancient system of trading routes affording access to Central Asia, the Middle East and Europe. It is on the region, the present-day provinces of Gansu, Qinghai and Shaanxi and the autonomous regions of Ningxia and Xinjiang are situating. Northwest of China has had a complex history, as ancient remains still visible today testify.

Over the centuries it has been home to speakers of the Tibetan, Turkic, Mongolian, and Chinese language families. Evidence of the Manichaean, Nestorian, and Buddhist beliefs that preceded Islam survives in works of art such as the Buddhist cave shrines of Mai ji shan, in Southern Gansu province, and the cave paintings of Bezeklik, just off the road between Urumqi and Turpan in Xinjiang.

The eerie ruined cities of Gaochang and Jiaohe in the Turpan basin are redolent of ancient pre-Islamic civilizations. It was in this intricate cultural, religious, and ethnic matrix that many of the most important development of Islam in China took place.

Since starting the years of Qianlong, Chinese emperor (1735-1796) of the Qing dynasty, the ethnic Han have been penetrating and colonizing the northwest region through immigration of the ethnic Han people from the East and South of China systematically. Through 300 years of immigration of the ethnic Han from East and South of China, today we can see the ethnic Han is all over of China.

It is not accident that Muslim communities and cultures are more distinctive and highly developed in China’s northwest than in other parts of the country, for it is this region that is closest to the Central Asian and Middle Eastern origins of Chinese Islam. In many ways the existence of these communities can be regarded as an extension of main stream Central Asian culture into China. The mainstream Central Asia consists of the states of Uzbekistan, Turkmenistan, Tajikistan, Kyrgyzstan, and Kazakhstan. The independent Muslim khanates which ruled these lands were conquered by Russia and incorporated into the Russian empire during the nineteenth century. The states as they existed in those days were created as separate Soviet Socialist Republics under Stalin’s government as a means of controlling their Turkic and Iranian speaking populations, and they have achieved a measure of independent statehood since the collapse of Soviet power in 1991. So had these had happened in China too. Most of Xinjiang, ruled by the Manchurian state since the power of the Qing dynasty was extended westward during the eighteenth century under the rule of the Qianlong emperor is clearly that Central Asian states in language, religion and culture, and the neighboring regions of Gansu, Qinghai, Ningxia and Shaanxi have been profoundly affected by Central Asian civilization.

Today Central Asian culture, subsumed for more than a century into a generalized imperial Russian, and later Soviet, identity, still remains relatively unknown outside of a small circle of specialists. Russian became the language of the empire, and subsequently of the whole Soviet Union and displaced many of the minority languages. The Muslims of Central Asia were discouraged from retaining their traditional languages and cultures, since these were so closely connected with Islam. Muslim beliefs were intolerable both to the imperial Russian state, based on the Orthodox Church, and to its successor, the Soviet Union, which promoted atheism.

The very existence of Muslim communities often was regarded as a threat to the unity of the state. Consequently, Central Asian cultures were severely damaged by a process of Russification and Sinocization in Xinjiang, Gansu, Ningxia, Qinghai and Shaanxi in China. There was once a Muslim led rebellion community by Ma Zhongying, popularly referred by Chinese Muslim as “little commander” from Linxia, Gansu and once settled down in Kazakhstan after it failed to attempting to establishment of the independence of Northwest of China in 1918 was cracked down and cleansed by the Stalin regime with the request of Mao Zedong, and once upon a time the Russian Communist Party was respected as “big brother” by the Chinese Communist party in China.
6. CONCLUSION

In this paper we have evaluated Muslim populations in China including their geographical distributions and their disposal incomes (purchasing power). Based on these data, we could calculate Halal market size and potentials in China and some challenges. We confirm that there are at least 30 million of Muslim populations in China; we also confirm that an average disposal income of Chinese Muslims in China is about USD1500 in 2012. We also confirm that Halal markets in China everywhere, but majority of Chinese Muslims are living in the Northwest China. Due to constant food poison incidents and crisis, Halal food products producers and marketers may take the whole China as their potential markets, Halal not just for Muslims but for all, for humanity.

Acknowledgement: the author expresses his great attitude to University of Malaya for sponsoring this research project under UMRG277-11HNE. This paper serves as an introductory chapter from six chapters of the project.

REFERENCES


Fu, Tongxian (1937), Islamic History in China, First published by Shanghai Commercial Publishing House and reprinted by Ningxia People’s publishing House in 2000, pp111.


