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## Review of the book *The Chinese Worker After Socialism*

### **Abstract**

In *The Chinese Worker after Socialism*, William Hurst employs subnational comparison to explain different outcomes for workers in the process of reform of state-owned industry in China. In particular, Hurst provides in-depth analysis of regional variation of the sequencing and volume of layoffs, how the local state attempted to handle unemployment, actual outcomes in re-employment, and the dynamics of worker protest. By taking subnational regions as the unit of analysis, we see that the process of "smashing the iron rice bowl" has not been a unified and coherent project but rather one that has been messy, uneven, and subject to great variation in timing and outcomes. This variation is explained by differences in the political economy of each region.

### **Keywords**

China, labor relations, employment, layoffs, political economy

### **Disciplines**

International and Comparative Labor Relations | Labor Relations

### **Comments**

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# **Review of William Hurst's The Chinese Worker After Socialism**

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In *The Chinese Worker after Socialism*, William Hurst employs subnational comparison to explain different outcomes for workers in the process of reform of state-owned industry in China. In particular, Hurst provides in-depth analysis of regional variation of the sequencing and volume of layoffs, how the local state attempted to handle unemployment, actual outcomes in re-employment, and the dynamics of worker protest. By taking subnational regions as the unit of analysis, we see that the process of “smashing the iron rice bowl” has not been a unified and coherent project but rather one that has been messy, uneven, and subject to great variation in timing and outcomes. This variation is explained by differences in the political economy of each region.

The regional approach to comparative research is one of the most significant features of this work, and Hurst frequently reminds us of the advantages of the method. The book focuses on four regions within China, namely, the Central Coast, North-Central, Northeast, and Upper Changjiang (Yangzi River). Additionally, and somewhat confusingly, “provincial capitals” are occasionally included as a virtual region. These regions are not delineated strictly according to formal jurisdictional boundaries but rather by commonalities in five features of political economy. These features are local state capacity, the general business environment for state-owned enterprises (SOE), working class society, labor market opportunities, and central–local relations. The term “working class society” is not immediately interpretable, but Hurst defines it as “a three-dimensional concept encompassing class identity . . . the structure of workers’ social ties, and popular perceptions of the Maoist past” (27). Within each of the four regions, one representative city was then selected as the focus of research.

The chapter on layoffs convincingly makes the argument that reduction in SOE workers was not simply the result of market liberalization or the implementation of “hard” budget constraints. Market-based price signals put very real constraints on firms’ ability to maintain high levels of employment, but political considerations were frequently just as important. Thus, while layoffs started earlier in the Northeast for largely economic reasons, even relatively profitable firms in the Central Coast and other regions were pushed by political pressures to further increase efficiency. Here, the regional comparison

quite effectively negates a simplistic model which views marketization as the only impetus for SOEs to shed workers.

Following the massive layoffs of the 1990s and early 2000s, the Chinese state was, by and large, unsuccessful in its attempts to secure re-employment for the former SOE workers. However, some regions were more successful than others, mainly due to varying labor market conditions and local state capacity. Various enterprise-based, state based, and informal methods were employed to either find reemployment for laid-off workers or to provide them with social welfare. In cities like Shanghai, re-employment programs were more successful because of a dynamic local economy and the city's administrative actions, which reserved certain professions for unemployed SOE workers. Additionally, Shanghai's deeper tax base made it possible for them to offer greater social welfare in the form of housing, medical, and pension benefits. Nationwide, those who did manage to find new work were typically self-employed. However, there were noticeable disparities in terms of what categories of workers were able to succeed economically after being laid off from a state-owned enterprise. Unsurprisingly, managers and those with good personal connections in the state bureaucracy were much more successful in finding gainful employment than regular workers who did not command the same personal and social resources.

The final empirical section of the book focuses on the relationship between regional political economy and the varieties of contention among laid-off SOE workers. Toward this end, Hurst adapts key concepts from the political process theory of social movements to the Chinese context. While the author localizes concepts such as "framing" and "mobilizing structures," the controversial "political opportunity" is retained in essentially its original form. Mixing cultural with structural analysis, Hurst argues that nostalgia for the Maoist past combined with limited capacity of the local state to engage in repression meant that worker grievances in the Northeast resulted in an explosive outburst of contention. For both cultural and structural reasons, workers in other regions did not organize on the same scale and often targeted different entities. The general point is that distinct regional political economies generated varying modes of contention among laid-off SOE workers.

As Hurst acknowledges, there is already a substantial body of literature on Chinese laid-off workers. He argues that the existing research is too narrowly focused and that the point of his work is a more comprehensive analysis of the various topics which will add "something both theoretically and

empirically to each" (4). The three hundred interviews provide the author with a deep empirical base, and labor scholars will be quite interested to learn about conditions for workers in some of the less-studied regions of the country. The attention to ameliorative re-employment and welfare programs and their consequences is also a welcome contribution. However, I would have liked to see more theoretical cohesiveness to the book. Given his strong empirical work, I think that Hurst could have been more ambitious in posing and attempting to answer bigger questions about class politics, marketization, and social control in present-day China. Without consistent and explicit reference to larger theoretical questions, it is sometimes not clear what is pushing the study forward. Hurst definitively makes the point that regional political economy matters, and as a methodological point this is appreciated. However, as a theoretical framework, one cannot help but wish for something a bit more daring. That being said, given its comprehensive treatment of various problems related to SOE workers, this book is a solid addition to the literature, and I think many post-socialist, China, and labor scholars will find it of interest.