

Introduction: the sociopolitical challenge of economic change – peasants and workers in transformation

Beatriz Carrillo and David S.G. Goodman

Shanghai! The very name connotes capitalist cosmopolitanism. At the turn of the twentieth century, Shanghai was known as the Paris of the East, where sojourners from all corners of the world converged to create one of the most dynamic and sophisticated capitalist entrepôts the world had ever seen. The diverse *mélange* of foreigners was matched by an equally multifarious assortment of Chinese residents. Many of these domestic migrants, drawn from villages across the empire, found the move to the big city considerably more alien and unsettling than did their foreign counterparts.

Elizabeth Perry (1995), *Shanghai on Strike: The Politics of Chinese Labor*, p. 12

Elizabeth Perry's description of Shanghai at the turn of the twentieth century could easily be used to describe the city a century later. The Shanghai of the early 1900s was to become the site of China's incipient organized labour movement, which had a critical influence on the future political configuration of the country. A century later, however, Shanghai is no longer the hub of radical labour politics, though other sites have emerged where the seeds of new labour movements are beginning to sprout. Following the premise that where capital goes labour conflict follows, Guangdong Province – one of China's most important and dynamic sites of capitalist production – has experienced mounting labour unrest, with workers increasingly aware of and utilizing their collective bargaining power to demand better pay and working conditions.¹ Even though it is impossible to predict whether the workers' movements that have emerged there and elsewhere in the country will have the same or a similar political impact that the Shanghainese labour movement had a century earlier, it is undeniable that they have already influenced national policy and global production networks.

The experience of organized mass labour movements in China and other contexts indicates not only the complexity of the relationship between labour, capital and the state, but also that the Marxist historical linearity – by which workers eventually achieve emancipation to

become the masters of their own world – is anything but linear. The experiences of rural migrant workers in China's coastal cities over the last 30 years have proven to be very similar to those of the migrants coming into Shanghai between the late 1800s and the early 1900s. The similarities are not only related to the exploitation and alienation to which they have been subjected, but are also related to the demands made by workers and to the types of organizational types they have formed. For example, in the same way that early twentieth-century migrant workers used their native place traditions of protest and workplace experiences to shape Shanghai's labour movement (Perry, 1995), kinship and native place lines have also been crucial in the formation of migrant workers' organizations in Shanghai's manufacturing enterprises in the twenty-first century (Wu, 2010). Is history repeating itself? What then of the communist revolution and the Chinese Communist Party (CCP) rule that dominated the majority of China's twentieth century?

While there were certainly instances of labour unrest during the Maoist era, China's reinsertion into the global capitalist system, and the inevitable economic and social restructuring that this entailed, has dramatically altered – if not completely dismantled – the social contract that was put in place in 1949 with the establishment of the People's Republic. After three decades of economic reform and in the face of growing inequalities, social dislocation and global market pressures, the People's Republic of China (PRC) is currently in the process of re-negotiating that social contract. China is not alone in this; the current global economic recession has reignited labour unrest in both the developed and developing worlds, alongside debates over the role of the state in the promotion and safeguard of citizens' rights and wellbeing.

Over a century ago the expansion of capitalist production in Western Europe and North America, with its acute exploitation of workers, paradoxically strengthened labour power, as workers became aware of their collective and strategic power over the production process. Recognizing the demands of workers as legitimate, but also in order to safeguard the interest of the capitalist class – which needed production lines running again – the state put in place new social and welfare policies to protect workers. In this new 'labour-friendly' regime the value of workers would not only be related to their labour power, but also to their capacity to consume. High mass consumption and full employment would indeed become the touchstones of the welfare state in the West (Silver and Arrighi, 2001, p. 55). For Marxist historian E.H. Carr (1945) it was this incorporation of workers into the national state-project that was at the root of the collapse of the international labour

and socialist movements, as workers changed their allegiance to their nation-state.

Capitalist production was saved by this new social contract, which was, in part, sustained through the relocation of production to places where labour was cheap, a process David Harvey (2001, 2006) has termed the 'spatial fix' of capitalism. In tandem, global capitalist production networks applied a 'technological fix' to counter labour power. The spread of mechanization and the introduction of new technologies allowed for the *deskilling* of the workforce, enabling capitalists to employ those with less skills and education, and who were in turn the 'most vulnerable to relational agreements (debt, coercion) that are unfree' (Brass, 2009, p. 749). The picture painted here again challenges the emancipatory linearity envisioned by Marx, and instead points to a cyclical and multi-scalar process in the contention between capital and labour, which includes 'historical reversals, understood not in a chronological but rather in an emancipatory sense' (*ibid.*, p. 756).

The resurgence of labour unrest and activism in China over the last couple of decades seems to be intricately enmeshed with this spatial/temporal expansion of global capitalist production networks and labour relations. As it opened its doors to the outside world China became the ideal platform for the expansion of global production networks, particularly due to the allure of a seemingly inexhaustible supply of cheap and docile labour. Relaxations on internal mobility allowed Chinese rural workers to respond to the call for labour in the new manufacturing sites that initially opened up on China's eastern coast. Though free to move, rural workers were far from free agents. Their rural registration restricted them from living and working in the cities without official approval. In turn, their ambiguous legal status in the cities made them vulnerable to forced and bonded labour. As Anita Chan has documented, some employers, well aware of rural workers' vulnerabilities, would pay for temporary work permits as a way to bind workers to the company, or would oblige workers to pay a deposit upon commencement of employment, which they could not get back if they were fired or if they broke their contract (Chan, 2000, pp. 262–3; 2001). Work permits have since been abolished; nevertheless, migrant workers are still required to obtain a residency permit in urban areas.

With its reintroduction of market mechanisms and steady insertion into global production networks, China's process of economic reform has not only swiftly triggered the proletarianization of millions of rural migrant workers (Pun and Lu, 2010), it has also undermined the interests of the old Maoist working class. In the context of enterprise reform, lay-offs, unemployment, the dismantling and diminishing of access to social welfare and

increased competition, China's old working class became one of the main losers of the Reform Era. Among the ranks of the old working class arose nostalgia for the collective support provided by the work unit system, which had been the mainstay of socialist urban life. For them the work unit had not only been a provider of jobs, housing and welfare, it had also shaped workers' identities as a vanguard social class charged with building an egalitarian and morally upright nation.

By the end of the 1990s, when the overhaul of the state sector and work unit system was close to being finalized, the empowerment that came with the Marxist discourses of the proletarian class was de-politicized to allow for the continued exploitation of a new working class comprised of rural migrant workers (Pun and Chan, 2008). The impact of this change in rhetoric cannot be underestimated. Elsewhere, commentators have argued that the most powerful blow that globalization dealt to workers was not the change in their structural conditions, but the propagation of the discursive idea that workers no longer had the power to effectively transform their own situation (Silver, 2003, pp. 15–6). Class was no longer used to analyse social tensions, but was instead used as a way to discuss increasingly fragmented social identities, hand in hand with discourses focused on the inability of workers (as a class) to effect social change.

While China's old working class struggled to resist their de-proletarianization by the forces of neoliberalism, the expansion of capitalist production and the inflow of foreign direct investment (FDI) seemed to be strengthening the bargaining power of rural migrant workers, who began to organize in the more classical Marxian style. This double process of the destruction of the old working class and the formation of a new working class (*ibid.*, pp. 19–20) fits a Schumpeterian vision of China's reform process, in which the dismantling of the old economic order is seen as the result of the 'creative destruction' triggered by China's innovative enterprise managers and entrepreneurs, who are perceived to be a key component of the unprecedented economic growth of the last three decades. But as the experience of the 2008 global financial crisis (GFC) showed, and as David Harvey had previously warned, this 'creative destruction' – embedded within the circulation of capital and driven by incessant innovation – not only exacerbates instability and insecurity, it has also become 'the prime force pushing capitalism into periodic paroxysms of crisis' (Harvey, 2004, p. 106)

The economic development and labour movement experiences of not only the West but also of other developing countries may also provide a glimpse into the potential agreements that may take shape between labour, capital and the state in China. Brazil and South Korea's labour movements of the 1980s, which came about in part as a result of the

growing influx of investment from the global North, would suggest that as workers gain confidence 'taking on' employers they become more able to challenge the state and play a growing role in a process of democratization (Eder, 1997). It must be stressed here, however, that the impact of FDI inflows was not the only or necessarily the main thrust behind the labour movements in those two countries. Moreover, up until the late 1990s, the bulk of FDI flows were taking place between the rich developed countries. According to a 2009 UNCTAD report, FDI flows are only gradually favouring developing economies, a trend that seems to have been boosted by the 2008 GFC. Between 2008 and 2009 alone, for example, FDI inflows to developing economies rose by 17 per cent, with China and Russia consolidating themselves among the top five FDI recipients in the world (UNCTAD, 2009).

Capitalism's spatial fix seems to have been taking place not so much through FDI but through outsourcing and subcontracting, which for a while allowed multinational corporations (MNCs) to delink themselves from the exploitation of workers in developing contexts, and which was also responsible for a 'race to the bottom' in wages and working conditions as countries competed to produce goods at the lowest possible cost (Mosley and Uno, 2007, p. 926). But as China consolidates itself as one of the top FDI destinations in the world, it is clear that global capital's interest in China goes beyond cheap labour and production. For a long time there was a popular perception that China had an inexhaustible supply of cheap labour. It is now well established that China's labour force (its working age population) is due to reach its peak size by the middle of this decade (Bruni, 2011, p. 9). Low birth rates, brought about by the one child policy, coupled with population ageing (Golley and Tyers, 2006; Banister et al., 2010) mean that China is actually faced with the scenario of structural labour shortages. Some have even begun to document the growing flow of foreigners from both developing and developed countries into China, discussing the challenges that a growing immigrant cohort will present to the Chinese government (Pieke, 2012).

SOCIAL INEQUALITIES AND CLASS CONFLICT

Over the last three decades of economic reform in China the changing social meaning of 'workers' – no longer viewed as a vanguard social class – has reflected the downward social mobility experienced by urban blue-collar workers, and the continued contempt in the city for the uneducated rural migrant worker. Growing social inequalities were justified as a necessity of rapid economic growth, while the discourses of class and of class

struggle were eroded. This displacement of the discourses of class was not only a top-down decision; China's past experience with class struggle, particularly its more violent episodes during the Cultural Revolution, meant that the language of class struggle was widely detested by the common people, including at times by the working class itself (Pun and Chan, 2008, p. 77). For Ngai Pun and Chris Chan this self-denunciation of class subjects worked against the articulation of a class identity and collectivity that could potentially empower workers. Similarly, Parry Leung and Alvin So (Chapter 3 in this volume) argue that the ways in which the working class is conceptualized and popularly understood in China has had negative implications for the formation of a class consciousness among rural migrant workers, many of whom do not see themselves as 'real workers' (in Marxist terms) but continue to see themselves only as 'peasants'.

By and large, discourses of class have been substituted by a language of social strata that does not assume social antagonism, but which explains inequalities as deficiencies in policy (for example, imperfect market mechanisms) and the (low) quality embodied by individual members of society (Anagnost, 2008, p. 501). Social inequalities are hence being explained not as a structural problem, but rather as something that can be solved through the right policy and incentives (such as poverty reduction and human capital enhancement), and as a necessary stage in the new path set forth for all members of society to achieve a middle-class lifestyle. According to the official rhetoric, through his or her 'high quality' (assumed high levels of education and knowledge of the world) and ability to consume, the middle-class individual represents a stabilizing social agent. Within this logic, a harmonious society can only be achieved when the majority of the population behaves like these middle-class subjects, both as social actors and as consumers. In such a context the blue-collar worker and the rural migrant worker represent a threat to that harmonious society because of their limited ability (or inability) to consume, but also because of the low quality they embody, which 'disrupts' the civility of the city.

Urban and rural dwellers alike have been seduced by the aspiration of becoming part of this idyllic middle class that lives in gated communities, owns cars and shops in modern shopping malls. Class struggle for Chinese people remains synonymous with the ultra-leftist policies of the Maoist era, in which egalitarianism was achieved by levelling down living standards. Such a proposition not only threatens the middle-class lifestyle ideal, but is also seen as an affront to national development. The new middle-class consumer-citizen has thus become indispensable to the continued economic growth of China, which is seen as giving the country the ability to re-establish its rightful place in the world. In this manner, the middle class (both as a reality and as an ideal) not only represents a stabilizing

social element, it also becomes the backbone of China's strength in the global arena. Ann Anagnost describes this as the adoption of a cultural nationalism that serves to legitimize inequalities and hierarchies through the renewal of a 'social Darwinian "struggle of the fittest"' that is 'directly connected to a concern for overall national strength (*zonghe guoli*) at the level of global competition among nation-states' (ibid., p. 514).

Since the global economic downturn of 2008, and particularly with the emergence of the Occupy Wall Street (OWS) movement in 2011, the West has seen the re-emergence of the discourses of class conflict, which placed the blame for the current global economic situation and for the exploitation of '99 per cent' of the world's population onto an ultra-rich corporatist elite represented by the remaining 1 per cent of the population. The state is a prime target of the movement, which it attacks for being an accomplice to that exploitation, as it is seen to be acting only on behalf of that 1 per cent. In China no single social group or even the Party-state has been targeted as being responsible for the hardship and poverty experienced by a growing proportion of the population. There is certainly suspicion among the public about the means by which some individuals – particularly government officials and their relatives – have become so wealthy, and yet rich entrepreneurs are often viewed as models to emulate. The new advanced social productive forces of the country are the managers and owners of China's corporations, whom the Party-state has efficiently groomed and co-opted.

Whatever the formal political structures, open media discussions and the large number of public demonstrations and appeals to the government attest to the changing nature of state–society relations in China. The Central Government continues to be perceived not only as the key driver of economic growth but also as the main defender and guarantor of the rights and wellbeing of the people. The key difference in the way in which the Party-state now deals with social movements is to be found in its move away from a paternalistic management of labour relations toward social regulation through legal measures (Gray, 2010, p. 459). This strategy includes the establishment of social safety nets to protect the most vulnerable social groups, such as laid-off and migrant workers. The fact that the Hu–Wen leadership – which came to power in 2002 – took on the task of defending the rights of migrant workers and of passing legislation to guarantee those rights can indeed be interpreted as evidence that the Party-state has not completely abandoned the working class. Conversely, the discourse of social harmony, and the policy mechanisms that accompany it, can equally be viewed as mechanisms of social control (Zhang, 2010) in the same way the welfare state in the West can be interpreted as a strategy to quell labour unrest. Anita Chan and Kaxton Siu (Chapter 4 in

this volume) follow this line of argument and state that the legislation of rights for workers is indeed being deployed by the political elites in order to guarantee social stability, but also to circumscribe workers' movements and demands within the limits of that rights framework.

Viewed from an international perspective, the Central Government's move toward explicitly defending the rights of workers, particularly when the offending employers are foreign enterprises, should also be understood within a framework of geopolitical rivalry. Parry P. Leung and Alvin Y. So (Chapter 3 in this volume) relate how, in the summer of 2010, when several strikes broke out against Honda and Toyota in several Chinese cities, premier Wen Jiabao bluntly warned Japan 'that its companies operating in China should raise the pay for the workers'. For Kevin Gray it is this conflation of international politics with the historically specific patterns of state–society contestations that can best explain emergent forms of class struggle (Gray, 2010, p. 465). The conceptual framework of the chapters in this edited volume follow this premise by presenting historically informed accounts of labour–capital–state contestations in China, which are also embedded in the expansion of global capitalism.

THE CHINESE WORKING CLASS UNMADE AND REMADE

China's socialist work unit system has been described as a form of neo-traditionalist governance that made its subjects dependent on the provisions of the Party-state while implicitly making them acquiescent to its authority (Henderson and Cohen, 1984; Walder, 1986). For others, however, rather than a traditional or top-down imposition, the work unit represented the legacy of the labour struggles that took place in China between the 1920s and the communist victory of 1949 (Perry, 1995, 1997), a legacy that was in turn shaped by China's past experience with military defeat and colonization. As an organizational form the work unit did certainly offer the communist regime a mechanism for the control of workers as much as of Party cadres. The work unit limited the mobility of workers and made them dependent on their leaders. However, as Joel Andreas (Chapter 5 in this volume) explains, the established lifelong relationship between workers, the work unit and its leaders, served to confer on workers considerable influence inside their units, since with few mechanisms of reward or of punishment² leaders were pressed to appeal to the collective interest of their workers.

For Andreas, workplace identity continues to be one of the most important mobilization factors of the labour movements and protests that have

taken place within the overhauled state-owned sector. This old working class has continued to appeal to a paternalistic Party-state to safeguard its severance and retirement entitlements in the face of the smashing of the 'iron rice bowl' system. Given its contribution to the construction of socialist China, it has appealed for the protection of entitlements as its moral right. This old working class, however, is increasingly losing its bargaining power as it becomes *de-proletarianized*, since its labour can no longer be hired in a system where workers are seen only as a flexible input in the production process, one that can be used or dismissed as necessary.

Notwithstanding, the Maoist work unit was not an entirely inclusive institution, but was instead only concerned with a privileged core of urban workers in the state-owned sector and, to a lesser extent, in the collective sector of the economy. Although peasant support had been crucial to the victory of the communist revolution, peasants were not included as part of that vanguard social class of workers encompassed by the work unit. Even during the height of rural collectivization the countryside remained self-reliant, enjoying only minimal support from the state. For both peasants and rural migrant workers a sense of entitlement from the state has until very recently been non-existent. That exclusion continues to divide urban and rural workers into two differentiated social classes. China's rural migrant workers in the city have hence had to fight a double battle: the first has been for the right to reside and work in the city as an integral part of that society; the second has been to have their rights as citizens and as workers recognized and safeguarded in the city. Contrary to the old working class, who made a moral claim on entitlements, rural migrant workers have resorted to a rights discourse influenced by the official Reform Era rhetoric promoting the rule of law. This difference in approach highlights the generational gap and the different moral views held by the old working class and new rural migrant workers, particularly the so-called second-generation migrant workers born after 1980.

As a class being unmade, the old working class continues to appeal to the state, often portraying rural migrant workers as responsible for 'stealing' their rightful employment opportunities. Recent evidence shows that the labour markets for urban and migrant workers are gradually converging (Qu and Zhao, 2011). Furthermore, the demographic transition taking place in China, due to low birth rates and population ageing, will certainly push for a fuller immersion of a greater number of rural workers into the urban economy (Bruni, 2011). Already the new working class in the cities is comprised mainly of rural migrant workers. Rapid urbanization and the large number of rural migrant workers living in urban areas may, in the mid- to long term, smooth out the rift between rural and urban workers, fostering perhaps greater solidarity between these two social groups.

This is a question that Jack Linchuan Qiu and Hongzhe Wang (Chapter 6 in this volume) explore as they compare the cultural spaces created by China's old and new working classes. Their account is one of separate cultural spaces based around very distinct identities grounded in the specific historical and workplace experiences of each of these two groups of workers.

PEASANTS AND WORKERS: CHANGING CLASS IDENTITIES

It is no coincidence that the analyses of class transformation and struggle presented in this volume focus on processes of urbanization. Our concern with the urban follows Saskia Sassen's premise that the contemporary focus on the city is part and parcel of an analysis of the current phase of global capitalism (Sassen, 2010b, p. 150). It is indeed in China's cities where most social contestations have taken place and shape. Urbanization in China sped up at an unprecedented rate over the last three decades, fed primarily by two key factors: land conversion and rural-to-urban migration. The chapters in this volume are all concerned with the consequences of these two processes on class relations: between newly urbanized peasants and migrant workers; between migrant workers and the capitalist class (local and global); and between the old and the new working classes. Framing those relationships are the interventions of state and capital.

These contributions not only provide substantial evidence of the dramatic socioeconomic change currently underway in the processes of economic growth and urbanization, they also reflect the uncertainty and often the surprise expressed by both those who are directly involved and academic observers, all of whom are trying to understand the various processes and their outcomes. While some of the processes and consequences are fairly clear-cut, there are also a fair number of paradoxes and confusions that attend, and are part and parcel of, change. Urbanization has clear roots in agricultural land ownership; peasants-become-migrants-become-workers; former workers in state-owned enterprises lose their iron rice bowl; industrial conflict in individual enterprises is often resolved by local government intervention. As a number of the authors indicate, many of these confusions are best understood through the perspectives provided by Marx and Weber and their attempts to analyse socioeconomic change in the nineteenth century.

In his study of class and status consciousness in Chen Village in South China, Jonathan Unger (Chapter 1) reflects on a district he has been researching for over 30 years. And the perspective on its transformation

he takes is an appropriately long-term one, from the Mao-dominated period of China's politics up to the present. His goal is to examine the dramatic shifts in the social structure through industrialization and urbanization over this period, not least to ask whether there is evidence of a class consciousness emerging. While his answer is not totally negative, it is more complex. Chen Village has undergone a substantial change in the last three decades. The former Mao-era local rulers were those the CCP system had designated as the oppressed of the pre-Liberation Era. Their leadership has now been swept away and replaced with a new (and to some extent old, as in pre-1949) ruling class that emphasizes local lineage in its articulation and organization. It is a status group that occasionally defines itself as a propertied class, but it is the local lineage that predominates.

Luigi Tomba (Chapter 2) is similarly concerned with the transformation of South China, and with the relationship to the land that underpins the process of urbanization. Through a study of several villages experiencing industrialization and urbanization in the Pearl River Delta, Tomba identifies two crucial dynamics that certainly have consequences for class formation and identity. The first is described by Tomba as the politics of place. The industrial system depends on migrant (into the Pearl River Delta) labour. As might be expected these migrant workers do not have the same relationship to place as the former peasants whose land is now being developed in non-agricultural ways. Place is self-evidently more important to the indigenous former peasants, not least because they have now become the privileged in each locality. Migrants are not stakeholders in the same way. At the same time Tomba highlights how the relationship between migrants and locals is further impacted by the state context. The state and its influence must also be negotiated by the indigenous peasantry. Here the outcome is considerably more complex and will differ from locality to locality depending on the variable strength of the village committee, the branch of the Chinese Communist Party, and the local clan or clans.

If peasants-becoming-landowners, or even possibly a rural bourgeoisie, seems a somewhat unusual outcome of change in a Communist Party-state, so too is the possibility of migrant peasant workers developing a working-class consciousness, particularly at a time when those whose working-class culture the regime previously celebrated have been dispossessed. The development of a working-class identity and consciousness among the migrant workers flooding into the expanding new industrial sectors is a subject of fierce debate, as the chapters by first Parry P. Leung and Alvin Y. So (Chapter 3), and by Anita Chan and Kaxton Siu (Chapter 4), bear witness. Leung and So see the emergence of a new working-class consciousness; Chan and Siu are more cautious.

Leung and So concentrate on the garment and textile industries in South China where migrant workers constitute 60 per cent of China's industrial workforce, and in particular they examine the instances of strikes and protests. Their argument is that these activities have shaped a muted class consciousness. Migrant workers have economic interests that they wish to pursue by virtue of their employment and role(s) in the production process. At the same time they do not refer to themselves as 'workers' but rather as 'migrant workers' or 'peasant workers', not least because they do not have urban household registrations and all the attendant privileges, particularly in welfare, for themselves and their families. Their protests, according to Leung and So, tend to be focused on the enterprise where they work or on their responsible unit of local government, rather than on increasing the scale of their social base. Lest this be taken as an argument against the emergence of a new class consciousness, Leung and So call attention to four major recent developments that, they argue, point in a more positive direction. They highlight the emergence of a second generation of migrant workers; the approval of a new Labour Contract Law by the National People's Congress in 2007; the global economic crisis since 2008, which has also strengthened the power of Chinese labour; and the increased strikes and labour actions in 2010.

Against this, and still by examining the same phenomenon, Chan and Siu develop a different and very powerful argument. They place the strikes and protests in China in the last few years into a broader perspective by drawing on the experiences of England and Russia that underscore the time needed to develop a class consciousness, and highlight different stages in the emergence of a working class consciousness. Their view is that the recent protests and strikes may be enacted out of economic interests, but they represent a narrow self-interest that remains isolated and uncoordinated. Few protests have appealed to the stipulations of the 2007 Labour Contract Law, and there is rarely any demand for the election or re-election of workplace trade union officials. Strikes and protests remain largely workplace-focused and do not expand to involve other migrant workers at other sites, let alone on a regional basis. For Chan and Siu this is a rights-based embryonic trade union consciousness rather than a working-class consciousness.

In his contribution Joel Andreas also takes a long-term perspective, going back to the 1950s to look at the transformation of the former established urban working class. These were workers in state-sector enterprises who were distinctly privileged by the CCP from 1952 through to the end of the 1970s. In developing the PRC's industrial base the CCP established not just factories but essentially work unit communities that provided comprehensive welfare to workers and their families. Workers had strong

membership rights in these enterprises: even if they were not owners, they certainly owned their jobs. Andreas's argument is that this close relationship between labour and the means of production has been sundered during the last three decades. Workers have now become hired labour in capitalist-style corporations. They have certainly gained greater mobility but they have lost all economic security and, in the process, industrial relations have become more coercive.

In the final chapter, Jack Linchuan Qiu and Hongzhe Wang examine both the new and the old working class in China's urban transformation – migrant workers and displaced workers from state-owned enterprises – through their cultural spaces. Their starting point is the observation that culture always plays a central role in class formation and that by examining cultural exhibitions and activities it is possible to draw conclusions about class consciousness and identity. In this case analysis rests on a comparison of the transformation of the cultural spaces of two contrasting groups of urban workers. The first is the rural-to-urban migrant workers who established the New Workers' Culture and Art Festivals in Picun Village, Beijing; and the second is the dispossessed workers from state-owned enterprises using the Workers' Cultural Palace in Anshan City, Liaoning Province. The contrast is acute: the youth, dynamism and emerging class consciousness of migrant workers who would prefer to be regarded as 'workers' rather than migrants; and the aged, social conservatism and denial of being working class of the dispossessed in Anshan.

China is clearly more than an attractive cheap production platform; its economies of scale, the size of its domestic market, as well as its healthy and relatively well-educated labour force (Silver and Zhang, 2009) present global capital with a completely different kettle of fish to what it has been used to dealing with. China's economic prowess amid the current economic recession in the core of the global North has already engendered various visions of a China-centred world order (Ramo, 2004; Jacques, 2009; Chen and Goodman, 2012). There is as yet no agreement on what a Beijing consensus would look like, and neither is there a clear picture of the type of labour–capital–state relationship likely to emerge in China. But as Beverly Silver and Lu Zhang have pointed out, the Chinese leadership knows that 'simple imitation of the wasteful US mass-consumption model would be unsustainable and undesirable in ecological and other terms' (Silver and Zhang, 2009, p. 183). It would perhaps be more worrying if China were to follow the practices of advanced capitalism, which, according to Saskia Sassen, no longer revolves around the logic of 'valuing' people as workers and consumers, but on 'the expulsion of people and the destruction of traditional capitalisms to feed the needs of high finance and the needs for

natural resources' (Sassen, 2010a, p. 25). This makes all the more pressing an examination and analysis of the ways in which workers' movements are developing in China, and of the sort of responses and policies that the Party-state is putting in place as it strives to maintain social stability and economic growth while continuing to engage the global economy.

NOTES

1. A report on labour disputes in China by the OECD Development Centre found that regions with higher GDP per capita had a higher labour dispute incidence, and that the higher the proportion of export value in GDP in a region, the higher the labour dispute incidence. The report also found that workers with higher human capital levels were more likely to initiate a labour dispute (Cai and Wang, 2012).
2. Even though work units were allowed to provide bonuses to reward workers, most rewards were usually provided in kind, such as through the allocation of a larger living space. Conversely, if a member of a work unit committed a crime and was sent to jail (as well as being publicly shamed) the work unit would be obliged to take this worker back once he or she had served his or her sentence.