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stimulating book, with its reflections, ethnography and helpful introduction will lead us toward embedding the property rights concept in such larger theoretical concerns.

Rural China Takes Off: Institutional Foundations of Economic Reform, by Jean C Oi Berkeley: University of California Press, Berkeley (1999), xvii + 253 pages.

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Time was when field research on China was limited to interviews in Hong Kong and the occasional academic tourist trip round a couple of the then open cities - usually Beijing, Nanjing Shanghai, or Guangzhou. Alternatively, research could be undertaken in Taiwan, and this certainly became a fruitful area of activity for many, especially anthropologists. Interviews within the People's Republic of China [PRC] were quite straightforwardly impossible, and archives were not accessible, most of the time not even to those living there. Though a few barriers to research remain, the situation now for fieldwork is dramatically improved. The archives started to open again during the 1980s, and since the late 1980s it has been possible to undertake interviews on the ground. In the 1990s it has even become possible to interview non-official Chinese, and to discuss previously sensitive issues, without in most cases, there being any problems for either interviewer or interviewee.

Jean Oi has been one of those who has pioneered this dramatic change in social science research within the PRC. Oi is a political scientist and senior fellow of Stanford's Institute for International Studies. Graduate students with an interest in field-work, whether anthropologist, political scientist, or indeed any other kind of social scientist, should be directed immediately to the thoughtful appendix to her study of rural economic reform that deals with 'Research and Documentation.'

In addition to dramatically altering research methods, the introduction of reform since the late 1970s has also necessarily changed the research agenda for social science looking at the PRC. Not too surprisingly, given the economic restructuring and limited political openness of the last two decades, one of the more interesting debates to emerge has been the question of changing state-society relations. In particular, a central set of questions has revolved around whether that changing relationship has been led by the party-state or rural villagers and the urban formerly disadvantaged, and whether continuing changes will lead to either the reinforcement of the Chinese Communist Party's leading position, or to systemic political change. Essentially these questions have become conflated, and debate has begun to polarise around those who stress the continued centrality of the party-state, and those who emphasise the current and future vitality of forces which are external to it. One of the clearest statements of the latter view is provided by Lynn White in talking about rural development in the rural districts of Shanghai:

Rural industries were the most presentable outcome of this entrepreneurialism, and their resources created new local power... the reform syndrome was generally foisted on China's most famous leaders by myriad ex-farmer leaders whose names are not publicly known. When the powerful lack enough resources to stay where they are, as Pareto suggested, the elite changes. This is now happening in China, as the centralist revolutionaries have already done all they can for most people (1998: 151).

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That perspective on change is in complete contrast to Jean Oi's view of these same processes, which is distinctly and self-avowedly statist. Moreover, she stresses not only the importance of state structures now to reform, but also the relevance of the state's evolution even before reform was introduced. The main thrust of her argument is encapsulated in the following passage:

The Maoist legacy is the foundation for a distinctive form of state-led growth that I have termed local state corporatism. It is a new form of development that is committed to growth and the market, but it is led by a party-state with roots in a Leninist system and with the Communist Party still at the helm. The Maoist legacy is the basis from which the local corporate sector developed, along both corporate and corporatist lines (p.97).

This is essentially an institutional approach that explains reform at the local level, in towns and villages. It carefully details how county government, the lowest level of the territorial-administrative hierarchy, reacted so positively to the national reform imperative because its economic as well as political interests were well served by supporting the introduction of enterprise and the market. As Oi repeatedly emphasises this really was quite a remarkable feat, not least because in many ways the achievement is counter-intuitive: one expects resistance from the party-state, both for ideological and bureaucratic reasons. It worked because the party-state at county level was able to turn itself essentially into a business enterprise corporation, and had the organisational capacity and local authority to change economic structures.

The concept of local state corporatism is central to Oi's argument. Some will argue that there is no such thing as the local state, or that corporatism can only be applied in Schmitter's sense of the vertical integration of interests within society as a whole. Oi's conceptualisation highlights the collectivist coordination of economic activity by local governments that essentially owns and runs enterprises as diversified corporations. They redistribute 'profits and risk thereby allowing the rapid growth of rural industry with limited resources' (p.12). However, it also emphasises the ways in which as economic growth started to pick up pace, local government also encouraged the development of private enterprise, but under its own tutelage. The result has been a corporatism in local areas that ensures a community of interest between the party-state and private enterprise. Again, this is counter-intuitive since private entrepreneurs are more usually associated with the development of independent (to the state) political voices and specifically with more open systems. The key question for Oi then becomes how this relationship will evolve in the future and whether indeed it will even be possible for local government to maintain

Oi has produced a landmark study that should be compulsory reading for anyone with an interest in contemporary China, or indeed with state-society relations more generally. It works well as an academic monograph for the China academic, as well as for the more general reader. It has been carefully researched, is richly detailed, and elegantly constructed.

Oi's study of China's rural society is such a different explanation of change that one could be forgiven for thinking that she and Lynn White were not talking about the same country. In a sense, they are not, for although they are both examining developments in the PRC, it is by no means socially and economically homogenous. On the contrary, the PRC is so large and diverse that it is better understood as a continent, the equal say of Europe, rather than compared to a single European country such as Germany or France. Each of China's provinces is of the size and complexity of a nation-state, and in most cases quite sizeable nation-states at that. There is a huge variety of discrete spoken languages; marriage, birth and death customs; and food. Under reform this variety of social and cultural conditions has been paralleled by economic diversity, as local circumstances have very much determined the development of economic restructuring. Thus, in some provinces - Yunnan is an obvious example - the state sector of the economy has remained dominant. In others - Zhejiang and Shanxi are the pacesetters - economic change has seen the rise of the private sector. In still others, as in Jiangsu, the economy has become dominated by the local-government sponsored sector; or the emergence of substantial foreign-funded enterprise, as in Guangdong and Hainan.

For this reason, it would have been interesting to have some indication of local difference

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across China. Almost two-thirds of the interviews on which Oi's study is based were carried out in Shandong Province. In addition, she also conducted interviews in the Northeast (Liaoning) and elsewhere in North China (Beijing, Tianjin, Henan) as well as a few interviews in each of Sichuan, Guangdong, Hunan, Jiangsu and Zhejiang. However, there is no local contextualisation, and China is treated (not without reason and considerable analytical force) as a largely undifferentiated whole.

All the same, and pace Lynn White, Oi's institutional analysis is most definitely borne out by elite studies, also derived from similar kinds of interviews. Two anecdotes from recent interviews are particularly illustrative, not only of the close local level interaction of state and society, but also the importance of the interview procedures - including being prepared to extend the formal interview into a more informal discussion over a meal - outlined by Oi.

Comrade A was introduced as both manager of a major village enterprise, and the secretary of that village's CCP branch. The formal interview, in his office, went well and Comrade A was a mine of information about his company's activities. He had revolutionised the economy of his home village by bringing in new technology and foreign investment. However, in the informality of lunch he presented a slightly different story. He had left his home village as a young man and with the start of reform had become a one-man transport company. The high risk, high return transport activities were in the coal industry and since, as he said, he had no family he took the risk, worked very hard, survived and prospered. When he had saved enough money he moved first into a small private restaurant, and then into running a textile sweat shop as well. At no time had he even thought of joining the CCP, nor had he been invited. One day he met a visitor from Taiwan in his restaurant who had an excellent idea for a factory, and Comrade A thought that his home village would be the obvious location. He approached the county authorities with the idea, and under certain conditions they agreed. The conditions included that the new company should be established under the county, which would hold part of the equity; that Comrade A should become manager of the new enterprise whilst also maintaining part of the equity; and that Comrade A should become the secretary of his village branch of the CCP.

Comrade B was introduced as a private entrepreneur who ran a fairly large coke and pig-iron plant. Comrade B too had earned his wealth and success the hard way, and his factory was also based in his home locality. He had been a minor state official but had retired through ill-health in his 30s. He had established a small-scale coking operation with some friends in the mid-1980s and that had been relatively successful. They then proceeded to establish a new coke factory and pig-iron production facility on a green-field site. This was not so successful and his friends sold out their interests to Comrade B at a very low price, which he was able to meet with a bank loan. (At the time of the interview this seemed out of the ordinary since in general private entrepreneurs then and even later had difficulties in obtaining such financial support. The interviewer resolved to ask later about the loan, but in the event no question was necessary.) Comrade B restructured his factory, reorganised its production schedule and after a few years it became highly productive and profitable. As is always the way in these interviews Comrade B was asked if he was a member of the CCP. No, he said, he was a member of one of the other 'democratic' parties that exists alongside the CCP. Had he ever thought of joining the CCP, the interviewer asked. 'No' replied Comrade B 'I don't need to. My father was the CCP secretary of this area for twenty years.'

Reference Cited:

White, Lynn T., III.

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