

## **Social Classes in Transitional China**

### **OYCF Eighth Annual Meeting Summary**

**Editors' Note:** The Overseas Young Chinese Forum (OYCF), the publisher of *Perspectives*, held its eighth annual meeting during May 26-29, 2006, at Vanguard University, Costa Mesa, California. The meeting was co-sponsored by the Center for Asian Studies, University of California, Irvine. About seventy scholars, students, and professionals attended the meeting. The theme of the meeting was "Social Class in Transitional China." There were two special lectures and six panels. As usual, discussants of each special lecture and panel have written the following summaries of presentations and discussions. At the end, we include some feedback from participants about their experiences at the meeting.

#### **Special Lecture One: Theoretical Overview: Class and Class Structure in Transitional China**

(Honored Speaker: Dingxin ZHAO; Chair/Discussant: Feng WANG)

The honored speaker, Prof. Dingxin Zhao, is an associate professor of sociology at the University of Chicago. The discussant is Feng Wang, professor of sociology at University of California, Irvine.

Prof. Zhao's keynote speech anchored the main theme of the conference: social class and political transformation in China. He began his speech by expounding on the very concept of social class. Citing Marx, Prof. Zhao believed that class is different from other social groups in two aspects: the objective positions within the system of social production, and the subjective identities. Theorists after Marx have tended to emphasize the latter aspect. That is, class is a sense of identity, and with this identity, class-based political action becomes possible.

Next, Prof. Zhao pointed out that current studies of social class in China are largely studies about social stratification instead of class, because those studies do not deal with the issue of class identity. Prof. Zhao argued that class is one of the major identity categories created after the rise of modernity (By major, he meant both its importance and the potentially large membership involved). He also argued, however, that in comparison with major identities such as nationality, ethnicity, gender and religion, class identity has a much weaker foundation, as it is heavily cross-cut by other more solid identity categories. That is why in today's world, class politics is generally declining and is being replaced by the highly fragmented politics of identities. Prof. Zhao, therefore, emphasized the constructive nature of class identity, arguing that cultural/historical factors and the state are the two key forces in shaping the nature of class-politics. He argued that in comparison with the cultural/historical factors, the way in which the state deals with political conflicts is more important in shaping the nature of class politics of a nation. He also discussed how different strategies employed by the Western states to deal with labor disputes gave rise to different styles of working class politics ranging from community revolution in Russia to sectarian working class politics in the U. S.

Prof. Zhao ended his talk by analyzing the way in which the current Chinese state has dealt with political conflicts and its possible impact on the development of class politics in China. He argued that in contemporary China, governmental efforts to control and appease collective protests have fragmented class identities while also institutionalizing China's collective political conflicts in the form of populist politics rather than interest group politics. Such a tendency may

create political crisis in the long run. Should the Chinese economy take a down turn, the state would no longer be able to use the populist strategy to ease off social tensions.

Prof. Feng Wang commented on Zhao's speech. Echoing Zhao, He emphasized three aspects in relation to social classes. First, as a conceptual tool, he asked whether the concept of class is still useful for social inquiries. Taking an example of Mao Zedong, Prof. Wang pointed out that the analysis of class structure played a crucial role in the modern history of China. The concept of class is indispensable to understanding Chinese society. Next, he touched upon the definition of class, maintaining that it is still difficult to clearly distinguish class from stratification. Further intellectual efforts need to be made along this line. Finally, Prof. Wang emphasized the important role of class and class consciousness in shaping social changes in China. Social scientists should pay more attention to the study of social class.

Prof. Zhao and Prof. Wang's speeches aroused enthusiastic discussions among the audience. Questions were raised about the role of class discourses in the Chinese history, the strategies of the state to address class issues both before and after 1949, and implications of class discourses for China's development.

### **Panel One: Culture, Ethnicity and Class in China**

(Speakers: Yunxiang YAN, Yuejin JING, Xiaojiang HU; Discussants: Dongtao QI, Mei ZHAN)

The speakers on this panel are Yunxiang Yan, professor of anthropology at University of California, Los Angeles; Yuejin Jing, professor of political science at Renmin University of China; Xiaojiang Hu, a sociologist and a postdoctoral fellow at the Center for Chinese Studies at University of California, Berkeley. The discussants are Dongtao Qi, Ph.D. candidate in sociology at Stanford University, and Mei Zhan, assistant professor of anthropology at University of California, Irvine.

Prof. Yunxiang Yan has published two books and many academic articles on a variety of aspects of typical Chinese lives in modern China. The title of his presentation was "*Cha Xu Ge Ju* and the Notion of Hierarchy in Chinese Culture." It is a re-analysis of Fei Xiaotong's notion of "*Cha Xu Ge Ju*" through emphasizing the long ignored but important aspect of this notion—the vertical and firm order of social hierarchy. The presentation also discussed the mechanisms for maintaining the "*Cha Xu Ge Ju*" and the special personhood resulting from the "*Cha Xu Ge Ju*" in Chinese culture. Professor Yan suggested that the notion of "*Cha Xu Ge Ju*" from an indigenous anthropological study of traditional China may have universal implications for cultures in the world.

The discussant agreed with the main points of Professor Yan's presentation, and reminded the audience to pay more attention to the notion of "*Cha Xu* personhood" proposed by Prof. Yan in the study of Chinese culture. Other questions asked about the dominance of Confucianism in Chinese society and the role of Daoism in shaping Chinese culture.

The second speaker was Yuejin Jing. His research focuses on Chinese local politics, state-society relations, and the transformation of the Chinese Communist Party. He has published several books on contemporary rural China's governance and the theories of comparative politics. The title of his presentation was "Transformation of Chinese Communist Party's Class Theory." The presentation addressed the CCP's recent theoretical innovations on class theory. It discussed the reasons, methods, and consequences of these innovations. Professor Jing pointed out that the changing social structure during the past two decades in China has provided the motivation for the CCP to change its class theory, and at the same time, limited the CCP's choices of theoretical innovation. Among the questions raised in response to his presentation was: what is the substantial impact of the CCP's transformed class theory on the ever changing Chinese society?

The third speaker was Xiaojiang Hu. Her research interests include migration, social networks, economic sociology and Tibet. The title of her presentation is “Structured Ethnic Contact: examining the impact of Hukou system on social classification and ethnic relations in Tibet.” Numerous studies on the Chinese Hukou system have been conducted to understand how this unique social control system has influenced various sides of socialist China. However, few scholars see a close connection between this social control system and ethnic relations in China. Based on her field work in Tibet, Hu proposed that because the Hukou system controlled China’s population movement both geographically and institutionally, encounters between different ethnic groups were under close governmental monitoring. In other words, the state decided who, when, where and in what circumstances people of different ethnic groups encountered each other. The Han people allowed to venture into Tibet before the reform (mostly state employees on work assignments) were completely different from those after the reform (mostly rural migrants doing small businesses). This “structured ethnic contact” resulting from the Hukou system has influenced Tibetans’ perception of the class status of Han people, and consequently, has affected the Han-Tibetan relations in Tibet.

Questions raised in response to her presentation included the following: Whether the finding is generalizable to other ethnic groups who are different in terms of residential patterns and government’s ethnic policies; what is the impact of increasing tourists on Tibet and Han-Tibetan relations; whether Tibetans will lose their unique cultural characteristics when economy develops.

### **Panel Two: Urban Labor Market and Labor Disputes**

(Speakers: Yiu Po CHEN, Myoung-Shik KIM; Chair/Discussants: Wei SHAN, Wai Kit CHOI)

The speakers on this panel are Yiu Po Chen, assistant professor of urban planning in the Public Services Graduate Program at DePaul University, and Myoung-Shik Kim, Ph.D. candidate in political science at University of Pittsburg. The discussants are Wei Shan, Ph.D. candidate in Political Science at Texas A&M University, and Wai Kit CHOI, Ph. D. candidate in sociology at University of California, Irvine.

Prof. Chen’s speech was titled “When Did Peasants Become Migrant Workers? A Property Rights Analysis of China’s Urban Labor Market Deregulation in 1980s.” Migrant laborers have become a very eminent social group in today’s China. How could such a massive migration have taken place in the early 1980s when China had very rigid restrictions on labor mobility? Chen’s paper dealt with this question from an institutional economic perspective. He argued that reform in property rights induced a sequence of institutional changes, which led to the deregulation of labor market. Specifically, the establishment of Household Responsibility System not only endowed rural households with rights of land use, but also with discretions in production decisions and labor allocation. These shifts promoted the development of informal farm product markets and informal labor markets, which turned out to be the seedbed of migrant labors.

The discussant and the audience raised questions in terms of both the theory and methodology. Though theoretically this paper addressed the relationship between property rights change and institutional change, the econometric model in fact examined the association between property rights change and the amount of migrant labors. Is this a detrimental gap? In addition, the entire theory was based on the assumption that the Household Responsibility System has actually assigned discretions to rural households regarding production decisions and labor allocation. But this may be not the case. The local authorities have remained considerable power to regulate rural production. Finally, someone pointed out the possible problem of endogeneity in the model.

Myoung-Shik Kim’s paper, “Working-Class Consciousness and the Impact on Labor Disputes in China,” addressed two important questions: (1) Has there been a rise in working class

consciousness in China since the economic reform? (2) What is the relation between working class consciousness and labor disputes in China? Drawing mainly on data from the 1997 Employee Survey conducted by the All-China Federation of Trade Unions (ACFTU), Kim argued that there has not been a rise in working class consciousness and that the increase in labor disputes in China was not caused by working class consciousness. Questions from the audience and the commentator focused on the method that Kim employed to measure working class consciousness. Are data from a government survey a reliable source? How do we determine which beliefs held by the respondents indicate class consciousness?

### **Panel Three: The Emergence of Urban Underclass**

(Speakers: Dorothy SOLINGER, Mun Young CHO, Diana FU; Discussants: Lei GUANG, Titus CHEN)

The speakers on this panel are Dorothy Solinger, professor of political science at University of California, Irvine; Mun Young Cho, Ph.D. candidate in cultural and social anthropology at Stanford University; Diana Fu, who recently graduated from the University of Minnesota with a B.A. in Global Studies and Political Science. She is the recipient of the prestigious Rhodes Scholarship, which will take her to Oxford next year for a Master's program in Development Studies. The discussants are Lei Guang, associate professor of political science at San Diego State University, and Titus Chen, Ph.D. Candidate in Political Science at University of California, Irvine.

The first speaker was Dorothy Solinger. Her past research has focused on the politics of rural-urban migration in China. In the presentation "The Creation of an Urban Underclass in China," she provided an overview of the Chinese state's policies in the areas of enterprise reform, migration and anti-poverty initiatives, and analyzed their effects on the emergence of the urban underclass. According to Solinger, China's urban underclass is comprised of three distinct socio-economic groups: recently laid-off workers, underprivileged rural migrants, and the new urban poor who have been produced by the new unemployment and the elimination of affordable healthcare and other welfare provisions. She pointed out that the urban underclass is a product of the reform policies, and its emergence has led to a fundamental change to the social basis of the regime. By drawing on a new alliance between state elites and new entrepreneurial class, as well as its enhanced technologies and resources (also the outcome of various state policies in the past two decades), the state is able to deploy a variety of economic, bureaucratic and coercive resources--what Solinger termed as the "weapons of the state"--to mitigate the grievances and protests by the urban underclass.

Among the questions raised about her paper were: What makes a class "under-class"? How should we best conceptualize the notion of underclass, as economic indigents, or a relational concept in contrast to other social classes, or as a heterogeneous formation of underprivileged population? How stable is the new regime alliance? Is the alliance between state elite and entrepreneurial class reflective of a fundamental interest convergence, or is it an alliance of convenience? Finally, questions were raised about the need to specify the different levels of the state that are involved in the co-optation and control of the members of the urban underclass.

The second speaker was Mun Young Cho. Her main interests include the interlocking of poverty, governmentality, and the state in contemporary China. The paper she presented, "When does Poverty matter? 'Urban poor' in post-Mao China," is the conceptual framework of her dissertation about the sociopolitical formation of the urban poor in post-Mao China. Cho found that China's urban poverty has been defined in a particular way along with the state's preoccupation with political stability. The new stratum of urban poverty embraces urban laid-off workers and retirees deprived of pensions while marginalizing rural migrants and urban former

outsiders who have depended on informal work or poverty relief since the Mao period. According to Cho, some contradictions embedded in the management of urban poverty reveal the major dilemma of Chinese society in its both neoliberal and state socialist transformations. Questions were raised about her choice of the research site in northeast China, the relationship between urban laid-off workers and rural migrants, and the possibility of comparative research with urban poverty in South Korea.

The third and last speaker of the panel was Diana Fu. The paper she presented, "A Cage of Voices: Producing the 'Dagongmei' in Modern China," is a part of her undergraduate summa thesis which is the product of a year-long field research in Beijing from 2004-2005. Her paper explored the paradoxical role that The *Dagongmei's* Home at Beijing (China's first "NGO" serving migrant women) plays in producing identities for its member migrant women and in channeling their voices to the public arena. It pointed out how voice is implicated in the process of empowerment. Primary methodology included participant observation, accompanied by ten in-depth interviews with migrant women who were either staff or members of The Home. Diana argued that The Home is both a site of articulation and a cage that limits and contains the marginal voices of migrant women. The organization authorizes and legitimizes the speech of these women, gives them the opportunity to speak in otherwise closed spaces. However, as the women can only speak as 'dagongmei', they end up reproducing the state's discourse of modernization, which asks laborers to "sacrifice" for the nation.

Questions that were raised by the discussant and from the floor included: How would those migrant women adopting an "out-of-cage" approach survive in a context where neo-liberal ideology is gaining ground while state control remains strong? After all, migrant laborers come to the urban area mainly for a living rather than for lofty ideals. The question actually pointed to the contending and negotiating relations between the state, the capital, and the disadvantaged migrants. Another question from the audience asked about any possibility of comparing the case of China's migrant women with their counterparts in other societies. The last question was about the methodology and processes of the interviews, and the potential implications of interviewer's identity as a young Chinese American woman.

### **Special Lecture Two: Market Transition and Stratification in China**

(Honored Speaker: Yang CAO; Chair/Discussant: Yang SU)

The honored speaker, Prof. Yang Cao, is an assistant professor of sociology at University of North Carolina at Charlotte. The discussant is Yang Su, assistant professor of sociology at University of California, Irvine.

Although one may lament the scholarly lacuna on the issue of social classes in transitional China, social stratification in China is in fact a frequent research topic in the west. The most active and visible is a research program known as Market Transition Theory. Since the publication of an influential article in 1989 by Victor Nee, the field has evolved into a mini research industry. Prof. Yang Cao, the speaker for this special lecture, is one of the leading scholars in this field. An accomplished researcher with numerous publications appearing in top journals, he has been one of the spokesmen for the research paradigm. Besides their empirical work, he and his coauthor Victor Nee often pen commentaries to clarify or defend. It is a great fortune for the conference participants to hear a comprehensive review from an expert and insider.

In the speech, Prof. Cao reviewed the tenets of the theory, the methodological tradition, and the debates surrounding the research field. The development of market transition theory coincided with the historic emergence of market institutions in the former state-socialist countries. The theory attributes the main impetus of change in mechanisms of stratification to such market forces. It mainly concerns power distribution between state cadres on the one side, and "producers" on

the other, and hypothesizes that the power balance will tilt toward the latter as the market reform deepens. More specifically, the theory consists of three interrelated propositions that emphasize the causal processes associated with market-based power, incentives and opportunities, respectively. It predicts that these processes will lead to (1) a decline of the advantage of redistributive power and other forms of political capital relative to nonstate economic actors who possess market power (Proposition 1); (2) higher returns to human capital than under a centrally planned economy (Proposition 2); and (3) new opportunities centered on market activities, for example, entrepreneurship (Proposition 3).

So stated, the theory is not without its problems, and it encounters its critics from the outset. Prof. Cao led his audience through a few major conceptual and theoretical issues. We may look at a few in this summary as examples. First, a prediction of the decline of cadre status flagrantly contradicts with common impressions of anyone who lives in China. The reality seems to be the opposite: state officials become richer. To this challenge, Prof. Cao and his colleague stress that the predicted decline is relative. That is, cadres need not become poorer, but the gap between them and the “producers” will become smaller. This, of course, is subject to empirical test. A second problem comes from empirical tests: To date there is no satisfactory way to measure the degree of marketization. Most studies use time as a proxy. Third, the most vigorous challenge may be spearheaded to the very concept of market institutions. Some critics suggest that the theory is built on the “Polanyian Muddle,” which uses ideal types of intuitions to describe the real stages of social existence. Any two real-life markets may be different in their relationship with the state; state officials may be extremely powerful in one, but relatively powerless in another. After reviewing this critique, Prof. Cao stated two points of their own position: a) Market and redistributive economies are historically proven societal forms with unique distributive mechanisms; and b) there is a “threshold” for market maturation, after which the perditions may apply better.

Prof. Cao then summarized results of the studies that test the Market Transition Theory. He concluded that the results are mixed.

- Effect of cadre status: Results are mixed and there is no clear evidence for its diminishment (related to Proposition 1);
- Effect of communist party membership: Results are consistent showing no signs of change (related to Proposition 1);
- Effect of education: Results are generally consistent and positive (related to Proposition 2);
- Effect of private/hybrid sector employment: Results are consistently positive (related to Proposition 2);
- Effect of entrepreneurship: Results are mixed and no conclusive evidence of any sort (related to Proposition 3).

A lively discussion followed Prof. Cao’s presentation. In his comments on the presentation, the discussant first expressed his admiration for the research paradigm with its testable propositions, rigorous scientific format, and after all, generation of many research papers and a few book manuscripts. It sets an example of academic success on China research. Then he invited audience to ponder on the gap between the academic success on the one hand, and the lack of understanding of the class structure in transitional China on the other. Some from the audience pointed out that the success may be partly due to the fact that the program meets the standards well in a profession inspired to be formal science. Others suggested the possible impact of ideological fitness—the Market Transition Theory is a celebration of “market.” Still others offered methodological explanations. The gap, as a researcher in the audience suggested, may be

due to the unit of analysis in Market Transition research, mostly based on survey data, while class structures may be better studied on the more macro level.

#### **Panel Four: Class Structure and Politics**

(Speakers: Jing ZHANG, Qinglian HE, Yi LI; Chair/Discussants: Chunping HAN, Hehui JIN)

The speakers on this panel are Jing Zhang, professor of sociology at Peking University, Qinglian He, senior researcher at the Human Rights in China, NYC, and Yi Li, who recently received his Ph.D. in sociology from University of Illinois at Chicago. The discussants are Chunping Han, Ph. D. candidate in sociology at Harvard University, and Hehui Jin, an economist at Quantifi Solutions, NJ.

The first speaker in this panel was Jing Zhang, who has published a number of books focusing on corporatism and work units politics. In her presentation, "Class Politics and *Danwei* Politics," Professor Zhang argued that although classes are still functioning as organizing units of interest groups in western societies, in China, class identities play no meaningful role of transforming various interests into organized social groups. Rather, *danwei*, or work-units, are far more fundamental organizing units than class identity. Individuals are placed in *danwei*'s, which provide several mechanisms for individuals in a same unit to share common interests and to participate policy decisions within the unit. The conflict and competition of interests surely exist, but they are mainly among different *danwei* units instead of among differential classes. This gives rise to the politics of *danwei*, in contrast to the politics of classes. Professor Zhang then analyzed the impacts of the politics of *danwei* on public political participation.

The discussant cited a study made by Wenfang Tang which shows that the institutions other than *danwei*, such as medias, courts and local legislation organs, has played increasing roles in resolving the conflicts of interests, although many work related disputes are still handled through *danwei*. How should this development be evaluated in light of the framework proposed by Prof. Zhang? Audience raised the question that If Chinese workers do not have generalized interests but only those specific to their work-units, how do we explain the fact that workers everywhere seem to have 'structurally' similar concerns and press for the similar interest claims?

The second speaker was Qinglian He, the author of the book *The Pitfall of Modernization: Contemporary Economic and Social Problems in China*, which has inspired many recent studies on the income inequality, class differentiation and corruption during China's economic reforms. In her presentation "China's Social Structure and the Political Orientation of Its Middle Class," Ms. He discussed the social structure and the political orientation of the middle classes in contemporary China. She argued that the middle class in China is very small, accounting for only 15% percent of the population, while the majority, about 84% of the population, is the lower class. The small middle class play little role in political life, partly due to the lack of institutionalized channels, especially the lack of the freedom of associations, to organize themselves and to participate political decisions. The middle class also benefits from the existing regime and hence has vested interests in the existing political structure. They have shown little desire for democracy.

The third speaker was Yi Li, the author of two books and a dozen journal articles on Chinese society and culture. In his presentation "Transformation of China's Class Structure since 1949" Dr. Li focused on the evolution of social stratification in China since 1949. He presented "Li Yi Model of Chinese Social Stratification 1952-2003" and "Li Yi Model of Chinese Social Stratification 2005"--a pyramid structure of social classes, with the vast number of peasants at the bottom, workers from both rural and urban areas in the middle, and a small fraction of cadres and capitalists at the top. He argued that main theme of Chinese social stratification is the making of Chinese working class; there is not a white-color professional middle-class in China yet; the

reemerging capitalist class will not become a part of leading class in China, because only the state-owned sector can develop China's global 500 corporations and global 100 universities.

Questions were raised to both Ms. He and Dr. Li. Whether has the middle class actively participated in the legislation process and demands for the rule of law? How to evaluate the roles of the middle class in local politics, since evidence shows that local entrepreneur associations in the coastal areas participate actively in the local public decisions? What are the impacts of internet on the awakening of class consciousness and the organizing of interest groups?

**Panel Five: Land and Class in Rural Areas**

(Speakers: Shizheng FENG, Feizhou ZHOU, Peimin LOU; Discussants: Lu ZHENG, Zhen WANG)

The speakers on this panel are Shizheng Feng, associate professor of Sociology at Renmin University of China (currently a visiting scholar at University of Chicago); Feizhou Zhou, associate professor of Sociology at Peking University; Peimin Lou, research fellow at Shanghai Academy of Social Sciences. The discussants are Lu Zheng, Ph.D. candidate in Sociology at Stanford University, and Zhen Wang, Ph.D. candidate in Political Science at University of Minnesota.

Prof. Feng delivered a presentation on his paper coauthored with Yang Su (Assistant Professor of Sociology, UC Irvine): "Class Structure in a 'Communist Village'." Intrigued by the great controversy over whether Nanjie Village is Communist in nature, Feng examined the class structure of the village based on his fieldwork conducted in April to August, 2000. Feng argued that the unequal treatment toward villagers and migrant workers and the distribution of living materials subject to the arbitrary decisions of few party cadres have prevented Nanjie from being a true Communist community. Instead, Feng further pointed out, the village is but a hybrid product of Maoism and capitalism within the context of China's tremendous economic and social transformation. Feng contended that the Maoist propaganda is simply a means employed by local political elites to legitimize the exploitation of migrant workers for the development of local economy and to secure their own ruling status in the village.

The discussant raised the concerns about the conceptualization of the two important terms throughout the paper—"class" and "Communism." Despite the highly contested nature of these two terms, a clearly conceptualized working definition is a crucial starting point for any good scholarly work. In addition, another question touched upon the generalizability of this research based on one case. To what extent does the situation of one village illustrate the development and transformation of social classes in China which is characterized by great diversity and heterogeneity? Does it enhance the possibility of generalization by conducting a comparative work based on multiple cases? Furthermore, Prof. Donglai Ren from Nanjing University raised an interesting question from a legal scholar's perspective. Ren wondered why there has not been any legal charge against the local cadres' systematic violations of villagers' and migrant workers' human rights.

Professor Zhou's talk entitled, "Who Gets What from Land Conversion?: Local Government and Farmers in the Wake of State Land Seizures," examined local government's behavior after the taxation reform in 1994. Zhou observed that no matter if the central government uses centralized or decentralized taxation system, local governments tend to maximize local interests by collecting and reserving more tax that is not targeted by central government for local revenue. Therefore, Zhou argued that institutional framework has little influence on government's behavior, and that to prevent the "rent-seeking" behaviors of local governments, the key issue is to guarantee peasants' ownership of land.

The discussant contended that drawing the conclusion that institutional boundary does not matter to local government's behavior, institutional frameworks (centralized or decentralized) should be established as two dependent variables in order to see if these two different types of institutional frameworks would lead to the same behavior. However, all the data collected in the paper span from 1999 to 2004 were after the taxation reform in 1994. Accordingly, the selection of data could not reflect the change of institutional frameworks on the dimension of dependent variables.

Ms. Lou's paper "An empirical analysis on the income and employment of the peasants affected by land requisition" revealed findings from a survey of peasants in development zones in Guangyuan City of Sichuan Province, Wenzhou of Zhejiang Province, and the Pudong New District of Shanghai Municipality. Her analysis showed that after land requisition, income gap between peasants affected by land requisition and urban household diminished over time, while their income still on the same level of the rural resident. The affected peasants in general held positive view towards land requisition in their respective region, and started to embrace life style and consumption pattern similar to their urban counterparts. This study also revealed that the biggest problem facing affected peasants was the difficulty in finding a job, which was further exacerbated by the lack of social security coverage. Lou concluded her presentation by calling for local government to extend equal rights to affected peasants as urban residents, and to promote entrepreneurial undertaking by affected peasants.

While the discussant thought highly of the systematic survey method Ms. Lou adopted to approach the highly contested land acquisition issue, a question on the selection of research sites was raised to challenge some findings from the survey. All of Lou's survey sites involve state or provincial-level government-directed land requisition for "development zone." State or the provincial-level government tends to closely monitor the whole process which normally obeys the statute; thus, affected peasants who are more favorable of land acquisition than rural resident are easier to transform into city residents. Does this imply that it helps to prevent corruption, and that all affected peasants do not oppose to the land acquisition?

#### **Panel Six: The Emerging Middle Class, Professionals and Newly Rich**

(Speakers: Xin WANG, Sida LIU, Choon Piew POW; Discussants: Yan LI, Xiaoshuo HOU)

The speakers on this panel are Xin Wang, assistant professor of Chinese Studies at Baylor University; Sida Liu, a Ph.D. candidate in sociology from University of Chicago; Choon Piew Pow, Ph.D. candidate in geography at the University of California, Los Angeles. The discussants are Yan Li, Ph.D. candidate in sociology at Stanford University, and Xiaoshuo Hou, Ph.D. candidate in sociology at Boston University.

The first speaker of this panel was Xin Wang. His talk was titled "The Newly Emerging Middle-income Stratum." Professor Wang's talk was based on survey data of middle-income professionals in Beijing and Shanghai. By tabulating respondents' subjective (middle) class identification with objective categorizations, Wang showed that the majority of objectively defined members of the middle-income stratum do not identify themselves as such. While middle-income citizens share similarities such as high levels of education and professional skills and a strong interest in social and public affairs, they display a strong individual, rather than group orientation. From the theoretical point of view that an emerging middle class usually contributes to the emergence of democratic society, Wang concluded that this has not been observed in China and that more in-depth study is needed to explore the civic life of China's middle-income stratum.

Questions raised by the discussants and the audience included: While trying to define the middle stratum, it is unclear what the comparison groups are--that is, who are in the lower stratum,

and especially who are in the upper or elite stratum? Since the middle-income stratum itself consists of different groups of people in terms of professions, occupations, and employment status, which may represent different interests, does there have to be a consensual “middle class/stratum” identity in order for these groups of people to promote democracy? What would be the projected course of democracy building during the middle stratum’s growth, based on evidence from and experiences of other countries?

Sida Liu’s talk was based on a co-authored paper with Ethan Michelson, who gave a talk at last year’s OYCF meeting on rural issues. The title was “Relocating and Decomposing Boundary Work: Lawyers and Non-Lawyers in China’s Market for Legal Services.” Liu gave a brief overview of how the competition between professionally trained and licensed lawyers and non-lawyer “legal workers” emerged, and how they have remained in competition in providing legal services in China. Building on and expanding the theory of boundary work, Liu argued that while lawyers try to build clear boundaries to distinguish themselves from legal workers, legal workers mobilize various means to blur this boundary in their practice. In addition, the state, acting through the Ministry of Justice, has its own incentive and political means to maintain the overlapping boundary between lawyers and legal workers. The interactions of such boundary work by the three parties make it difficult for the clients and the general public to differentiate between lawyers and non-lawyers in China.

Questions raised by the discussants and the audience included: Does boundary work such as that among lawyers, non-lawyers, and the state, exist in other professions in China? If so, what can be said about China’s economic or political institutional setup; and if not, what is unique about the legal profession that makes such boundary work viable? What are possible forces to break the equilibrium in which lawyers and non-lawyers are indistinguishable to the general public? How is boundary work theory different in explaining this phenomenon than the classic “lemon” theory in economics? Why can’t market, instead of the state, be the agent of boundary maintenance?

The last speaker of the panel was Choon Piew POW. In his paper titled “Landscapes of Privilege: ‘Gated Communities’ and the New Middle-Class in Shanghai,” Pow analyzed the emerging middle-class enclaves in Shanghai, and how these high-end communities, developed in accordance with the income and lifestyle of the residents, have changed the physical and social fabric of the metropolis. He argued that the new landscapes, occurring in the housing reform, mark the increasing income gap between the rich and the poor, and may lead to urban segregation. He also pointed out that because of the privatization of housing services in the gated communities, homeowner associations take up some of the responsibilities that traditionally belong to the Residents’ Committees, government-related grassroots organizations.

The paper offers a new approach to studying social classes and strata in China, i.e., learning about the behaviors, values, and organization of a particular group of people by observing the enclaves they belong to and how they interact with those outside of the enclaves. Questions raised by the discussant and from the audience included: What are the larger social and political impacts of these gated communities on the Chinese society? What are the deeper reasons for the formation of those communities in addition to the housing reform policies? How does one distinguish the new gated communities from the old work-unit-based gated communities, since they are now still prevalent in China? Comments were made on differentiating the different strata within the middle class, on studying not only the residents but also those who work as guards and service people in the gated communities, and on expanding the case to other cities in China.

## Participant Comments

This year's meeting again establishes the OYCF as a premium forum for serious engagement with China-related issues. Below are some testimonials from several people who have spoken at the meeting.

*"I've just come back from the conference and—what a BIG success!!! ... The papers were of a very high quality and many people participated with great enthusiasm and interest.... It was truly a wonderful experience to watch graduate students, faculty, and various kinds of professionals discuss the topics related to social class, whether they came from China, Hong Kong or Taiwan. That people from China got an opportunity to air their views in such a forum was especially heart-warming."*

---Dorothy Solinger, Professor of Political Science at University of California, Irvine.  
Co-Sponsor of this year's OYCF meeting.

*"...the conference has attracted many leading China scholars and the brightest graduate students in the field. In terms of the quality of the papers presented and the depth of the discussions generated, this conference surpassed most professional conferences that I have attended."*

---Dingxin Zhao, Associate Professor of Sociology at University of Chicago.

*"...the conference provided scholars like me an excellent opportunity to engage and to focus on a most timely issue, and it provided rare opportunities for young professionals and bright graduate students to present their work, and to engage face to face with scholars from all over the country, indeed all over the world. I left the conference feeling that that was the best-run and most educational weekend conference I had ever attended."*

---Feng Wang, Professor of Sociology at University of California, Irvine.

*"OYCF is vibrant, brilliant, and exceedingly stimulating...Unlike the mega-conferences, the intimate size of OYCF allows for a small network of like-minded scholars to debate cutting-edge issues in a variety of disciplines under an overarching theme. I feel immensely fortunate to have been invited to this conference. I will carry this experience with me to Oxford and beyond."*

---Diana Fu, Class of 2006, University of Minnesota; Rhodes Scholar of 2006, to start post-graduate studies at Oxford University; youngest speaker of this year's OYCF meeting.