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China's Informal Economy, Reconsidered: An Introduction in Light of Social-Economic and Legal History

Philip C. C. Huang
Law School, Renmin University of China
History, University of California, Los Angeles
huang@history.ucla.edu

中国的非正规经济再思考：一个来自社会经济史与法律史视角的导论

黄宗智

Abstract
This article presents an updated overview of China's "informal economy," based mainly on social-economic and legal history, and attempts to clarify its conceptual origins, composition, nature, size, and changes in the past thirty-five years. Special attention is paid to the rise of "dispatch work" and of the "new generation peasant workers" in the past decade. The article then introduces and discusses the content and issues raised by the six articles and two commentaries of the symposium, "China's Informal Economy, Reconsidered." The focus is on how China's "informal economy" is different from or the same as the older category of "the proletariat" and the newer category of "the precariat."

Keywords
China's informal economy: definitions and numbers, globalization's undertow, dispatch work, the new generation peasant workers, "informal employment" vs. "the proletariat" vs. "the precariat"

摘要
本文从社会经济史与法律史的视角对中国的非正经济进行更新了的综述，试图澄清其概念起源，以及其构成、性质、规模和近三十五年中的变化。文章特别关注到最近十来年中"劳务派遣"以及"新生代农民工"的兴起。然后，文章介绍了本专辑"中国非正规经济——再思考"所纳入的六篇论文和两篇点评，主要关注的问题是中国的"非正规经济"和之前被广泛使用的"无产阶级"以及新近被使用的"危难工人"（precariat）两个范畴之间的异同。

关键词
中国的非正规经济：定义与规模、全球化底下的反向逆流、劳务派遣、新生代农民工、"非正规就业"vs."无产阶级"vs."危难工人"

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There has been a great deal of debate over what terms and categories might best describe Chinese laborers, in part because of the hiatus in pay, work conditions, and benefits between those who are still privileged by the protections and benefits from the inherited labor legislation and policies of China's socialist planned economy, and the huge numbers of "peasant workers" who have entered urban employment since the 1980s, and also because of the additional major legal and social changes of the past decade in the rise of "dispatch work" and the "new generation peasant worker." The mixing of capitalist and socialist economic and legal discourses adds to the confusion. What I will attempt to do in this introduction to the symposium is to sketch out a broad social-legal and historical overview, in the hopes of providing a larger framework for our understanding of the debates, to sort out some of the substantive issues raised, as well as to update our picture and understanding of the informal economy.

China's Informal Economy: Definitions and Numbers

The category "informal economy" originated as a Western construct intended to apply mainly to the non-Western developing world. Its predecessor "informal sector" was first used by the International Labor Organization (ILO) in the 1970s to designate "informal" workers not protected by the labor laws that applied to the "formal" sector. A generation of outstanding scholars, such as Hans Singer and Richard Jolly, Keith Hart, Jan Breman, and others, helped flesh out the outlines and details, in Kenya, Ghana, India, and elsewhere. Later, to take account of the fact that many informal workers were also employed by firms in the modern "formal sector," the ILO changed the term to the more encompassing "informal economy," but the core definition remained the same. In 2002, an ILO-sponsored study demonstrated that the "informal economy" had come to employ half to three-quarters of all nonagricultural workers in most of the developing world. But China was not included in the study for lack of reliable data (Huang, 2009; cf. Huang, 2011a, 2011b, 2013, and Huang Zongzhi, 2013a, 2013b).

The massive rise of an informal economy in China dates back to the 1980s, when China made the strategic decision to "reform," to "open up" (to Western capital), and to "marketize." Thereafter, informal workers, consisting mainly of "peasant workers" (*nongmingong* 农民工, i.e., workers in larger towns and in the cities who are officially of peasant registration status) from the countryside, expanded very rapidly. But they went little noticed or studied for some years, because no reliable data were available.

That situation remained until a central government–sponsored study in 2006, which was followed from 2009 on by annually published "Investigative Tracking Reports on the Peasant Workers" 农民工监测报告 based on systematic surveys by the State Statistical Bureau (SSB). Those investigative reports quickly reached a fairly high degree of precision and reliability: the most recent 2015 report is based on a systematic sampling of 236,000 peasants in 8,906 villages in 1,527 counties in 31 provinces (and municipalities). Though not as exact as an actual

head-by-head enumeration, such as in the decennial population surveys, the data on peasant workers can be readily checked and adjusted according to the decennial population surveys. The reports are today unquestionably *the* authoritative source for data about the peasant workers. In 2015, the peasant workers totaled 277 million, of whom 108 million were "leave the soil but not the village" peasant workers employed near home, and 169 million "leave the soil and the village" peasant ("migrant") workers employed away from home. The great majority of all peasant workers remain unprotected by the nation's labor laws and receive few or no benefits: the latest reported benefits data, for 2014,[1] are that only 17.6 percent had health insurance, 16.7 percent old age insurance, 10.5 percent unemployment insurance, and 7.8 percent maternity insurance. The proportion with work injury insurance is the highest at 26.2 percent, mainly because of the central government's administrative actions (insurance programs) implemented in recent years (Guojia tongjiju, 2014; see also 2009, and 2015). These figures suggest that perhaps one-sixth or so of all peasant workers enjoy the two crucial benefits of health insurance and retirement pay.

Add to the 277 million peasant workers those among the 40–50 million workers disemployed around the turn of the century from small- and medium-scale state-owned enterprises (SOEs) who still work today, and the explosive increase since about 2008 of "dispatch workers," (or "temporary, supplementary, and substitute workers"—more below), totaling perhaps 60 million today, half of whom are peasant workers and the other half urban residents, there can be little question that informal workers, totaling altogether perhaps 330 million, have come to account for a very large proportion of the total of 382 million urban employed (out of a total of 773 million urban and rural employed) today—about 75 percent if we count as "formal" employees the one-sixth or so of all peasant workers with the two crucial benefits of retirement and health insurance (Zhongguo tongji nianjian, 2015: table 4–2; Guojia tongjiju, 2014).

Unfortunately, the ILO and the World Bank have chosen to opt for figures based on a single survey done in 2010 of just six cities, which concluded that informal employees amounted to just 37 percent of the urban workforce. The project was first undertaken under the support of the World Bank's Social Protection and Labor Department and published in 2012 (Park, Wu, and Du, 2012). Its findings were then incorporated into a 2014 ILO report on global informal employment, to stand today as the ILO's latest data on China (ILO, 2014: Annex 2, China).

That survey was carried out by sampling 500 residents and 500 non-residents in each district of the six cities (Guangzhou, Fuzhou, Shanghai, Wuhan, Shenyang, and Xi'an), through the semiofficial residential neighborhood committees. As the authors themselves point out, administering surveys through the semiofficial neighborhood committees excludes the large numbers of unregistered peasant

[1] The 2015 report, for some reason, does not give figures on proportions of peasant workers with different kinds of social insurance.

workers (a total of 114 million in 2010—Huang, 2013: table 2): therefore, "those working in the construction and manufacturing sectors are likely to be undersampled" (Park, Wu, and Du, 2012: 9), this when we know that manufacturing and construction are the two largest sectors of peasant-worker employment, accounting in 2015 for fully 52.2 percent of all peasant workers (Guojia tongjiju, 2015). The report does explicitly include the registered "self-employed," but we know also that many of those artisans, peddlers, stall keepers, service entities, and the like are in fact also similarly unregistered, and therefore also undercounted. The report, moreover, does not consider at all small- and medium-sized cities and large towns, where the proportion of informal enterprises and employees is greater than in the large cities.

Furthermore, the report adopted definitions that greatly exaggerated the numbers of formal employees. It counted as formal all employees of enterprises of more than seven workers, even though Chinese law today places many of those under the legal category of casual "ad hoc work" 劳务, to which most of labor legislation does not apply (more below), as opposed to regular, full-time "labor" 劳动. It also counted as formal any worker with any *one* insurance benefit (Park, Wu, and Du, 2012: 5–6). That was how the report arrived at the implausibly low figure of just 37 percent informal employees and the implausibly high figure of 63 percent formal employees.

It is puzzling that the report does not consider at all the much more comprehensive Investigative Tracking Reports, not even including them in its list of references. It is also puzzling that there has been no apparent effort since the original, limited sampling undertaken in 2010 to update the survey or make up for the obvious problem of surveying only six large cities. The ILO and the World Bank's Social Protection and Labor Department are generally authoritative (as well as progressive in their advocacy of labor rights); they should reconsider their present approach to data on China's informal economy and informal employment.

Globalization's Undertow

The tide of informal employment in the developing world is in no small measure a consequence of the "outsourcing" by multinational corporations of the developed world. That is obvious. Little, however, has been written about the less obvious undertow of that tide, which has greatly impacted employment in the developed world as well. But that impact has been very different both from the well-publicized complaints about the loss of jobs in the home country due to outsourcing, as well as from the marketist arguments that free trade and free use of labor must of necessity lead to the optimal allocation of resources (e.g., only cheap jobs are outsourced, while the home country retains and expands higher skill jobs, to the overall benefit of productivity and efficiency for all concerned).

With the entrance of hundreds of millions of Chinese peasants into informal urban employment came, first of all, the hugely enlarged profit margins of the

most successful of the outsourcing firms, of which Apple is perhaps the paradigmatic example. By engaging only in the most profitable design and marketing ends, and outsourcing through firms like Taiwan's Foxconn (with a total of more than one million Chinese workers, mainly peasant workers) the low profit, labor-intensive production of components and assembling of the iPhone and other products, Apple has managed to attain profit rates that have been the envy of the entire capitalist world. Those profit rates have in turn propelled Apple to become the largest company in the world in terms of the total market value of its outstanding stock shares (market capitalization), bringing for shareholders sustained double-digit returns that have dwarfed those of almost all other companies. (Apple's well-known resort to tax havens has of course also contributed to its hefty profits.) This is not to deny the quality of Apple products or its hugely successful marketing strategies.

The success of firms like Apple, in turn, has put tremendous pressure on all other major companies, given the nature of the rules of the game of contemporary capital markets. Institutional investors, such as pension funds, mutual funds, index funds, and endowment funds, have in recent decades come to dominate the stock market, accounting for as much as 80 percent of all outstanding shares. They have powered a huge expansion in the total volume of stocks traded. Individual small investors have also entered the market in unprecedented numbers, as information technology has put enormous amounts of data at quick and easy access to small investors, and the Internet has greatly reduced commissions paid for stock trades. The result has been a more highly and immediately integrated stock market, in which share prices and returns have come to be the central preoccupation of all. Those prices are crucially determined by a company's record in price/earnings-per-share ratios and the returns to shareholders. Those are the key indicators that guide analysts' projections of likely future returns per share and their recommendations to investors of "strong buy," "buy," "hold," or "sell." Apple stocks have been *the* success story in that regard, now listed among the major holdings of almost all institutional portfolios. Companies and their managements have come to be evaluated above all by the "performance" of their shareholder values. Whereas historically an eight percent or so average return per annum had been considered good, the double-digit appreciation records of the most successful outsourcing firms have put pressure on all large firms to attain higher profit rates and returns to shareholders. Such rules of the game have translated into tremendous pressure on almost all the Fortune 500 companies to raise profit rates by, among other things, lowering labor costs.

That powerful undertow of the globalization tide has been accompanied, understandably, by the neoliberal calls since the 1980s for cheaper "flexible labor use." That principle, we might observe, is directly traceable to neoliberal (neoconservative) free marketism: namely, the fundamentalist belief in free markets as the best allocator of resources, à la Friedrich von Hayek, Nobel economist and the favorite of both Margaret Thatcher and Ronald Reagan, accompanied later by

the "new institutional economics" of Nobelists Douglass North and Ronald Coase and others, who went on from marketism to argue that secure property rights are the ultimate source (incentive mechanism) that drives the development of market economies. What can be more logical, therefore, than freely marketized allocation of labor for the highest possible return to privately owned capital? (Huang 2009, 2011a, 2013).

The call for "flexibilization" of labor use, in turn, both propelled and was propelled by the ever-increasing resort to casual temporary, supplementary, and substitute employees who are paid less, often worked harder, and given few or no benefits. That kind of labor has been used more and more widely by firms, especially with the new entrants to the labor force—women (along with "the feminization of the workforce"), youth, minorities, and foreign migrants ("denizens").

The workers under those new forms of employment, as Guy Standing points out strongly, contrast sharply with the old industrial "proletariat" who had come to enjoy the fruits of labor struggles and of the welfare state—in health and retirement benefits, paid holidays, and other legal protections, as well as stockholdings through pension funds or even personal investments in mutual funds and index funds. Significant numbers can now be properly classed as part of what Standing calls the "salariat" (Standing, 2014). The big historical change was from the situation in the 1950s and 1960s when a man (e.g., an auto worker) could customarily expect to be able to support a family on just his earnings, to the situation by the 1980s and after in which the typical family has come increasingly to rely instead on the twin incomes of husband and wife. As one small part of that larger picture, those of us in the universities know only too well how a larger and larger proportion of courses have come to be taught by temporary and part-time hires rather than the formal, regular faculty. Thus, in crude outlines, came the rapid rise and spread of "the precariat" in the developed world to reach the extent, by Standing's guesstimate, of "at least a quarter of the adult population"—referring mainly to the developed economies (Standing, 2011: 24, and chap. 2).

The Rise of Dispatch Work in China

Ironically, it was the Western "precariat" example that, in this age of China's efforts to "link up with Western practices" 与国际接轨, gave Chinese lawmakers the inspiration for the new formulation in the Labor Contract Law of 2007 (implemented in 2008): of the category of "dispatch work" 劳务派遣工, defined as "generally used for posts that are temporary, supplementary, or substitute in nature" (Article 66) (dubbed colloquially "the three types" 三性.) Such workers fall under "ad hoc work relations" 劳务关系, as opposed to old "labor relations" 劳动关系.[2] That term had been used in China earlier to refer to people who were

[2] The Chinese term *laowu* 劳务 can of course also be rendered as dispatch "labor," so long as we are aware of the sharp distinction drawn in Chinese between *laowu* and *laodong* 劳动, the standard term for labor, and between *laowu guanxi* 劳务关系, rendered here for clarity as "ad hoc work relations," and *laodong guanxi*, or labor relations.

assigned by the state to work for foreign families and entities. Around the turn of the century, it came at first to be applied to state entities that were created to try to help place newly disemployed medium- and small-scale SOE employees in alternative employment (Huang Zongzhi, 2013a; Huang, 2013). Today, however, it is being applied instead as the newly legitimized category of casual "temps-supps-subs," without legal obligations on the part of employers to provide security of employment or protections and benefits for the workers.

To date, the most authoritative study of that new phenomenon remains the survey in 2010 and 2011 by the All-China Federation of Trade Unions 全国总工会, or All-China Union 全总 (Quanzong) for short, based on sampling by questionnaires of 1,000 enterprises and their union offices and 10,000 workers in twenty-five cities. The findings were striking: dispatch work accounted for 37 million employees in enterprises by June 2011. According to the survey, just over half of all dispatch "labor" were peasant workers; the remainder urban residents. In Shanghai, a quarter of all employees were found to be dispatch workers (Quanzong, 2012: 23). Moreover, 39.5 percent of those so-called dispatch workers turned out to have worked under that status for more than six years—showing thereby that "dispatch work" was being used by enterprises not just for genuinely temporary workers, but also widely for full-time long-term workers as well (Quanzong, 2012: 24). Those were the data submitted in a report from the All-China Union to the National People's Congress, which created an uproar. To date, there is as yet no exact, reliable count of the extent of dispatch work, given the difficulties of tallying a fluid labor force and murky practices, but the number most commonly cited by commentators and journalists is a ballpark 60 million. For now, the data situation resembles that for the "informal economy" prior to the annual nationwide surveys published annually since 2009.

What we do have are some focused in-depth studies. For example, the survey by Liu Dawei 刘大卫 of 36 large SOEs in Shanghai found that the use of "dispatch work" is above all a method intended to reduce wage costs, by about half, and in some cases even as much as two-thirds or even three-quarters. The key to this is that the enterprises can "just use the work, without having to worry about the laborer" 只用工, 不管人, since the work "contracts," such as they are, are made between the dispatch agency and the worker, not the actual employer and the worker (Liu, 2011). Since those intermediary dispatch agencies are generally undercapitalized (the legal requirement by the Labor Contract Law of 2007 is just 500,000 *yuan* initial registration capital—Article 57), disgruntled workers have virtually no way of gaining satisfaction for claims and complaints, the more so since the law sets a maximum penalty of just 5,000 yuan (about a month's salary) per worker for legal violations by the dispatch firms (Article 92). The actual employers, to all intents and purposes, fall outside the purview of the law.

The earlier Reform-era labor law of 1994 still had not broken explicitly with China's revolutionary and socialist tradition of labor law. It retained provisions about an 8-hour workday, 44-hour workweek, 150 percent pay for overtime work, obligatory benefits for workers, and so on, despite obvious departures from those

legal provisions in the actual practice of the use of peasant workers. It also retained provisions about the rights of labor to organize unions and bargain collectively, predicated on the (unspoken) theory that factory workers are in a subordinated position vis-à-vis capital (hence the need to organize and bargain collectively) (Zhonghua renmin gongheguo laodong fa, 1994), despite the actuality that "labor unions" in China had long since come to be entities organized by the party-state and dominated by management rather than laborers. The new Labor Contract Law of 2007, however, carries contract theory to its logical conclusion with the notion of dispatch work: ostensibly based on voluntary contracts made between equal parties (predicated on the notion that the temps-supps-subs have the power to reject an unacceptable contract), the law in effect legally sets aside the old provisions about organizing and bargaining, and about hours, pay, and benefits for the laborer, all concretized by allowing (legalizing) the dispatch agency to serve as the (intermediary) contracting party on behalf of the actual employing entity 用人单位, such that the older provisions about labor no longer apply.

What China has done with the new category of "dispatch work," in other words, is to legitimize much expanded use of this form of informal employment, in effect permitting the actual employing entities to use the category to legally avoid having to bear any obligations to their workers. What the Labor Contract Law has done in effect is to legalize what had been considered illegal under erstwhile socialist labor legislation. Small wonder that the numbers of dispatch workers should have exploded after the implementation of the Labor Contract Law in 2008.

The discursive legalizing of the informal has allowed the government now to achieve a dramatic increase in the proportion of workers who are officially reported and registered. The latest data show that the government has managed to reduce the number of unreported workers dramatically from 114 million in 2010 down to just 44 million in 2014 (Zhongguo tongji nianjian, 2015: table 4–2; Huang Zongzhi, 2013a: table 2). The dispatch workers, though clearly still predominantly informal and precarious, have ironically attained a measure of "legal" or "formal" status. Such are the vagaries of present-day China's peculiar mixing of informal employment with formal legislation, and capitalist expediency with the discourse of labor legislation inherited from a socialist era. Formal registration with the government and formal work contracts had been useful indicators for distinguishing between the formal and informal economies; they no longer are. Nevertheless, despite the discursive ploys of the new labor legislation, there should be no mistake that "dispatch labor" use is in reality a renewed and added wave of informalization (and de-formalization) and precarization of employment in China.

To be sure, some corrective measures have been undertaken in the last few years. New amendments were made to the Labor Contract Law, to take effect July 1, 2013. They raised the minimum capitalization requirement for dispatch firms from 500,000 yuan to 2 million yuan, and raised the penalty for their legal violations from 1,000–5,000 yuan up to 5,000–10,000 yuan (Zhonghua renmin gongheguo laodong hetong fa [xiuzheng an], 2013: Articles 57 and 92). In addition, the

Ministry of Human Resources and Social Security issued "provisional regulations" 暂行规定, to take effect in 2014, that set the limit that no more than 10 percent of the employees of a firm may be dispatch workers, a requirement to be met within two years by those firms that had exceeded the limit (Article 28) (Renli ziyuan shehui baozhang bu, 2013). While it is perhaps still too early to draw firm conclusions about the extent of the effects of those amendments and regulations, they are possibly rather minor adjustments to the 2007 Labor Contract Law, without changing the fundamental principles and approach adopted by that law. There should in any case be no mistaking the fact that "dispatch labor" use is in reality a renewed and added wave of informalization and precarization of employment in China.

The New Generation Peasant Workers

To complete our overview of the informal economy, we need to give special attention also to the so-called new generation peasant workers 新生代农民工, i.e., those born after 1980, aged 16 to 35 today, and working away from home in the cities. Many have grown up with their peasant worker parents in the cities, have never farmed, are almost completely urbanized in their outlook and tastes, feel only weak ties to their home villages, and have little or no desire to return to their home villages to live—unlike their parents' generation, for the majority of whom the goal was and is to build a new, dignified house and life in the village. Yet, almost all members of this new generation of peasant workers, practically speaking, can have little hope of ever actually buying a decent home in the city, given their low earnings and high real estate values. Excluded as they are early in life from the regular public schools (which they can only attend by paying a hefty "contribution" 赞助费 or "selecting a school" 择校 fee), and schooled in the cities in makeshift informal schools that can be shut down by the authorities any time, they are keenly aware of their second-class citizen status (Quanguo zong gonghui, 2010; Wang, 2010).

These new generation peasant workers are in many ways the most troubled group among all peasant workers—their condition reaches beyond informal employment and precariousness; for them precarity, informal employment, and second-class citizen status are experienced as a permanent fate, not a passing condition they might grow out of.[3] For their parent peasant workers, there was and is the option of returning to their village homes and "responsibility land," which together provide something like a bedrock of security in a highly precarious urban work situation. But not for the new generation peasant worker.[4]

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[3] Lü Tu (2013, 2015) makes this point powerfully. Her two volumes should be understood as above all about this new group, not the peasant workers as a whole, as she tends to argue.

[4] The government has since 2009 loosened up somewhat the requirements for resident status in the medium and small towns and cities, but not for the top-tier and larger cities (Wang, 2010: 8).

The difference between the older generation of peasant workers and the new generation is that the former were and are, in outlook and intent, sojourning peasant workers ("migrant workers"), while the latter are long-term or permanent (im)migrants to the cities. The new generation workers, by and large, feel they have left their villages for good. They are better educated than their parents, with a middle school education and, for quite a number (26 percent), also a high school education. A significant proportion (36.9 percent) have learned some kind of a trade or skill. Partly for that reason, their hopes and expectations with respect to the city are also much higher than their parents'. Nevertheless, the reality is that they form the bottom of urban society, are often congregated into slum-like "village(s) inside the city" 城中村, and lack the means, the connections, and the prospect for a dignified, secure job, not to speak of buying or renting a decent home in the city. That wider gap between aspirations and reality causes this group to feel even more keenly their second-class citizen status (Lü, 2013; Lü, 2015; Wang, 2010; Quanguo zong gonghui, 2010). They, in the words of Lü Tu, are truly "lost" 迷失 or, we might say, "without a future." In 2015, they comprised perhaps 40 to 50 percent of the 169 million "migrant" peasant workers away from home, or over a quarter of all peasant workers (Guojia tongjiju, 2015).

Young, better educated, more completely urbanized in life habits and outlook than their parents, savvier and more attuned to the Internet, these new generation workers fit Standing's "dangerous class" perhaps even more than the "precariat" in the developed world on whom Standing bases his main conclusions (Standing, 2011). More than the older peasant workers, the new generation tells about what lies ahead for a growing proportion of China's informal and precarious employees.

The Articles of the Symposium

The articles of this symposium provide many fine-grained illustrations and analyses for the larger picture summarized above. To begin with, Sarah Swider provides a wide-ranging review of the literature and the debates between those who would speak of a "precariat" rather than a "proletariat" or "informal economy," and also draws our attention to the works of historians on China's early industrial experience, showing how the phenomenon today of low paying and insecure labor dates back to an earlier period (Swider, 2017). However, we need also to note that the "informal economy" concept was predicated on the presumption of a formal economy with legal protections for workers—something that was largely absent in pre-revolutionary China. Without the condition of "formal" legal protections, "informal" is a category without a meaningful referent. Full adoption and implementation of labor protections in all of China came only with the triumph of the Revolution; the terms "informal economy" or "informalization," therefore, make sense only as something that occurred afterwards. Swider, nevertheless, is of course correct to show that the use of peasants as temporary workers, at lower cost

and outside the boundaries of labor laws, occurred widely even in the Mao Zedong era, especially in construction work. But that kind of work is perhaps better understood as part of the tradition of "peasant work" 民工 of the planned economy era, that included, even more than construction work, obligatory work 义务工 in infrastructural construction, transport, rural irrigation projects, and the like. Those tell perhaps even more about China's long-standing rural–urban gap and the two-tiered (urban vs. rural) differential status system, than about legal protections or not of urban employment.

The article of Jialiang Huang and Yongsheng Wang is based on two contrasting villages in Dingxian (Ting Hsien) county (Hebei province), of Republican period fame from the rural reconstruction work of James Yen, Sidney Gamble, and others. Their article directs our attention to the rural contexts of informal economy, something too easy to forget in most of the literature's preoccupation with workers as a strictly urban phenomenon. We are reminded of the continuum of rural employment: from full-time cultivators (about 200 million in 2010), to part-time cultivator and part-time off-farm small businesses and self-employed peddlers, artisans, and such (about 60 million), to off-farm employees in local enterprises (about 159 million, including town residents), and finally, to the more completely urbanized "migrant workers" or "peasant workers" who "leave the soil and the village," who make up the main body of workers in the urban informal economy (Huang Zongzhi, 2013a: table 3; Zhongguo tongji nianjian, 2015: table 4–2). The larger rural context reminds us of informal workers as members of rural families, of what their families do, and of how much many peasant off-farm workers remain tied to their families and villages. (In fact, those who leave the soil but not the village have been responsible in large measure for paying with their off-farm wages for the increased use of modern capital inputs on their family farms—Huang, 2016.) Moreover, our attention is directed to the large and ever-growing numbers of rural off-farm self-employed peddlers, artisans, and small business owners, all of them without legal protection or benefits, now or earlier, but generally not included among tallies or studies of urban informal employment.[5] Highlighting those commonly overlooked segments of the population in studying China's informal economy is the strength of a rural-based perspective such as Huang and Wang's (Huang and Wang, 2017). At the same time, however, we need to note also that the special characteristics of the new generation peasant workers, outlined above, can really only be fully grasped from an urban perspective.

Ellen Judd's article tells us about conditions at the lower end of the spectrum of urban informal employment. Her anthropological narrative and insights bring to life care work for pay away from home as well as care work without pay at home, both of which are rarely considered by those who study the informal economy. A critical issue for these care workers (mostly middle-aged women) is health

[5] The Chinese category "rural" includes small towns below the level of the county seat. "Urban" refers to county-seat level towns and above.

insurance: they and their family members are covered only by the New Rural Cooperative Medical System 新农村合作医疗制度, but that system is designed largely for use only of local facilities by at-home peasants, not generally usable for those working far away from home. Their coverage for major medical costs is lower than what urban residents enjoy, and there is little or no coverage for long-term needs such as old age disability. These care workers, therefore, are a subject lying in and yet "beyond" the category "informal economy," and bring to mind issues not only of remunerated labor, but also unremunerated work and gender differentiation. They remind us also of other neglected issues such as the left-behind children 留守儿童 (perhaps 60 million today). Together, these are powerful reminders of how much capitalist mores, with the Chinese party-state's explicit or tacit cooperation, have caused many to lose sight of genuine concern for humans (Judd, 2017).

By contrast with Judd's middle-aged women care workers, Lulu Fan and Hong Xue's middle-aged skilled co-op women workers of Jiaxing in northern Zhejiang, a part of the privileged Yangzi delta region, represent something of the high end of informal employment. They are privileged by an unusually well-endowed local government that has come to provide benefits for informal workers equal or nearly equal to urban residents, including schooling for their children, and also by a market environment in which the demand for skilled garment workers from the earlier rural industrialization in this area has come to exceed the supply by a factor of perhaps 2: 1. In that context, the skilled middle-aged women workers have been able to assert their agency and enjoy the prerogative of opting to work at home in the (suburban) village in a co-op arrangement that is more convenient and comfortable, and less regulated than factory production. They enjoy payments of as much as 200 yuan a day, near the top end of the scale for informal workers (Fan and Xue, 2017). Fan and Xue's article, along with Judd's, tells us about the continuum from the low end to the top end of the informal economy.

Jenny Chan's article directs our attention to growing numbers of student interns, who have become a part of the pool of cheap informal labor used by enterprises like Foxconn and Honda, with the full participation of local governments, vocational education schools, and co-opted teachers paid to assist management. The "interns," so called, in fact receive little or no work training despite the formal representations, often work longer hours and for less pay than regular workers, for periods of three months up to a year (Chan, 2017). We might note in addition that these intern workers make up a significant part of the "dispatch work" of casual "temps-supps-subs" labor, and indeed are often handled by the new intermediary dispatch agencies, as Chan points out. They are very much part of the new tide of informalization of employment in China.

They of course also present a sharp contrast to the regular workers of the formal economy who have been favored greatly by the labor laws and practices of the erstwhile socialist era. Today, the latter include mainly shrinking numbers of regular, formal workers of large SOEs, and employees in the state-managed public

institutions (including universities and research institutes) 事业单位, and in party organs 共产党机关 and state agencies 国家机构, in sharp contrast to the newly informalized and "precariatized" workers. Such categories of formal "workers" total more than 60 million, or about half of the total formal labor force of the cities (Huang Zongzhi, 2013a: 68, table 5).

At the same time, however, the large SOEs have actually been at the forefront in turning to dispatch workers. By June 2011, 16.2 percent of all SOE workers had become dispatch workers (Quanzong, 2012: 23). Public institutions and private enterprises followed suit. What we are witnessing, therefore, is a larger trend in which formal "laborers" protected by old-style labor legislation might well come to consist mainly of just party-state officials and formal employees of public institutions (such as public universities and research institutes) (Huang, 2017; Huang, forthcoming).

Finally, Jieh-min Wu's article reminds us powerfully how informal workers, or the informal economy, is shaped by multiple actors (foreign capital, central and local governments, enterprises, and workers). Wu demonstrates how much differential local policies determine the nature of informal employment, conditioned in turn by differential local resources and tax revenues. He drives the point home with comparisons and contrasts among three different areas: Shenzhen in Guangdong, vs. Shanghai, vs. Kunshan in Suzhou (in southern Jiangsu), which differ in the kinds of capital invested (labor intensive vs. more capital intensive), in local government resources (those pressed by large numbers of peasant workers vs. those relatively better endowed in tax revenues), and the numbers and kinds of peasant workers involved. The combination makes for, in Wu's words, "differential citizenships." The article is particularly illuminating for its analysis of different resources and policies of the local governments (Wu, 2017).

Together, these articles show us both how things have gotten somewhat better for informal workers and how they have not. Looking back at the past thirty-five years, there have of course been some significant improvements, such as administrative interventions by the central government during the past decade to curb intolerable delays in wage payments to peasant workers and to enforce the obligation to provide insurance against the huge numbers of injuries at work (a horrendous 115 million cases in 2014—Renli ziyuan shehui baozhang bu, 2015). The central government also led in setting up the "new rural cooperative medical system" to cover peasants at home, especially for major medical expenses. And local governments have implemented significant improvements in benefits coverage for some of the peasant workers, most especially for the local peasant workers (as opposed to migrants from outside) of major municipalities like Beijing, Shanghai, and Chongqing, and privileged areas of more capital-intensive production like southern Jiangsu and northern Zhejiang (the Yangzi delta). There have also been some adjustments made through amendments to the 2007 Labor Contract Law and new administrative regulations. Those advances have blurred somewhat the lines between the informal and formal, but there should

nevertheless be no mistake about the big picture of the tidal wave of informalization and precarization of urban employment in the past thirty-five years, such that peasant workers have come to constitute the great majority of the urban employed. Nor should there be any mistaking of the recent, renewed wave of informalization and precarization with the rapidly expanding use of dispatch work.

The Two Comments

The symposium is fortunate to have the comments of two of the leading figures in the field of labor studies. The first, by Ching Kwan Lee, reminds us how one must now look well beyond the formal economy to the informal economy in studying labor. We must now reexamine old assumptions that led us to focus on the industrial proletariat, to take into account how hard-won social welfare and labor legislation protections were but one phase in the history of capitalism and labor, and how much of that history has now become instead a matter of the relationship between capital (cum government) and informal labor. Lee, like E. P. Thompson, elegantly and powerfully suggests how all of the different aspects of the topic discussed above would benefit from a more clearly and explicitly relational ("relational struggles") perspective of changing contentions among the different parties involved. She offers from that perspective detailed and precise summaries and comments on each of the articles in the symposium. Beautifully written, the comment speaks for itself better than I can here (Lee, 2017).

An additional observation we might make is that despite the advances that informal workers have made in recent years—due in part to their collective and individual resistance—there should be no mistaking the larger trends: a still expanding informal economy, still very large gaps between the new informal economy and the older and relatively privileged industrial workers of large state enterprises. As Lee has pointed out so powerfully in her other recent commentary on the subject, we must not be led into exaggerating or romanticizing the results of "voluntarism" (of workers' agency shown through strikes, collective resistance, and individual challenges to the system), to the neglect of larger structural trends (Lee, 2016).

Guy Standing, finally, brings us the critical perspective of an erstwhile insider (though also an admirable naysayer) of the ILO, on some of the major problems with the concept of "informal economy": the distinctions between "formal" and "informal" are not always clear; the actual conditions of informal work often form something of a continuum from the privileged to the deprived; and the multitudes of self-employed, including smallholding peasant farmers, present major conceptual difficulties, and so on (Standing, 2017). However, one can easily raise similar objections to Standing's preferred category of the "precariat": if the core of the "precariat" is casual labor, how do we take account of the much larger numbers of regular full-time Chinese peasant workers without resort to the concept of "informal employment"? How do we capture the distinct characteristics of casual (and faked casual) "dispatch work" without comparing it to full-time, regularized informal and formal work? And how do we take account of the great differences

between sojourning peasant workers and the more completely alienated "new generation peasant workers"? As for smallholding peasants, the term "precariat" fits even less well than "informal employment."

In my view, we should most certainly separate out those privileged industrial workers who had been the focus of attention of Marxist scholarship on "the proletariat," and the new informal and precarious workers. With that, there should be no dispute. I would agree also that we should exclude from laborers those whom Standing calls the "salariat," which includes significant numbers of privileged laborers, and, of course, also the self-employed "proficians" of professionals and technicians, earning high if irregular pay (Standing, 2014). We should probably exclude from the "informal economy" (or "informal employment") also smallholder (of use rights) peasant cultivators as well as the rural self-employed, who have never been included under China's labor laws, not even in the socialist era (Huang, 2013; Huang Zongzhi, 2013a). But there should be little question that the majority of Chinese "peasant workers," disemployed SOE workers, as well as the new dispatch workers, fit well under both the ILO's category of "informal economy"/"informal employment" and Standing's category of "precariat."

For Standing's purposes, with his emphasis on precarity as a state of mind and of existence even more than just conditions and relations of labor, Chinese peasant workers fit quite well, since their working conditions as well as lives are both "informal" (little or no protection by law and limited or no benefits) and "precarious," given their lack of security of employment and second-class citizen status. Of the peasant workers as a whole, the group that fits Standing's intent for the category "precariat" best is perhaps the "new generation peasant workers," average age 23. For them, "precariousness," as Standing means it, is a matter of permanent outlook and condition of existence, not just a transient stage of life, as is true for a much larger proportion of the precariat of the developed world. They fit quite well also Standing's term "dangerous class." More completely urbanized than their parents, better educated, more connected through the Internet, savvier, and more alienated, they tell about a trend of informal and precarious employment in China that cries out urgently for more thoroughgoing corrective efforts by the Chinese party-state as well as genuine concessions in profit margins from their employers, Chinese as well as global.

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Philip C. C. Huang has completed the third volume of his study of Chinese agriculture from the Ming-Qing to the present; it was published in 2014 in Chinese (by the Falü chubanshe) as volume 3 in a three-volume set with his earlier studies of North China (v. 1) and of the Yangzi delta (v. 2). His three-volume study of Chinese civil justice from the Ming-Qing down to the present was also republished in the same year (by the Falü chubanshe). Volume three had been first published in Chinese in 2009 and in English in 2010. Last year, he published a comprehensive collection of his theoretical, methodological, and topical articles of the past twenty-five years, including his three major articles on China's informal economy, in a large 700-page volume (also by the Falü chubanshe).