

## The Precariat in China: A Comment on Conceptual Confusion

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### Abstract

This comment critiques the concept of “the informal sector” and explains the meaning of the precariat in considering the perspectives of the authors of the articles in this special issue.

### Keywords

denizens, informal economy, labor, precariat, work

We are in the early stages of understanding the growth of the precariat in China, as in other countries. In that regard, it is vital to be clear about the concepts and terminology. Let us start with the basics.<sup>1</sup>

Labor is an activity. It has exchange value and refers to an economic activity done for remuneration, usually a wage. It should be differentiated from work. Not every language has the distinction, but in Mandarin it seems to be between *laodong* (labor) and *gongzuo* (work). Work has use value, but may not have exchange value. If I care for my elderly grandmother, it is work. If I go to care for your grandmother for a wage of some sort, it is labor. To describe the one as work and the other as not work would be absurd, but that is the norm. Feminists should not allow social scientists to dismiss care work as non-work (see Judd, 2017: 57).

We then come to a problem that has befuddled the development literature for over forty years, that of defining or giving consistent meaning to “the informal sector.” The confusion has been so great that most of us have long ago rejected the term altogether. What is a “sector”? What does “informal” mean? I like doing informal work; I like dressing informally. We need not repeat the many objections that have been made to the notion here, but it is important to end use of the term, as finally the International Labour Organization has agreed.

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<sup>1</sup> The points made in the first section of this article are elaborated elsewhere. See Standing, 2014b.

However, suppose the informal economy were defined—and I would not bother, since the concept is unnecessary—as small-scale petty producers of goods and services, unprotected or uncovered by labor and other state regulations. Then drawing a dualism with “the formal economy” would involve a multitude of arbitrary distinctions. However hard you try, you end up with a continuum, a spectrum, of degrees of informality, as we found for China as well as for other countries (ILO, 2004).<sup>2</sup> Neither income nor economic security is necessarily greater in the most formal enterprises or statuses.

That old issue aside, I would like to concentrate on what is meant by the *precariat*. Because it is still a relatively novel concept, it is vital to be precise and to untangle the key factors. Sarah Swider uses the term in the title of her article, which refers to “informal and precarious work” (Swider, 2017). However, the word “precarious” should not be mixed up with insecure or unstable. Indeed, it is possible to have stable labor lasting years while being insecure at all times. And it is possible to have and want unstable labor and yet be economically secure.

In this respect, it is not the work or labor that is precarious. The etymological root of precarious is to “beg by prayer.” In other words, it refers to a person’s status and a lack of rights within the state. Someone in the *precariat* is above all else a *supplicant*, dependent on others doing them favors, in response to requests.

Doing erratic, casual, occasional, insecure labor is typical for those in the *precariat*. But that is only part of the definition. The *precariat* is within the labor process, linked to the wage labor market, whereas much of what passes for the informal economy is outside the labor process, without connection to wage labor.

The *precariat* differs from the proletariat in several distinctive ways and from the peasantry and petty producers. It has never been clear whether those using the term “informal sector” include rural smallholders. But clearly in China, as in India and most other emerging economies, those moving out of rural areas may go into the petty producer economy or into the wage labor market.

In China, millions have flocked into towns and cities to join the emerging *precariat*, not the proletariat as conventionally defined. The migrants have mostly gone into a wage labor market as what I have called denizens (and as Jieh-min Wu seems to call them in his article for this volume), that is, as workers without rights, put in supplicant positions (Standing, 2014a).

In their article for this volume, Jialiang Huang and Yongsheng Wang make a useful distinction between those who retain an economic link with the rural economy

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<sup>2</sup> This writer was the principal author of that report (ILO, 2004). What we did was define labor status in terms of scale of establishment in which the person was involved, type and duration of employment contract (if any), and access to non-wage benefits. As predicted, people were on a continuum by degrees of informality. And the correlation between degree of informality and level of income was non-linear, not dualistic as predicted by the dualistic notion of informal-formal sectors.

and those who try to operate in petty production as well as wage labor. But these are surely transitional categories.

Migrants have been deliberately denied the urban *hukou*, just as the original denizens in the Middle Ages in Britain consisted of incomers to a town who were granted discretionarily a more limited range of rights than the citizens of the town. In that status, they have remained almost like beggars, relying on the discretionary benevolence of officials and other authority figures embedded in the state, as well as being at the beck and call of industrial employers.

To call them part of some informal sector, when most have been laboring in large state enterprises or for the likes of Foxconn, would be absurd, just as it would be by calling them proletarians or semi-proletarians, implying that they were becoming proletarians. One would lose any ability to analyze the dynamics.

Meanwhile, those urban workers who had been proletarianized under the old *danwei* system, embedded in full-time stable wage labor with cradle-to-grave “iron rice bowl” labor entitlements, have had a very different trajectory. They have been entering the precariat from above, as it were. A growing number seem to be pushed into the precariat as the labor relations of enterprises evolve to become part of the globalized labor system.

Although they may be unclear at the moment, there are surely analytical and political differences that arise from being pushed into the precariat from a prior proletarian status than from entering it from a prior peasant or even “informal” urban economy. Those coming from the rural economy mostly retain some tenuous connection with it, as these articles so graphically show, which may intensify or lessen the economic insecurity they experience in surviving in the city labor market. By contrast, the ex-proletarians have a special set of insecurities to confront.

A third faction of the emerging Chinese precariat consists of largely urbanized youth, who have neither a rural economy background and trajectory into the precariat nor the proletarian background. Today this third part is probably the most rapidly growing part, and it makes up the *ant tribe*. We will come back to that. But one does not see recognition of it in the articles in this volume. The educated part of the precariat is likely to play a pivotal role in the years ahead, one radically different from the other factions.

This leads to consideration of what I have called the first dimension of the definition of the precariat, that those in it have distinctive *relations of production*. This means they lack all seven forms of labor-based security built up during the twentieth century as defined by laws, regulations, and so-called collective agreements, namely labor market security, employment security, job security, work security, skill reproduction security, income security, and representation security (Standing, 2014a: chap. 1).

By comparison with the salariat and proletariat above it in the income spectrum, the precariat is badly off in all respects. In that regard, because several of the articles in this volume seem to mix up the two, it seems most relevant to

emphasize that *employment security*—the existence of long-term employment contracts, protection against arbitrary dismissal, compensation for redundancy, and so on—is not the same as *job security*—the assurance that the set of tasks a person is assigned to do or develops will not be changed arbitrarily and that he or she can foresee channels of stability and mobility ahead inside the enterprise.

In traditional bureaucratic enterprises and government agencies, employees mostly had strong employment security but weak job security. The precariat, relative to such employees, has neither employment nor job security. Those in it have no occupational identity or narrative to give to their lives.

This is why, incidentally, I have drawn a distinction between the precariat and *proficians*, those who have job or occupational security but unstable labor. Proficians have skills and qualifications that give them assurance that they will retain an occupational identity (and income attached to it) even though they move through a series of short-term jobs.

The next crucial distinguishing feature of the precariat is that those in it typically have to do a lot of work-for-labor and work-for-the-state relative to the amount of remunerated labor they can obtain. Although we need not go into the details here, researchers should explore how this happens, and how the precariat is exploited off the workplace and outside labor time as well as on the workplace and inside labor time.

The trouble is compounded because if someone is in the precariat he or she often does not know what is the optimum use of their time, and therefore they soon suffer from a *precariatized mind*, a feeling of being out of control of time, a phenomenon familiar to those in the third faction of the precariat.

This leads to the contentious issue of imagining and defining a Chinese *working class*. It is surely an unhelpful and dated tag, since there are too many dissimilar statuses and divergent or conflicting interests between emerging groups to lump them all in an overarching notion of “working class.” The proletariat differs from the salariat, on one side, which gains from forms of rental income and has access to lifetime private benefits and sources of income denied to the former. The proletariat wants better (decent) labor, more stable labor, or the continuation of past stable labor. More security in a position of disciplined dependency. This is surely false consciousness that comes with habituation.

Both the salariat and proletariat stand in tension with the emerging precariat, which in turn has a distinctive consciousness. This includes, potentially at least, freedom from the false consciousness of regarding full-time stable labor—the limit of formality—as the goal of life. The precariat, in China as elsewhere, is the new dangerous class in part because of that, because it can reject laborism, the condition of alienated work in subordinated labor, docile before the all-powerful state.

In a recent Ph.D. dissertation, Caixia Du has done a lovely cultural analysis of the third faction in the Chinese precariat, showing how it is evolving a subversive agenda and way of living, linked to social media, using memes, parody, and heavy satire (Du, 2016). It shows this part of the precariat as more than victim, with more

agency and with an evolving countervailing vocabulary that suggests a radical alternative to state control and capitalist control.

Beyond the relations of production, or way of being incorporated into the market economy, the second dimension of the precariat is its distinctive *relations of distribution*, that is, the forms and source of income. The precariat, unlike the old proletariat or salariat, has to rely almost exclusively on money wages, and any scraps people in it can obtain doing petty economic activities.

Most obtain lower incomes than those above them in the emerging class spectrum, but that is not what is most distinctive. Their sources of income are inherently insecure and volatile. They are faced by chronic economic uncertainty. As in all parts of the global market economy, this means they tend to live on the edge of unsustainable debt. One cannot sensibly analyze the vulnerability and livelihoods of those living in the precariat without focusing on the role of debt. They rely on others or face an existential insecurity that is extremely stressful.

The third dimension of the precariat is that those in it have distinctive *relations to the state*. This has subjective as well as objective features. This is the first time in history when a growing mass of people are in the process of losing the rights of citizenship, or what the French call the *droits acquis*. And the state is more than complicit, it is actively promoting that trend. What it means is that those entering the precariat tend to lose cultural, civil, social, political, and economic rights, rights that in the formal or informal constitution of the country are the entitlements of all citizens.

This applies not just to the *nongmingong*, although of course they are the most visible and most analyzed category in China, but also to what some call the *ant tribe*, students and other young educated urban dwellers who scurry between short-term income-earning activities and who rely on friends and relatives to survive. They are culturally outside the state, although many seem to exist as *netizens*, linking up with like-minded people on social media that gives them some sense of cultural community. They lack civil rights because they cannot, in practice, obtain equal access to the law. They lack social rights, because they do not qualify for the range of benefits developed by the state. They lack political rights, because they cannot obtain representation in the political institutions. And they lack economic rights because they cannot practice what they are qualified and able to do. This combination of denials may vary across communities and groups, but it means that the precariat consists of *denizens*, not *citizens*.

Philip Huang has referred to the *nongmingong* as “second class citizens” (Huang, 2013). Researchers could take this further by seeing the precariat as a continuum of denizen statuses. It is this that is most crucial in defining the precariat. There is no such thing as precarious labor or work. To reiterate, the word “precarious” stems from the Latin to mean “obtain by prayer,” and it is being a *supplicant* that is most distinctive about the precariat. They have to ask and plead for assistance, and build up onerous obligations in return. In the end, people in that situation become anomic, alienated, anxious and, above all, angry.

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