

Rural China and the WTO

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China's entry into the World Trade Organization has been applauded for the benefits it will confer on China's economy and for granting recognition to China's modernizing efforts. The scrutiny of the outside world will force China to regularize many of its practices, such as legal and economic practices. But most of the discussion of the WTO has focused on a very limited segment of China's society. This article considers the realities of rural Chinese life, warning that the consequences of China's increased pressure to reform may be more negative than positive and that the prospect for rural China is far from clear.

The newcomer was [my childhood friend] Jun-tu. But although I knew at a glance that this was Jun-tu, it was not the Jun-tu I remembered. He had grown to twice his former size. His round face, once crimson, had become sallow and acquired deep lines and wrinkles; his eyes too had become like his father's, the rims swollen and red, a feature common to most peasants who work by the sea and are exposed all day to the wind from the ocean. He wore a shabby felt cap and just one very thin padded jacket, with the result that he was shivering from head to foot. He carried a paper package and a long pipe, nor was his hand the plump red hand I remembered, but coarse and clumsy and chapped, like the bark of a pine tree.¹

China's entry into the World Trade Organization (WTO) has been applauded by those who believe that 'free trade' will surely accomplish many miracles. The WTO website lists '10 benefits of the WTO trading system', including 'peace'. Yet this is countered by the Third World Traveler's 'Top ten reasons to oppose the WTO', and counter-counteracted by the WTO's 'Ten common misunderstandings about the WTO'.²

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1. Lu Xun [Lu Hsiün], 'My old home', in *Selected Stories of Lu Hsiün*, translated by Yang Hsien-yi [Yang Xianyi] and Gladys Yang (Beijing: Foreign Languages Press, 1960 [1921]), pp. 54–64, quote from p. 60.

2. For the World Trade Organization's own portrayal, see World Trade Organization, '10 benefits of the WTO trading system', electronic document, http://www.wto.org/english/thewto_e/whatis_e/10ben_e/10b00_e.thm (1999), accessed 11 May 2001; and '10 common misunderstandings about the WTO', electronic document, http://www.wto.org/english/thewto_e/whatis_e/10mis_e/10m00_e.htm (1999), accessed 11 May 2001. For the arguments against the WTO's portrayal, see Third World Traveler, 'Top ten reasons to oppose the world trade organization', electronic document, http://www.thirdworldtraveler.com/WTO_MAI/TopTenReasons_Oppose.html (1999), accessed 11 May 2001.

For those in our society who think they have China's best interests at heart, the hope for progress by means of including China in world organizations ('engagement') comes down to two main points:

- it will raise the economic level of people trading; and
- it will promote 'liberty' in those societies (that is, non-US societies) that have henceforth lacked it.

In this article I raise some issues of China's involvement in the WTO in general, calling attention to the migrants, unemployed, poor, and rural people who have been left out of the general prosperity and who will likely even be harmed. Though I have not conducted my own first-hand field research on this topic, I have synthesized a good number of findings of other scholars in order to demonstrate the dangers presented by China's imminent rush to focus outward.

Let me declare at the outset that my anthropological identity predisposes me to sympathize with such people, in contrast to CEOs and stockholders. I should also emphasize that the US is far from innocent of these same dangers. I would be happy to cast the same stones at my own country. Indeed, I do not wish to make the world safer for business, but rather seek justice and equality, with an eye on ecological responsibility. So I am out of synch with my own national leadership and with many of my readers.

Four of the factors on which the WTO's admission of China hinges—open markets, transparency, marketization, import–export balance—may each be countered by cultural, political, and economic forces at play in rural China. Mao's attempt to eradicate divisions between the countryside and cities, between those who labor with their hands and those who labor with their minds, and between industry and agriculture has been reversed and all evidence suggests that these divisions are increasing. At the same time, these things are intimately intertwined. Any discussion of rural China has implications for urban China and vice versa, notwithstanding pretenses that urban China can develop and prosper on its own. Coastal and inland rural China also have breathtaking disparities.

The article has the following outline:

1. Realities of rural life.
2. Open markets: agriculture, environment, and taxation.
3. Transparency: connections (*guanxi*) and corruption.
4. Marketization: poverty and income disparities.
5. Other considerations.

Postscript 1: economic policy as influence over another country's morality.

Postscript 2: standpoint; a hypothetical peasant.

Realities of rural life

It is important to spell out what most people familiar with China know about rural China but perhaps do not often recall. The first significant reality is that *China is still approximately 70% rural, by population*. Rural life is, according to most Chinese, much less desirable in general than urban life. When I interviewed people in China in the 1990s, not a single one said s/he would have preferred to go back

to her/his own village, given the alternative option of staying in a city to work. Most students from rural backgrounds were still assigned to rural posts. The easing of restrictions on urban migration, as has been so frighteningly documented by Solinger,³ has meant an increasing flow of people from the countryside, into both medium-sized county seats and the biggest metropolitan areas. If restrictions were nonexistent, the flow would be a flood.

Economic realities

When one considers the economic basis of rural life in agriculture, it is important to recall that the profit from production of staple crops, especially rice, is negligible, especially compared with production of luxury items. One source claimed optimistically that with an increase in agricultural imports, there will be ‘a rationalization of farm production and more efficient production, with international competition forcing Chinese companies to improve the quality of agriculture and food products, which will help to raise exports’.⁴ Given that most farmers are small independent holders of tiny plots of land, and that mechanization has proven a failure in most of rural China, this ignores the realities of rural landholding patterns. The same report, ‘Implications of WTO accession on China’s agriculture sector’, issued by the European Union, estimates a loss of 13 million jobs and a cut of between 15 and 35% in production of wheat, corn, and soybeans. Where will these workers go? How will they and their families eat? How will they buy the products entering China from abroad?

Eric Mueggler’s beautiful book, *The Age of Wild Ghosts*,⁵ describes life in a poor Yi community in northern Yunnan province. Most of the people there have no electricity, running water, or formal education. They have hardwood forests, but these are being stripped and will soon cease to be a source of firewood or income.

At the same time, some prosperous coastal villages, as described for instance in Huang Shu-min’s *The Spiral Road*,⁶ boast beautiful new construction, karaoke and big-screen TVs, cell phones, and a host of other spectacular displays of wealth, including a private security force. Needless to say, most villagers in these villages are unwilling to perform undesirable jobs and rely on the influx of poor peasants from the rest of the country.

The economic realities of the average rural Chinese include very little discretionary income for the purchase of luxury imports or even for items that are considered ordinary by many Westerners.

- Food:
—rural people spend between 45 and 60%, on average, of their income on food.⁷

3. Dorothy J. Solinger, *Contesting Citizenship in Urban China: Peasant Migrants, the State, and the Logic of the Market* (Berkeley and Los Angeles: University of California Press, 1999).

4. Mark O’Neill, ‘EU warns more than 13m farmers will lose jobs’, *South China Morning Post*, (13 December 2001).

5. Erik Mueggler, *The Age of Wild Ghosts: Memory, Violence, and Place in Southwest China* (Berkeley and Los Angeles: University of California Press, 2001).

6. Huang Shu-min, *The Spiral Road: Change in a Chinese Village Through the Eyes of a Communist Party Leader*, 2nd edition (Boulder, CO: Westview Press, 1998).

7. Robert Benewick and Stephanie Donald, *The State of China Atlas* (London: Penguin Reference, 1999), p. 64.

- Personal computers:
 - in 1996 there were three personal computers per 1,000 people;⁸
 - in 1997 there were an average of 12.2 computers per 100 urban households but only 0.84 per 100 urban households in Jilin. The rate in rural households is thus negligible (and not mentioned in the Durable Goods for Rural Households in the Statistical Yearbook 1999).⁹

The assumption that soon everybody will be connected to the Internet is a fantasy of people who have never stepped outside the well-paved world of the urban elite.

Health

- Annual health care spending per person, 1997:¹⁰

<i>Rural:</i>	62.45 RMB	<i>Urban:</i>	179.68.
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- One in three of all cigarettes smoked in the world is smoked in China.¹¹
- Top five causes of death:¹²

<i>Rural</i>		<i>Urban</i>	
respiratory disease	23.4%	cancer	22.7%
CVD	17.8	CVD	22.6
cancer	17.1	heart disease	16.8
trauma/toxicosis	11.7	respiratory disease	14.1
heart disease	11.5	trauma/toxicosis	6.2
other	18.5	other	17.6
- Rural suicide: according to *Medicine and Society*, April 2001,¹³ suicide is the number-one cause of death by trauma in rural China and the number-two cause in urban China. Two-thirds of suicides were married women; 70% were farmers. The statistics may actually cover the realities, since many use poison and these may be reported as accidental rather than intentional. Chinese women account for most of the suicides in the world.
- HIV/AIDS: rising, often unacknowledged, especially in border areas. Elisabeth Rosenthal of the *New York Times* has been producing weekly articles throughout the fall of 2001 concerning HIV/AIDS as an affliction of many rural residents, often entirely ignorant of its existence. Sometimes whole villages are infected as a result of having sold blood for money, not knowing that the careless procedures used to collect the blood spread the disease. In Donghu, Henan, more than 80% of adults are HIV carriers.¹⁴
- Counterfeit drugs and fraudulent medical practitioners are rampant, according to the book *Human Life is Most Precious: A Report on Medical Accidents* by Cai

8. *Ibid.*, p. 105.

9. China Statistical Information Network, electronic document, <http://www.stats.gov.cn/english/index.html>, accessed 15 May 2001.

10. Benewick and Donald, *State of China Atlas*, p. 70.

11. *Ibid.*, p. 72.

12. *Ibid.*, p. 71.

13. Thanks to David Cowhig, via H-ASIA.

14. Elisabeth Rosenthal, 'Deadly shadow of AIDS darkens remote Chinese village', *New York Times*, (28 May 2001).

Jianwen.¹⁵ There have also been reports of contaminated food, including rice, flour, fish and seafood, poultry, pork, seasonings, alcohol, cooking oil, tea, and fruits and vegetables. Some suggest that there is a coming 'food hygiene crisis'.¹⁶

Education and literacy

The education rate is falling—the new census claims that illiteracy has been reduced to 7%, which would be quite an achievement, but education is expensive. Students' families must pay for tuition, fees, textbooks, uniforms, and sometimes food. When the same children could be earning money in wage labor, families on the brink of poverty are increasingly making the choice not to send their children to school. This is especially true for girls, who will marry out and live with their husbands' families. In cities, the migrant workers are often denied schooling for their children, as are the children who are born illegally, that is, outside the birth plan. Ninety-two percent of the illiterates live in rural areas and over 70% are women.¹⁷

- Illiteracy (over-15-year-olds):
 - national average (1998): 16.4%
 - highest: Tibet, 54.1%; lowest: Beijing, 7.6%.
- Percentage of illiterates (1996) by gender:
 - Guangdong: 83% female, 17% male
 - Shanghai: 80% female, 20% male
 - Beijing: 78% female, 22% male
 - Tibet: 62% female, 38% male
 - Xinjiang: 60% female, 40% male.

Zhang Heather Xiaoquan describes her 1994 research in a northern village in which she found that 70% of the women interviewed, above 26 years old, were either illiterate or semi-literate (three years of schooling or less).¹⁸ They explain it by their parents' belief that boys need to learn to read and write but that girls do not. This in turn is used to justify the exclusion of women from more satisfying work, because their education is inadequate.

- At the same time, as Xiao Qiang points out,¹⁹ teachers are leaving education to work in other professions that pay more—almost half a million in 1992. Teachers are still paid very poorly, especially by contrast with other possibilities.
- China spent 2.3% of its GNP on education, compared with 7.6% in France, 7.4% in Kenya, and 5.3% in the US, in 1995.²⁰

15. Cited by David Cowhig.

16. Michael Ma, 'Facing the challenge of feeding 1.2b people safely', *South China Morning Post*, (5 December 2001).

17. Benewick and Donald, *State of China Atlas*, pp. 68–69. See also Xue Lan Rong and Tianjian Shi, 'Inequality in Chinese education', *Journal of Contemporary China* 10(26), (2001), pp. 107–124.

18. Zhang Heather Xiaoquan, 'Understanding changes in women's status in the context of the recent rural reform', in Jackie West, Zhan Minghua, Chang Xiangqun and Cheng Yuan, eds, *Women of China: Economic and Social Transformation* (Hampshire, UK: Macmillan Press, 1999), pp. 45–66, from p. 62.

19. Xiao Qiang, 'Promoting human rights in China: an activist's perspective', in Timothy B. Weston and Lionel M. Jensen, eds, *China Beyond the Headlines* (Lanham, MD: Rowman and Littlefield, 2000), pp. 97–112, from p. 100.

20. Benewick and Donald, *State of China Atlas*, p. 68.

Women

Women are for sale. The ideal of universal, patrilocal marriage means that poor men or men with disabilities have no way to find a wife legitimately because of the surplus of men, which is increasing, so they resort to other means. The gender imbalance is increasing, causing even greater disparity in the numbers of eligible partners, despite bans on abortion for gender selection.

- Harriet Evans cites a 1995 legal report of 70,000 cases of abduction of women and children between 1991 and 1994²¹—figures which are surely worse in the half-decade since then. Elisabeth Rosenthal says that ‘for every 100 rural men who marry, 20 others must resort to extraordinary measures to find brides, like buying women kidnapped from urban areas’.²²
- Prostitution is visible in every hotel and city, accounting for some of the HIV/AIDS increase and a clear symptom of financial desperation.
- Feminization of agriculture. As more and more men leave their farms for green non-pastures in industry, women have been left behind to tend to both the productive agricultural work and the domestic work of maintaining a household and caring for children and elderly parents. In the past women were not considered appropriate agricultural workers, for a variety of reasons including the belief that they would ‘pollute’ the fields. A new justification for female agricultural labor has been produced, arguing that industry would not be safe enough for women watching children.

The expansion of opportunities for industrial employment that has characterised the reform process in more developed regions has led to a shift of men out of agriculture into more prestigious industrial jobs, while women have been left with the responsibility for agriculture, which is now regarded as the least desirable form of employment. This new gender division of labour has been achieved through, and legitimated by, a recharacterisation of agriculture as ‘inside’ work. Ironically, also following the devaluation of agricultural work and its conceptual shift from the ‘outside’ to the ‘inside’ realm, the same references to women’s physiological characteristics that were previously used as a justification for the restriction of women’s employment in agricultural work are now being used to justify a concentration of women in such work.²³

Agriculture, environment, and taxation

Who is producing China’s food? Farmers are largely women and old people now; many men have gone into industrial jobs. The workforce was 83.5% agricultural in 1952 and that share has been steadily decreasing:²⁴

21. Harriet Evans, ‘Marketing femininity: images of the modern Chinese woman’, in Weston and Jensen, eds, *China Beyond the Headlines*, pp. 217–244, from p. 225.

22. Elisabeth Rosenthal, ‘Harsh Chinese reality feeds a black market in women’, *New York Times*, (25 June 2001).

23. Tamara Jacka, *Women’s Work in Rural China: Change and Continuity in an Era of Reform* (Cambridge: Cambridge University Press, 1997), p. 193.

24. Benewick and Donald, *State of China Atlas*, p. 26.

	1952	1965	1978	1986	1991	1996
Agricultural	83.5%	81.5%	70.5%	60.9%	59.8%	50.5%
Manufacturing	7.4	8.3	17.4	21.9	21.4	23.5
Services	9.1	10.2	12.1	17.2	18.8	26

Environmental concerns: water, energy, pollution

Even a democratic China could do little to change radically either the country's absolute population growth or its long-term environmental prospects, especially because the nation's quest for affluence transcends politics. Ultimately, all economies are just subsystems of the biosphere; therefore, when China behaves as if there were no limits to its prosperity, it inflicts irreparable damage on its environment as well as on that of the rest of the world.²⁵

The environmental devastation accompanying China's increasing population and concomitant pursuit of the 'right' to energy consumption and manufactured goods has shocked and appalled many observers, some of them in China. This is surely not unique to China, but because of China's size even low per-capita concerns are magnified to global significance here. Industrialization is the core element of trade, and this is also at the heart of environmental concern. Sixty-two percent of foreign direct investment went to manufacturing, while 1% went to farming and fishing in 1997.²⁶ Smil²⁷ describes

- desertification;
- deforestation;
- loss of agricultural land (almost 30 million hectares between 1957 and 1977), making China the nation with the third-least arable land per capita, after Bangladesh and Egypt, among populous nations;²⁸
- increase in greenhouse gases (now the world's second largest producer, after the US, but increasing);
- lack of reliable water supply;
- water pollution (less than 15% of China's waste water is treated to meet the state discharge standards, according to *official* figures.²⁹

25. Vaclav Smil, 'Development and destruction: the dimensions of China's environmental challenge', in Weston and Jensen, eds, *China Beyond the Headlines*, pp. 195–215, from p. 197.

26. Benewick and Donald, *State of China Atlas*, p. 38.

27. Smil, 'Development and destruction'. See also Vaclav Smil, *The Bad Earth: Environmental Degradation in China* (Armonk, NY: M.E. Sharpe, 1984) and his *China's Environmental Crisis: An Inquiry into the Limits of National Development* (Armonk, NY: M.E. Sharpe, 1993). For background information about the PRC's general environmental attitudes, see Judith Shapiro, *Mao's War Against Nature: Politics and the Environment in Revolutionary China* (Cambridge: Cambridge University Press, 2001).

28. Smil, 'Development and destruction,' pp. 205–208.

29. *Ibid.*, p. 196.

He estimates that 'the abuse of China's environment costs the country annually an equivalent of at least 10 and possibly 15 percent of its GDP—but practical steps, remedial or preventive, remain wholly inadequate'.³⁰ China's reforestation rate is 4%, in contrast to Indonesia's rate of 18%.³¹

Rural water pollution from local industries, unregulated, has also increased, along with pollution from ever-greater amounts of fertilizers and pesticides. As profits for agriculture are increasingly necessary, abandonment of China's traditional sustainable system³² will increase the negative effects in the form of chemical pollutants.

Because of its scale, Smil emphasizes, China cannot import the bulk of its fuels or food as Japan and South Korea do. It must rely on its own agriculture and resources. As meat is increasingly demanded, the need for feed grain increases, along with the negative effects such as pollution from fertilizers and pesticides and loss of land for direct food production.

Taxation and economic transfers

During the height of collectivization and other periods, China took the production of goods and redistributed them. There was no direct tax but there was the sense that all would be sustained at a basic level. As Oakes points out, China's dramatic increase in life expectancy since 1949 stems directly from its earlier commitment to guarantee at least minimal requirements of food and shelter, and specifically from its 'egalitarian grain redistribution policies'—terminated in 1985.³³

For a long time grain was subsidized, under the slogan 'take grain as the key link'. Now grain is sold for the low rates that are dictated by the market, and in some places farmers (formerly called 'peasants', as *nongmin* was preferentially translated in the past) are protesting. In 2001 the *New York Times* reported police firing on unarmed farmers in a rice-producing village in Jiangxi province.³⁴ In this particular county, crowds refused to allow police and officials to enter and collect taxes. These events are generally unreported but are believed to be widespread and increasing. Officials admit that at least 26 farmers committed suicide because of their inability to pay taxes or because of arguments about taxes, from October 2000 to August 2001.³⁵

China's national economic figures do not reflect the unevenness of the economy. Rural incomes have stagnated but the whole nation is, of course, dependent on the continued willingness of farmers to sell their products. There have apparently been a large number of protests, unreported, some of them about high taxes and corruption on the part of officials. Even in years of flooding, taxes have been increased. In March 2001 the news was full of an explosion resulting from children forced to make fireworks to pay school expenses.

30. *Ibid.*, p. 197.

31. Benewick and Donald, *State of China Atlas*, p. 88.

32. E. N. Anderson, *The Food of China* (New Haven and London: Yale University Press, 1988).

33. Tim Oakes, 'China's market reforms: whose human rights problem?', in Weston and Jensen, eds, *China Beyond the Headlines*, pp. 295–326, from p. 308.

34. Erik Eckholm, 'Chinese raid defiant village, killing 2, amid rural unrest', *New York Times*, (20 April 2001).

35. Josephine Ma, 'Rural cash crunch taxes reformers', *South China Morning Post*, (8 January 2002).

- It should also be pointed out that rural areas are still largely self-funded, in terms of taxes, for basic services, even without any welfare assurances. (This is shockingly reminiscent of Pearl Buck's *Good Earth* or Jonathan Spence's *Death of Woman Wang*.) The central government's share of expenditures has fallen from 78.1% in 1955 to 29.2% in 1995.³⁶
- Township and Village Enterprises (TVEs) account for many of the economy's huge increases and for a quadrupling of industrial employment between 1980 and 1995—which means the further neglect of agriculture. It should be remembered that they are mainly—84%—a feature of the coastal regions.³⁷ Guldin optimistically points out that this will also spread prosperity to many villages that are becoming 'townized' and to towns that are becoming 'city-ized'.³⁸
- There are implications for internal colonization of marginal areas, where there is also ethnic strife: migration into Xinjiang, Tibet, Mongolia. Unemployed Han may be willing to migrate to those regions, hoping for an improvement in their situation.

Connections and corruption

The structure of social relations in China rests largely on fluid, person-centered social networks, rather than on fixed social institutions.³⁹

Connections, gift-giving, and reciprocity mitigate against transparency since impersonal forces are antagonistic to the very personal way many things are accomplished in rural China based on very subtle calculations of status differences as well as access to goods.

- Gift-giving may be contrasted with commodities:⁴⁰ many things that appear to outside observers to circulate the way commodities circulate are actually regarded as gifts in China.
- Contrasts between expressive and instrumental gifting may also be made, with a preference for expressive gifting.
- According to Yan,⁴¹ in 1990 an average of 20% of household net income was used for gift exchange (10–15% in the richest households). Chang Xiangqun⁴² writes that 'for rural Chinese women, local custom is far more important than the

36. Oakes, 'China's market reforms', p. 314.

37. Charles Harvie, 'Business alliances, organizational change, and township and village enterprises', in Charles Harvie, ed., *Contemporary Developments and Issues in China's Economic Transition*, (Hampshire, UK: MacMillan Press, 2000), pp. 71–100, from p. 79.

38. Gregory Eliyu Guldin, *What's a Peasant to Do?: Village Becoming Town in Southern China* (Boulder, CO: Westview Press, 2001).

39. Yunxiang Yan, *The Flow of Gifts: Reciprocity and Social Networks in a Chinese Village* (Stanford: Stanford University Press, 1996), p. 14.

40. For some discussion of the nature of money and exchange in cross-cultural perspective, see Jonathan Parry and Maurice Bloch, 'Introduction: money and the morality of exchange', in Jonathan Parry and Maurice Bloch, eds, *Money and the Morality of Exchange* (Cambridge: Cambridge University Press, 1989), pp. 1–32; and Karl Polanyi, *The Great Transformation* (Boston: Beacon Press, 1957).

41. Yunxiang Yan, *The Flow of Gifts*, p. 77.

42. Chang Xiangqun, '“Fat pigs” and women's gifts: agnatic and non-agnatic social support in Kaixiangong Village', in West *et al.*, eds, *Women of China*, pp. 156–174, from p. 168.

force of law in arranging resources for their households' and shows that an extremely significant aspect of rural life is the support expected from relatives by marriage. The support for social security factors has been negligible in rural China. Chang reports that the average for China as a whole was 1.82% of government spending applied to social welfare and social security, mostly going to urban employees of state-owned enterprises.⁴³ Clearly, other sources of support are necessary, and the exchange of goods on regular occasions is a central part of that support.

- The general rule is that on non-ritual occasions, the gifts flow from person of inferior status to person of superior status. Hence officials *expect* to receive gifts.
- When gift-giving is instrumental, it can shift over into corruption.
- Corruption was 1.270 billion yuan in the last five years, according to China News Digest's 17 March 2001 quote from the *South China Morning Post*, or 17% of gross domestic product.

Corruption is, of course, a huge topic, and it has been attributed to forces implicit in the Chinese social fabric for millennia: the desirability for reciprocity, the primacy of relationships over rules, and so forth.⁴⁴ Quaint and a little pathetic in Gao Xiaosheng's story of how a simpleton attempts to build a house over the course of the 1950s and 1960s, finally succeeding because he learns to bribe, the degree of corruption in the now largely monetized system is staggering and dangerous.⁴⁵

Poverty and income disparities

The state's migration and registration policy forced transient Chinese people on the mainland to become floaters. Conveniently for the regime, this system limited at least to some degree an unplanned increase in the numbers of persons permanently resident in urban areas. By enabling the regime to treat ruralites who had reached the cities as outsiders or noncitizens, the residence registration system thereby legitimated its policy of exclusive expenditure. ... In many regards the level of discrimination experienced by China's ruralites residing in its metropolises exceeds that visited upon urbanizing peasants in Latin American, Southeast Asian, or African cities The various perquisites of urbanhood in China formally marked city folk off from ruralites much more decisively than is generally the case in other societies They bore the brunt of a form of institutionalized discrimination so stringent that it barred them from becoming full citizens in their own home countries.⁴⁶

Dorothy Solinger describes in her award-winning book, *Contesting Citizenship*, the

43. *Ibid.*, p. 159.

44. The literature on reciprocity in China is growing. At a minimum see Mayfair Mei-hui Yang, *Gifts, Favors, and Banquets: The Art of Social Relationships in China* (Ithaca: Cornell University Press, 1994); and Yunxiang Yan, *The Flow of Gifts*.

45. Gao Xiaosheng's short story is a classic: 'Li Shunda builds a house', in *The Broken Betrothal*, translated by Madelyn Ross (Beijing: Panda Books, 1987 [1979]), pp. 25–57. See also Lionel M. Jensen, 'Everyone's a player, but the nation's a loser: corruption in contemporary China', in Weston and Jensen, eds, *China Beyond the Headlines*, pp. 37–67.

46. Solinger, *Contesting Citizenship in Urban China*, pp. 16 and 5.

ways the poor of China's cities wander around and seek, desperately, any kind of livelihood at all. There are strikes by such workers (e.g. pp. 284, 285), but they have no protections.⁴⁷ The figure commonly tossed around is that of 100 million floating workers—nearly the size of Japan's population and approximately the size of the US labor force—but any official count should be distrusted.

- Migrant laborers do not have the right to housing, running water, education, health care, or any other social goods.

The lack of money and lack of access to income-generating opportunities mean that the desperately poor, or the greedy, have little to lose. Crime and lack of hygiene are two of the first things urban residents will think of when they are asked about the floating workers—without connecting the policies denying them access to the basic necessities of life.

While urban China is celebrated for its increasing nutritional adequacy, and indeed is struggling with obesity for the first time, Jun Jing⁴⁸ reports that in a nutritional intake survey he conducted in 1997 in a village in Gansu province, not a single child ate meat during the relevant 24-hour period. They did eat meat about twice a month, which represents an increase from the past when poor peasants ate meat basically only around the New Year.

- Shanghai is the wealthiest urban area, in 1996, and per capita income there was 176% of the average; in rural Shanghai income was as high as 252% of the average.
- The lowest incomes were 61% of China's average in rural Qinghai, 60% in rural Shaanxi, and 58% in rural Gansu.⁴⁹

Other considerations

Nationalism

As Harris says,⁵⁰ benefits for joining international organizations can be many, some of which are intangible, such as prestige and credibility. For this reason at least, China is set on achieving its status as a fully participating member of the WTO. The hosting of the 2008 Olympics is similarly not really for material as much as symbolic purposes. To call this 'face' is to oversimplify greatly, but such considerations often outweigh more measurable ones.

Nationalism, anti-foreign, anti-US sentiment: we have certainly seen it lately in the Chinese response to the spy-plane incident, recalling the virulent feeling after the bombing of the Chinese embassy in Belgrade in 1999. Chinese participation in international organizations proves its legitimacy. It is eager for a number of reasons to emphasize its prosperity, double-digit growth, and technological modernization.

47. See also Oakes, 'China's market reforms'.

48. Jun Jing, 'Food, nutrition, and cultural authority in a Gansu village', in Jun Jing, ed., *Feeding China's Little Emperors: Food, Children, and Social Change* (Stanford: Stanford University Press, 2000), pp. 135–159, from p. 155.

49. Oakes, 'China's market reforms', p. 304.

50. Stuart Harris, 'China's role in the WTO and APEC', in David S. G. Goodman and Gerald Segal, eds, *China Rising: Nationalism and Interdependence* (London and New York: Routledge, 1997), pp. 134–155, from p. 135.

A well-known distinction between internal and external verities reminds us that certain ugly facts are regarded as suitable only for internal viewing.

Yet despite the impression one gets from reports about the resurgence of nationalistic fervor, it is important to recall that much of this is found in the large coastal cities where there may be contact with the non-Chinese world. In inland and rural China, a sense of Chinese pride is muted because it needs no such work against a perceived outside force.

Lynn White III argues that the state followed the localities in reforming rather than the other way around.⁵¹ Thus, any agreements entered into by the state must be vetted, tacitly, by the regional powers. They could also be contested, perhaps by disregard.

Freedom of information and intellectual property rights

These appear to Western intellectuals as natural as the air. We might compare our view of land ownership with that of our native American predecessors on this continent: they believed we were just stewards for the land, while we believe we can own it. Similarly, in China much of what seems readily available is 'owned' by someone else who originated it. Cultural ideas about authenticity, originality, and copying are relevant here.⁵²

The illusion of the huge Chinese market

Since the seventeenth century this has intrigued Westerners. Whether this will materialize in the near future or not is a matter of speculation. The market requires consumers with cash; clearly there are such people in the China of the present, but as State-Owned Enterprises shed their unneeded workers and a hundred million people become destitute in China's cities,⁵³ the wealth concentrated in a few hands may not mean what Western corporations hope it will mean: huge profits. 'Ultimately, the key to China's long-term success is to create domestic demand, which is why the WTO agreement is so important—it outlines the framework to create a truly huge market. A well-managed and measured investment could yield tremendous results'.⁵⁴ The converse is also true: a poorly managed and ill-considered investment could yield no significant results.

Morality

Morality has largely been legislated not by rules but by models,⁵⁵ even in the

51. Lynn T. White, III, *Unstately Power, Vol. I: Local Causes of China's Economic Reforms* (Armonk, NY: M.E. Sharpe, 1998).

52. Ron Scollon, 'Plagiarism and ideology: identity in intercultural discourse', *Language in Society* 24, (March 1995), pp. 1–28.

53. Timothy B. Weston, 'China's labor woes: will the workers crash the Party?', in Weston and Jensen, eds, *China Beyond the Headlines*, pp. 245–271.

54. Dennis Wu and Francis Bassolino, 'Looking beyond the hype of WTO entry', *China Online*, (2001), electronic document, http://www.chinaonline.com/commentary_analysis/thiswk_comm/011119/C01111930.asp, accessed 30 November 2001.

55. Donald J. Munro, *The Concept of Man in Early China* (Stanford: Stanford University Press, 1969).

present. (Think of the new heroes promoted as moral models for emulation.) The attempt to govern China by law is thus equivalent to overhauling the entire nature of the society. Whether mandated by foreign governments and multinational corporations as a precondition for retaining China in an international institution such as the WTO, or mandated by well-intentioned intellectuals seeking an alternative to China's current predicament, we should keep in mind the image of Yu Gong moving the mountain by spoonfuls. It might be done, but the work will surely be slow.

Conclusion

Rural China has always posed and will continue to pose the most significant challenge to any Chinese regime, even though attention has been focused in recent years on the excitement of urbanizing coastal China. With the entry of China into the World Trade Organization, efforts will certainly be made to regularize and rationalize and legalize much of Chinese everyday life. Competition in foreign markets will intensify and goods will continue to flow into and out of China through its ports. Still, one third of the goods produced for export are now produced in Guangdong,⁵⁶ and most of the rest is produced in other coastal areas. The effects on urban workers are likely to be negative (as already gruesome wages and conditions worsen to meet the need for competition) but the effects on rural residents might well be more dire. Though the WTO regulations include provisions for environmental matters, such concerns are costly and likely beyond the means of China's administrative will. Inequalities can certainly endure and increase—witness the US growth in economic inequality over the past two decades—but the unrest caused by rural suffering spilling into the precious cities could create a situation that makes the wakening of China something we have not yet seen and that we will wish we had not seen.

Postscript 1: economic policy as influence over another country's morality

One of the lines of reasoning in this case, as in the more general international human rights discourse, lies in the prediction that by creating a certain kind of foreign economic policy, we will 'help' China in reaching goals that we believe are for its own good. Thus we will guide China, teleologically, toward a society that is more similar to ours. As an anthropologist who observes no shortage of misery created in our own society through its structures, I'm curious about how certain our negotiators appear about the desirability of emulating our way.

Who changes China?

Postscript 2: standpoint; a hypothetical peasant

What is the perspective by means of which to view these concerns? China as a whole? Utilitarianism ... The foreign firms that wish to invest in China? The US

56. Associated Press, 'Lost limbs the price for cheap Christmas gifts', *South China Morning Post*, (22 December 2001).

government? Human rights organizations? Universal justice? The world economy? I suggest that we take a representative peasant, to borrow from Bakhtin.

Who would she be, this hypothetical peasant?⁵⁷ A 45-year-old woman, performing agricultural and domestic tasks for her family while her husband and son are in the county seat trying to earn some money, and she and her daughter-in-law try to manufacture some small items, produce their requisite amount of grain, raise pigs, chickens, and ducks, embroider, watch the two children, saving money for taxes and education and health care ... Maybe her mother-in-law, 67, has a broken hip. There is of course no money to spare for her treatment, so they just try to give her broth.

The daughter-in-law might go to work at the village butcher shop, or she might take in washing. That leaves her mother-in-law to watch the baby while she does all the agricultural work. Maybe now there is a pump nearer the house, which would save a huge amount of time, compared to the past when she had to carry water from the well. Some houses in the hamlet even have electricity. There they can all watch TV in the evening, doing mending by its dim light.

Women, after all, are regarded as suited for 'light' work while men are suited for 'heavy' work, like operating equipment. It used to be the case that women were not allowed, ideally, to participate in agricultural labor, but with the addition of an industrial option, paying the highest wages and offering the greatest prestige, women were left the now-undesirable labor of working in the fields ('the feminization of agriculture', according to Harriet Evans).⁵⁸

57. I am drawing on a large number of descriptions of rural China. See, for instance, Sulamith Heins Potter and Jack M. Potter, *China's Peasants: The Anthropology of a Revolution* (New York: Cambridge University Press, 1990); Margery Wolf, *Revolution Postponed: Women in Contemporary China* (Stanford, CA: Stanford University Press, 1985); Ellen R. Judd, *Gender and Power in Rural North China* (Stanford, CA: Stanford University Press, 1994); and Jacka, *Women's Work in Rural China*. See also James Tyson and Ann Tyson, *Chinese Awakenings: Life Stories from the Unofficial China* (Boulder: Westview Press, 1995).

58. Evans, 'Marketing femininity', p. 224.