

UC Berkeley

Global Field Notes

Title

Introduction: Narratives of Chinese Economic Reform

Permalink

<https://escholarship.org/uc/item/6v5203mw>

Author

Solinger, Dorothy J.

Publication Date

2005-12-01

Introduction

Narratives of Chinese Economic Reform

Dorothy Solinger

Within just two short years of the death of Chinese Communist Party Chairman Mao Zedong, a reconstituted and revitalized Chinese political elite embarked on what was to become, in time, a huge project of “economic reform.” They aimed to jump-start the economy, connect China with global markets, and effect speedy modernization. The opening salvo was given at the Third Plenum of the Eleventh Central Committee of the Chinese Communist Party, convened in mid-December 1978, and although it was succeeded by fits and starts as politicians argued over the implications of proposed changes for the socialism they had fought to defend, from this date forward China was on the fateful path to capitalism.

Reform began as a small window for foreign investment along the country’s southeast coast, decentralization of economic decision making to lower echelons in the administrative hierarchy, a sanction for rural collectives to contract out their heretofore jointly owned and managed farmland to individual peasant families, permission for state enterprises to market a tiny portion of their output and retain a scant percent of the profits, and authorization for trade fairs in the countryside and produce markets in the cities. Over time, it amounted to a progressive undermining of the old state plan.

Before long, certain agricultural households proved capable of amassing substantial wealth, private businesspeople emerged in the rural areas and cities, and people with particular skills found venues for capitalizing upon them. Firms’ success hinged more on the quality of the goods they manufactured and on their management’s ability to trade their output, and less on protection within the state planning system, as state-set prices were deregulated. People with limited options in the countryside, but who had been locked onto the land by the rigid system of household registration (the *hukou* system), got the state’s nod to try their luck in the metropolis, and the

small trickle of migration that began in the late 1970s swelled to tens of millions by the 1990s.

Socially, the upshot was that people who were capable, politically connected, or bold—or any combination of these—benefited from the changed state policies. During the first decade of reform, in fact, people from nearly every walk of life saw their life situations and incomes rise. But by the 1990s, as rural produce prices stagnated and the Party pushed harder on firms to succeed or fail on their own, farmers' incomes ceased to rise, more and more state-sector firms went under, and growing numbers of workers lost their jobs. Simultaneously, opportunities opened up for a growing private sector, and chances for getting rich expanded even as the numbers of poor people in the city increased.

I offer this brief overview of recent economic reforms in China to give some context for this series of Global Field Notes, entitled "Narratives of Chinese Economic Reform." In May 2004, I organized a workshop of the same title at the Center for Asian Studies at the University of California, Irvine. Each of the participants was asked to tell the story of one Chinese individual he or she had come to know well in the course of fieldwork in China. The papers here are largely revised and expanded versions of selected papers presented that day. Readers interested in a more detailed account of recent economic reform in China should consult *The Paradox of China's Post-Mao Reforms* edited by Merle Goldman and Roderick MacFarquhar (Cambridge, Mass.: Harvard University Press, 1999).

Each of these tales demonstrates both the increased possibilities and the frustrating constraints individuals have encountered as they have set out to forge changed identities, to experiment, and—so they hoped—benefit from the reduced restrictions of the post-1978 Chinese economy. As it turned out, each participant chose to discuss an individual with grit and nerve. We admire the pluck and celebrate the successes of these subjects, even as we empathize with their trials. Though in most cases we have altered their names in the telling, we dedicate this volume to the five of them.

Dorothy J. Solinger
Department of Political Science and
Co-Director, Center for Asian Studies
University of California, Irvine