

THOMAS HEBERER, *Die Rolle des Individualektors für Arbeitsmarkt und Stadtwirtschaft in der Volksrepublik China*. (Bremer Beiträge zur Geographie und Raumplanung, 18). Bremen: Universität Bremen, 1989. 519 pages, DM 32.- (ISBN 3-88722-203-2)

The book is conceived as an empirical analysis of urban individual businesses (*geti jingji*) in the People's Republic of China (PRC). It is an outgrowth of a research project conducted by Thomas Heberer and Wolfgang Taubmann in 1986/1987 who surveyed 1,654 individual households, enterprises and individual partnerships (*hehuo geti*) with 3,952 persons. Such businesses are found mainly in trade, services, catering, repair, handicrafts, transportation, construction, and small-scale industry. They are based on the labour of individuals and households using privately owned productive materials. Among the cities visited were Hangzhou in Zhejiang Province (266 households with 695 persons), Kunming in Yunnan Province (342 households with 538 persons), Chengdu in Sichuan Province (363 households with 699 persons), Lanzhou in Gansu Province (385 households with 1,294 persons and Quzhou in Zhejiang Province (108 households with 235 persons). Further interviews were conducted with representatives of local industrial and commercial bureaus, labour offices, associations of the self-employed, labour service companies and tax offices. Thomas Heberer's monograph is the first book published on this subject based on systematic data collection.

The author addresses himself to three research questions: What role does the urban individual economy play in China's economy and society and the solution of its unemployment problems? What are the development prospects of China's *geti jingji*? How can the private individual economy be classified in theoretical terms? His answers are interesting enough. The re-admission of private entrepreneurial activities, one of the keystones of China's modernization policy under Deng Xiaoping, is officially legitimated by their obvious contributions to a socialist economy. Millions of unemployed, dissatisfaction with the poor supply of food, consumer goods and services etc. were some of the reasons for the political rehabilitation of the private sector in 1979. In 1988 there were 14.5 mio (1979: 0,560 mio.) individual businesses registered in China with 23 mio. persons (1979: 0,676 mio.), representing 4,1% of the urban employed (the actual number including illegally operating units is of course much higher). According to official ideology China is at the 'initial stage of socialism'. Socialism and private trade/production are not incompatible. The productivity of the private sector is necessary for the rapid development of the productive forces. Thomas Heberer convincingly argues that this 'internal explanatory approach' which he outlines in detail under the

heading 'explanatory approach I: China as socialist country' is not sufficient for an understanding of China's *petite bourgeoisie*.

Many of the urban *geti jingji* consisting of former unemployed, rural migrants, pensioners, drop-outs – people who have little chance to earn a living within the socialist sector could not operate efficiently if they were to settle their business transactions exclusively via official channels. The contingencies of the centrally planned economy complicate access to materials, financial resources etc. as indicated by the growing 'shadow economy'. This term (labelled as 'external explanatory approach') refers to the great spectrum of illegal, non-registered and unofficial economic activities of private households/persons, state-owned, collective and private enterprises in 'socialist countries'. Furthermore, many individual businesses are closely connected with the collective and socialist sector (subcontracting), which underlines their dependence and the complex articulation between the different 'sectors'. Restrictive political guidelines and administrative control limit the scope of small businessmen in the PRC. Thus there are considerable differences between China's registered *geti jingji* and the 'informal sector' (discussed under the heading 'explanatory approach II: China as developing country') in other Third World countries, a term which is not very applicable in the case of the PRC as Thomas Heberer demonstrates.

In spite of management problems, auto-exploitation, competition for market shares among collective, state-owned and private firms, low technical and educational standards, official chicane and discrimination in terms of space, procurement, taxes or social security, the revived private sector has improved the exchange between towns and the countryside. The private economy is flourishing especially in smaller towns with their stimulating rural environment and better facilities. Due to the development of commodity production and market forces, many smaller towns have become important local market centres. Though the private sector has absorbed many of the urban unemployed and surplus labour since 1979, there are considerable regional differences. In large industrial towns like Hangzhou the demand for private jobs is less than in poor regions like Yunnan or medium urban centres like Lanzhou or Chengdu. As Heberer concludes, the 'complementary function' of China's *geti jingji* is far from being fully developed. The reform of the labour allocation system as indicated by the introduction of a bankruptcy law (*pochanfa*) and the labour contract system in state-owned firms, underlines the important role of the private economy as reservoir for the unemployed.

The author also discusses at length the social implications of the private economy. Growing interprovincial mobility corresponds with the inadequate integration of individual businesswomen/-men in family planning prog-

rammes and the *danwei* system. Increasing illegitimate births, divorce rates and criminality, corruption, alliances between cadres and private businessmen, patronage and growing polarization between poor and rich are some of the social consequences identified. Social tensions and conflicts seem to be inevitable.

In sum, Thomas Heberer's study underlines the old thesis that private trade and production on a small scale within a socialist economy provide many goods and services far more effectively than a centralized economy and that dualistic models of economic systems do not do justice to socio-economic reality. The study would have benefitted if theoretical concepts such as the 'shadow economy theory' or Heberer's interesting comments on 'traditional Chinese economic psychology' (explanatory approach III) had been further substantiated with empirical case studies. In spite of 201 tables and impressive charts (p. 438,440) which summarize the 'threefold' theoretical framework of this study, the book provides little insight into the spiritual orientations and the form of daily life that small businessmen in the PRC take to be intrinsically meaningful. This should be understood as a challenge to undertake further empirical work 'in China after June 4th, 1989' for which Thomas Heberer has provided an important foundation.

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MATTHIAS RISLER, *Berufsbildung in China. Rot und Experte*. (Mitteilungen des Instituts für Asienkunde Hamburg, 179). Hamburg: Institut für Asienkunde 1989. X, 427 pages, DM 36,-

Matthias Risler has already proved himself an expert in the field of vocational training in the People's Republic of China. Unlike his previous publications, this one is written from a historical perspective. He investigates the genesis and development of vocational training in order to answer questions about its strengths, weaknesses and peculiarities. His aim is to trace the connection between traditional structures of education and the modern institutions which, in most cases, have been inspired by foreign examples. He tries to ascertain and characterize in what way China as a developing country assimilates European technology.

Risler has a broad definition of vocational training which includes education in the school and at the workplace as well as primary, secondary and continuing education. Six of his seven chapters are descriptive and deal, in