

**Cynthia Estlund. *A new deal for China's workers?*  
Harvard University Press, 2017. 285 pp.**

Cynthia Estlund's 2017 book deals with a vitally important question of changes in labor markets in China. In this, she views what is arguably the most important market in the world through the lens of what is arguably its most important segment. After all, the issues of labor organization and labor conditions are firmly rooted in the results of international trade, economic growth models and even democracy. Labor organization has historically provided a strong (even violent) political voice to the workers, as it allowed for direct action regardless of political party mediation. All of this makes the organization of labor a vital issue in a political or international context. But when we attempt to follow the changes underway in China, we encounter an issue of stupendous proportions. The remarkable and export-led growth of the Chinese economy in the previous three decades has had profound political and military implications but it was built on a set of internal political conditions which were generally considered unstable. Most importantly, these included the lack of independent labor organization, which enabled both the continuation of the power monopoly of the CCP in this respect, as well as relatively cheap labor costs fueling the economic expansion. This set of circumstances has changed in the last decade or so, with labor growing scarcer and dearer, and the CCP enacting a number of top-down reforms favoring labor conditions (and circumventing the possibility of independent labor organization). This has prompted Estlund to pose the provocative question of the possibility of a New Deal for the workers in China. The implication of this question is a comparison with the shift in labor organization in the USA in the 1930s, which has had its implications for activism, democracy, Keynesian growth model and the very shape of American society for decades to come. All of this makes Estlund's subject matter crucial for the understanding of modern international economy, as well as the internal functioning of political and economic currents in China. Cynthia Estlund is well poised to try and answer this complex question as she wrote two books and numerous articles covering various labor issues (regulation, automation, unions, management).

The book is structured around questions, starting with its title and continuing through the titles of chapters and various segments. These flow logically through a well-structured argumentation. Estlund's *Introduction* sets the general tone of the book and outlines its arguments. The dramatic rise from poverty in China has fed an increase in expectations of its citizens, while the workers became more visible as they conducted massive protest (Honda in 2010 and Yue Yuen in 2014). Could this precipitate a crucial societal moment of change to rival the New Deal in the USA? The author seems excited at the possibility of witnessing such a historic movement and the prospect of analyzing it as it develops. Her overarching thesis is that the regime is determined to avoid the rise of an independent labor movement, which led to conducting constrained versions of both reforms and repression (20). The second chapter offers an overview of labor protest in China since the late 1970, i.e. since the Deng Xiaoping reform era. Chapter 3 contrasts the only permitted union organization in China (ACFTU – All China Federation of Trade Unions) with the role of activist labor NGOs. The most provocative part of this chapter is not the question of whether or not ACFTU can even be considered a union given its dependence of and interconnectedness with the CCP (which severely restricts its negotiation capacities). Rather, it is the implication that American low-wage workers might prefer the Chinese arrangement, considering the deteriorated state of US unionism, despite its respect for independence and liberalism (63).

Chapter 4 offers a view into the New Deal in America in order to use the image of deep structural change comparatively, particularly in its intricate connection to ordinary and extraordinary labor disputes (94). Chapter 5 examines the changes in regulation and the puzzle of the large enforcement gap. The laws offer a great degree of formal protection without the possibility of consistent application. Against this backdrop an increase in protection in recent years does not necessarily stave off labor disputes, but can rather exacerbate them by providing an unfulfilled right (110). The sixth chapter analyzes the issue of union independence and the curious position of strikes without unions, as ACFTU serves as a mediator towards the striking workers rather than an organizer of the strike (132). The seventh chapter discusses the possibilities of more democratic unions and the dilemmas of meritocracy and selection/election. In the eighth chapter, the position of the Staff and Worker Representative Congresses (SWRC – the Chinese version of the works council) is examined. Its changing position is tentatively improving the workers' position both in terms of increasing the numbers of companies with SWRC and expanding their role in management. Finally, in the concluding chapter, Estlund answers the provocative question she asks in the title of her book. As it turns out, a New Deal in China is "very unlikely" (217) in any likely sense of the term, as labor unrest seems far more manageable in modern China than it was in the USA in the 1930s (210-212), but prophylactic reforms which stave off social

strife by improving the workers' standard of living are useful nonetheless. They are merely unlikely to prove as deep and structural as the "New Deal" title might suggest.

Judging by its citation statistics, Estlund's book is yet to receive anything near the recognition it deserves. Firstly, the methodological strategy itself deserves acknowledgement, as the comparison between USA labor struggles of the 1930s and current dilemmas in China is not necessarily obvious. Such comparisons are not unknown (particularly in modernization theory, various structuralist approaches and in a more general sense, in development economics), but they still may be frowned upon from the point of view of mainstream social sciences. It is simpler to discard the comparison in terms of a democratic and exceptional USA in the interwar period being entirely incomparable to a party-led and exceptional China in the 21<sup>st</sup> century. Therefore, such a research maneuver takes courage and a specific scientific profile which can handle these two subjects – both of which were clearly found in Estlund, who has spent three decades researching US and Chinese labor markets. Secondly, her execution is very good, with a clear and well-structured argumentation, dissecting the labor changes in China and not shying away from controversy in using China as a mirror to elucidate the failings of US labor markets. Thirdly, her writing style is accessible, with a prose that is not overly burdened with jargon but presents a rewarding reading experience. Estlund succeeds in approaching a complex subject through a complex research strategy, nevertheless delivering a comprehensive and clear result. In all, this book places Cynthia Estlund among the few most readable and informative authors who write in English on the issues of Chinese labor markets. This book can and should be read by any social scientist with an interest in China and its economy.

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