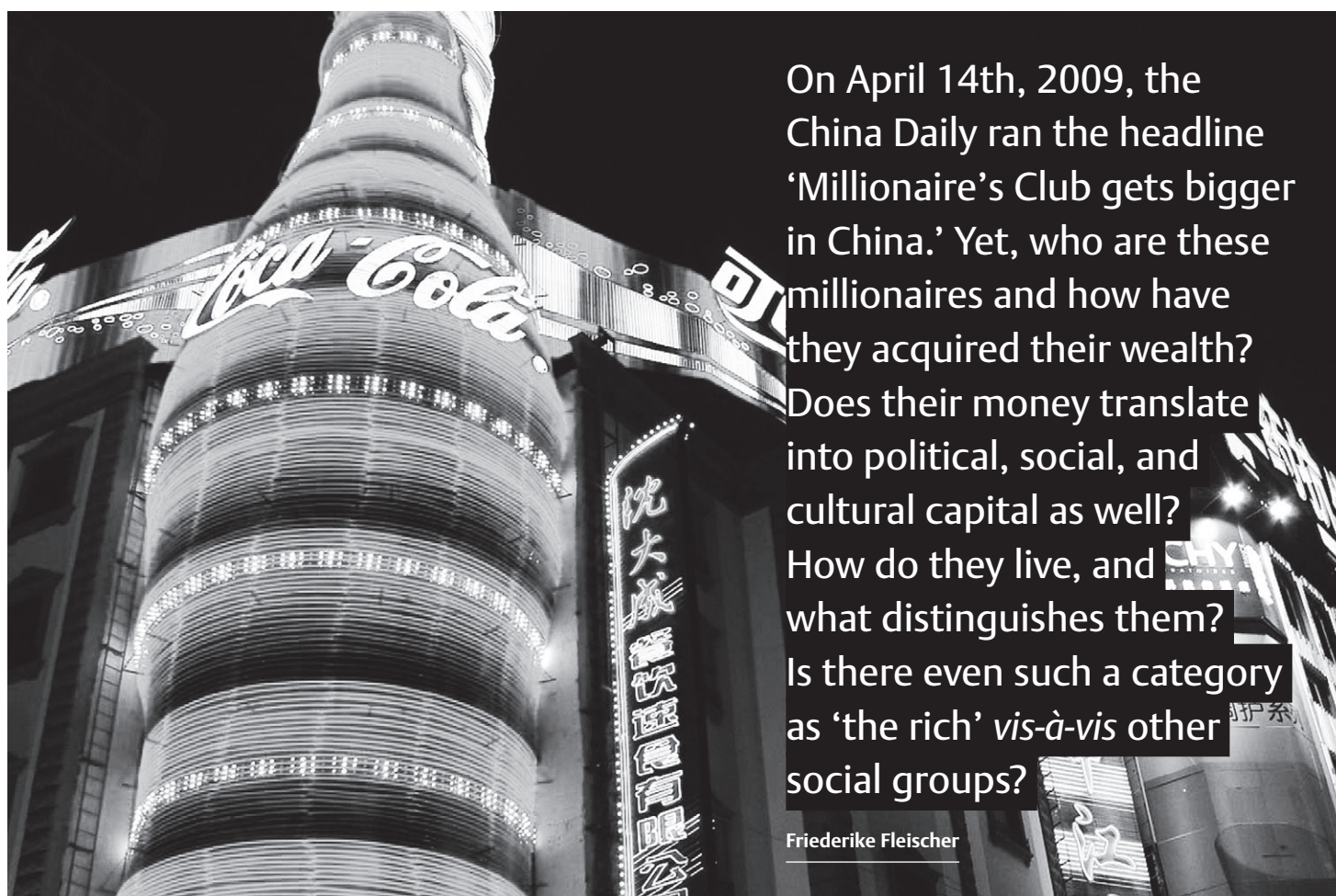


# The rise of the 'new rich' in China



On April 14th, 2009, the China Daily ran the headline 'Millionaire's Club gets bigger in China.' Yet, who are these millionaires and how have they acquired their wealth? Does their money translate into political, social, and cultural capital as well? How do they live, and what distinguishes them? Is there even such a category as 'the rich' vis-à-vis other social groups?

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Goodman, David S. G., ed. 2008. *The New Rich in China. Future rulers, present lives.* London and New York: Routledge. 302 pages. ISBN 978 0 415 45564 0

These are all pertinent questions that arise in the context of growing socioeconomic stratification processes in China. David S. G. Goodman's timely edited volume *The New Rich in China. Future rulers, present lives*, which sets out to investigate the 'political, socio-economic and cultural characteristics of the emergent rich in China, the similarities and differences to similar phenomenon elsewhere, and the consequences of the new rich for China itself,' (p. 1) gives us a good start into this field of inquiry.

The collection is divided into three sections, 'Class, status and power,' 'Entrepreneurs, managers, and professionals,' and 'Lifestyles,' preceded by Goodman and Xiaowei Zang's Introduction. Here, the authors discuss the difficulties in defining 'the new rich' who are, in fact, a highly heterogeneous group. To a certain degree they are a 'consequence of globalization' (p.1). But the authors caution to assume that the new rich are a middle class comparable to a 'universal middle class.' Instead, they suggest examining the beneficiaries of economic growth together to highlight the importance of wealth and the impact of economic growth on other aspects of social, political, and cultural changes. At the same time, they acknowledge that the new rich are rather a broad idea than a precise social group or distinct analytic category.

### A different kind of 'middle class'

The argument against conceptualising the new rich as 'middle class' (or classes) is continued and elaborated on in Goodman's own chapter in the first subsection of the volume. Here the author highlights that the historic specificity of the concept of 'middle class' cannot simply be transferred or applied to the case of China. While there undoubtedly exist certain similarities, in Goodman's view the differences to the Western European concept of middle class are far more important. Further supporting the argument, Yingjie Guo contends that the middle class in China is actually rather a discourse than a reality. By emphasising the growth of the middle class, the CCP, which today claims to represent no longer the 'working classes' but the 'majority of the people,' is able to divert attention from the new rich and gloss over the contradictions that have arisen from the economic transformations for the sake of political stability.

One of the fascinating conundrums of growing wealth in contemporary China is that money does not automatically lend status and reputation, a theme that runs through the entire volume. Xiaowei Zang explains this social fact with the background of the new rich. They are often entrepreneurs who are considered to be corrupt and to have ripened their riches on the back of the workers. Despite Deng Xiaoping's lobbying, for them 'to get rich is not that glorious' (p. 54). Maybe this is also the reason why the CEOs in Colin Hawes fascinating study in the second section of the book seek to enhance their influence and social standing by celebrating their own cultural sophistication and promoting that of their employees and cus-

tomers. The disconnect between wealth and social prestige in contemporary China also looms in the background of Carillo's case study of entrepreneurs in Shanxi province. After achieving wealth in what is considered the 'dirty' business of coal mining, they enter 'cleaner' sectors to enhance their social standing. It is through engaging in charity donations, investing in education and the health care sector – business activities that are seen as benefitting society – that they gain social prestige, despite the fact that this is also highly profitable for them. The contrast between the dirty, hard, and dangerous work of coal mining and the clean, modern, sophisticated, and socially beneficial health care sector is shown to be deeply suffused in the official discourse of renkou suzhi or 'population quality.'

### The new professionals

The introduction to the volume emphasised that the new rich are not only entrepreneurs, but also professionals. This group is discussed in the chapters by Cucco and Yang. Specifically, Ivan Cucco studies the professionalisation of managers and technical specialists in high-tech, post-manufacturing enterprises in Nanjing. He shows their lack of real autonomy which starkly differentiates them from middle classes in European and North American contexts. Yet at the same time, Cucco suggests that the new professionals take on an important bridging function between the public and private sectors. Yang's discussion, in turn, offers a more complicated picture of university professors, doctors, and lawyers' situation. He argues that low wage policies and limited political autonomy have actually prevented the majority of these professionals from gaining significant material benefits in the reform era. Only in the legal profession is individual wealth likely to remain legitimate and obtainable, but also only for a small minority. The professionals in his discussion can thus not automatically be counted into the 'new rich.'

The third part of the book, 'Lifestyle,' deals in more detail with issues of class making. Luigi Tomba and Beibei Tang open the section with an investigation of the 'transformative power of the new rich' that highlights consumption power as an impor-

tant factor in value production in China today. In the context of urban renewal and the housing reforms, the chapter illustrates the overlapping interests of real estate developers, the local level Party-state, and affluent homeowners. The new, white-collar, professionals and entrepreneurs effectively realise the Party-state's ambition to transform the rust-belt city Shenyang into a clean and modern metropolis. This connection between wealth, consumption, and place-making is also addressed in Carolyn Cartier's contribution about the diamond business. Beyond simple luxury consumption, it is also the place where one purchases these goods that lends status and prestige. Yet Carter's chapter also emphasises that these are shifting scales: Shanghai is gaining ever more importance in the 'positionality' of style, desire, and demand.

Edwards' contribution to the volume challenges the notion that the workings of the Chinese state have not changed. At the same time, she also highlights that the frames of political manoeuvring are still set by the Party-state. Notably, the new rich have taken up political engagement with issue-based politics. But these movements do not challenge the political structure. Instead, Edwards argues, they serve to consolidate the regime's stability by approaching issues as discrete and solvable problems within the existing structures. Edwards thus reaffirms Goodman's introductory point that China's new rich are not to be confounded with the notion of an independent and politically active middle class as it emerged in Western Europe.

### Wealthy women

Gender is addressed in three contributions to the volume. In the first section, Minglu Chen examines female entrepreneurs and the interconnection of their success with the political realm. She shows how connections with the Party-state support the women's entrepreneurship. At the same time, their business success leads to more political appointments. Importantly, gendered expectations that women should keep to the private domain persist. Yet wealth draws distinctions in this regard as well: the wealthier women in Chen's sample could hire maids to assist with housework. Interestingly, as the major breadwinners, they were also the most likely to get support from other family members.

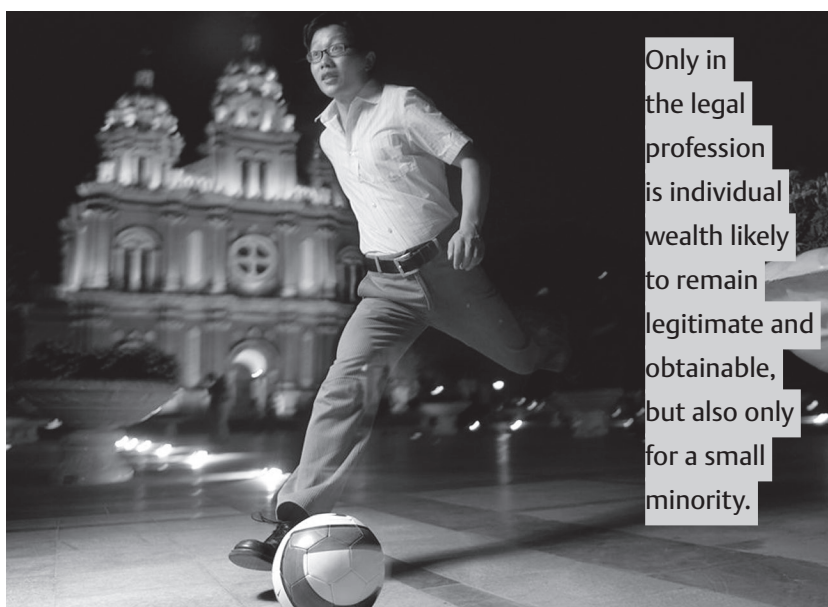
Wanning Sun, in turn, explores the dynamics of class making within the new rich's household where domestic servants are both indispensable and invisible. Here 'dirt' is once again a key concept to understanding these contradictions. While maids' central duty is to deal with dirty tasks, concomitantly they are seen as an intruder who brings dirt and disease to the new rich's home. Jeffreys, finally, highlights how the corruptive behaviour, including the consumption of commercial sex, undermines the new rich's ability to convincingly challenge the CCP as a progressive social force, as they are commonly regarded the most advanced productive forces but also the most serious moral corruptors.

In sum, the (qualitatively disparate) chapters offer an overview of, and a good introduction to the issues that arise in the context of the new rich's emergence. Nevertheless, the volume also raises new questions; the most important one is about 'class': Despite Goodman and some of the other contributors' argument against the concept of 'middle class,' almost all authors continue to use it in their discussion. Apparently there is some descriptive and/or conceptual value in the phrase. Not only for this reason, the introduction and the chapters of the first two sections especially could have profited from a more explicit engagement with the literature on class and social stratification.

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Fig. 1 (below left)  
Young Chinese millionaire, Zhang Min.

Fig. 2 (below right)  
The Chinese god of wealth.



Only in the legal profession is individual wealth likely to remain legitimate and obtainable, but also only for a small minority.

