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Moral Labour, the Nation and the State in Contemporary China

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Since economic liberalization and the opening-up policy of the early 1980s, China has become more connected to the global market. With the flood of foreign commodities and increasing global competition, the concerns over and search for national dignity, spirit and tradition have also been on the rise since the 1980s. Within China, the developing market economy has brought many rural people into the cities and connected them with an extended national space. Scholars of nationalism have long noted its connection with modern capitalist development. As Gellner notes (1983), industrial development requires a mobile workforce oriented towards a standardized, effectively shared medium of national culture. Anderson (1983) also notes how colonial officials' common career trajectories made them pioneers of nationalism, thereby enabling imagined national communities. In the spirit of Peter van der Veer, whose work situates nationalism in a global encounter and investigates how societies forge their national imaginations in specific contexts, this

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chapter investigates how modern labour organization and the market economy are related to the nation's formation in contemporary China. I address this issue with reference to rural migrants in Shanghai with whom I conducted ethnographic research in 2013. I also made multiple follow-up trips until 2019.

Rural-urban migration in China developed in parallel with the de-collectivization of the rural economy and economic liberalization in the early 1980s as the state has gradually lifted its limits on the free movement of people. However, the household registration system (*hu kou* 户口), a particular institutional legacy of Maoist socialism, still controls the distribution of important welfare goods (education and health insurance, for instance). While any person can move from a rural area to work in any city in China, their children still have to go back to their hometown where the household is registered to attend high school and take the national college examination. They thus form something of a 'floating population' and are excluded from urban citizenship. The state maintains a highly unequal distribution of public goods between urban and rural citizens, and openly classifies rural migrants as a 'weak group', thereby recognizing their disadvantages and their need for protection (Holbig and Neckel 2016). Rural migrants are included in the national community not through legal citizenship but through their hard work, suffering and sacrifice—a kind of moral labour. The socialist state elevates working people's labour as a symbol of the nation. Although the national ideology of hard work provides a language for building a positive public identity beyond social inequality, it also highlights the paradox of egalitarian expectations and increasing social inequality.

While migrants perform the public identity of the hard worker, they also cultivate an alternative imagination of the nation through emerging markets. Money mediates the imagination of the nation, yet it also contests the value of labour and highlights the social inequalities between rural and urban citizens, the rich and the common people (*laobaixing* 老百姓).¹ Money-making events that combine a hyper-inclusive market with an opaque state often enable rural migrants to imagine their inclusion in the nation.

In this chapter, I first contextualize the socialist ideology of hard work since Mao's era. The second part examines rural migrants' ambivalent

attitudes towards hard work. The third part analyses how labour is devalued through the dynamics of money, creating social disjunctions within the nation. The final section examines how rural migrants imagine their inclusion in the nation through various forms of small-scale investment.

The State, Labour and the Socialist Utopia

Responding to Western and Japanese imperialism, 'Saving the nation' has been an important slogan in China since the early twentieth century. Margherita Zanasi (2006) has noted that, in the first half of the twentieth century, the Chinese nation was often envisioned as being composed of producers united by their common goal of increasing production and thereby saving the nation.

After the communist revolution,² the socialist state was less concerned with saving the nation than with creating a new communist society. Socialist revolution and socialist production were taken as bridges to the future society. Labour was encouraged more than consumption. The new socialist state claimed that the new socialist person was created through labour. Unlike in capitalist societies, in the new socialist society, one's social position was determined by one's work and ability, rather than one's social origins and property. Work was not a shameful burden but a glorious and courageous activity. Mao criticized Confucius for slighting labour. The new state expected people to develop comradeship through collective working, comradeship that could be extended to one's fellow countrymen and even to working people all over the world.

However, the Maoist state institutionalized the distinctions between rural and urban, peasant and worker through its strict regulation of mobility. It also promised that the differences between peasants and workers, the rural and the urban, manual and mental labour would be erased in the future communist society with the development of socialist productivity and the transition to communism. Mao encouraged civil servants, artists and intellectuals to participate in physical labour, urging that education should also be connected with production. At the same time, workers were encouraged to learn the theories of Marxism and Maoism and become experts in them. The state media extolled the heroic

achievement of model workers and the glory of labour, thus emphasizing the virtues of physical and productive labour.

We can see a tension here between the material and spiritual dimensions of labour. In the period of the Great Leap Forward (1958–1960), the *People's Daily* had to argue that 'socialist hard labour', to be performed for the whole of society and thus become a source of happiness, was different from the exploitative 'capitalist hard labour', which was a form of slavery. The slogan of this period was 'bitterness first, sweetness later'. Around the period of the Cultural Revolution (1966–1976), the utopian mobilization of hard work during the Great Leap Forward was criticized as smacking of utility and selfishness; the radical Maoist leadership attempted to channel the nation's energy into class politics and revolution instead. Daring to endure hard work was glorified as a form of revolutionary sacrifice for the people.

The socialist state recognized the material interests of workers who received compensation and benefits based on the quantity and value of their labour. The state also expected people not to consider the material benefits. There was a tension between selfless sacrifice for the collective and nation, and the concern for material distribution. As noted by van der Veer, the high socialist experiment is full of contradiction and paradox: 'it is a combination of the ascetic rejection of materialism and a utopia of material abundance; despite the failure of the Great Leap Forward, Mao's charismatic leadership still kept the revolutionary momentum' (van der Veer 2013: 134).

In the post-Mao era, the realization of communism has been postponed, material incentives have been reintroduced and the state has reoriented itself to economic development. Hard work is used to justify wealth: those who are capable of working hard will become rich first. In the aftermath of the reform of state enterprises in the earlier 1990s, the *People's Daily* published some stories about how laid-off workers had become entrepreneurs through their hard work. The post-Mao state continues to promote a spirit of heroic labour in which model workers dare to work hard and sacrifice for the nation, treating their own health and kinship ties lightly.

The post-Mao state also has to confront two forms of inequality. First, the market economy inevitably creates a gap between rich and poor. The

state tries to create a national community in which everyone works hard and those who become rich first help those of their co-nationals who have been left behind. The recent state-led poverty-alleviation campaign aims to eradicate absolute poverty and establish a ‘moderately prosperous society’ by 2020 (*BBC* 2021). The communist dream is to articulate a national community in which people help each other. Second, though the socialist state still exalts hard work as a national virtue, it also realizes that its labour-intensive economy is of low quality in the global hierarchy of production: the words ‘knocked up in China’ almost becomes a national embarrassment. The state attempts to foster high-quality development and highlights the importance of technological innovation and creativity beyond visible labour.

Economic growth connects hard work to the national spirit and rejuvenation. Hard work and frugality are affirmed as traditional and revolutionary virtues. Dedication to work is one of China’s Present Xi Jinping’s core socialist values (prosperity, democracy, civility, harmony, freedom, equality, justice, the rule of law, patriotism, dedication, integrity and friendship). The moral codes of citizenship also require citizens to love the country, the people, labour, science and socialism. Xi defines ‘hard work’ as the key spirit of the nation. In his 2015 Labour Day speech, he said, ‘the Chinese nation is a hard-working nation. The quality of a labourer is very important for the development of the nation and state’ (Xi 2015). He extolled the virtues of labour as making history and the nation: labour is the source of wealth and happiness, the path to the realization of the Chinese dream, namely national rejuvenation, which depends on people’s honest and diligent work.

With the arrival of economic development and material abundance, however, concerns have been raised about the declining spirit of hard work, especially among the younger generation, in the family, the schools and society at large. Labour education has been re-emphasized in school programmes. The Ministry of Education even issued a Labour Education Opinion in 2015 (Ministry of Education 2015), encouraging schools to develop a labour curriculum and extra-curricular labour education. Students are encouraged to plant trees, repair electronic appliances, do interior decoration and even raise animals.

The Rural-Urban Divide, Hard Work, Inclusion and Exclusion

Post-Mao economic development entails labour mobility, on which the state has slowly lifted restrictions. However, the household registration system (*hu kou* 户口), a particular institutional legacy of Maoist socialism that controls the provision of social welfare and the movement of people, still marks one's social status and has effects on one's employment. Migration and contacts often reinforce the rural-urban divide.

For example there is a discursive distinction between local Shanghainese (*shanghai ren* 上海人) and outsiders to the city (*waidi ren* 外地人) both at work and beyond. In the peri-urban village of Shanghai, rural migrants rent housing from local Shanghainese, who, former peasants turned landlords, now live off migrants' rents. Most local Shanghainese have moved out of their homes and live in gated communities elsewhere, only returning to enjoy their leisure time with old friends. Rural migrants often say that local Shanghainese's wealth was not earned through their hard work but came from the state's welfare assistance or real-estate developers' compensation payments for relocation. When migrant workers compare their hard labour to the 'laziness' of local Shanghainese and the ways in which the urban rich effortlessly obtain money from the state, they are demanding a kind of recognition that goes beyond legal definitions of citizenship.

Without urban citizenship and educational degrees, my informants often told me that they were willing to work hard. Job advertisements still include this as a condition of employment. Among migrant workers, one's ability to work hard and to 'eat bitterness' (enduring hard work) is also judged by family members, friends, neighbours and employers. One's inability to endure bitterness—reflected, *inter alia*, in idleness—would often cause harsh judgements to be voiced behind one another's backs. Migrants in an urban village often judge each other in terms of whether a person is capable of 'eating bitterness'. When migrants form temporary work teams to carry out subcontracting work, they often include acquaintances who are prepared to work hard.

Bosses also use the popular discourse of 'eating bitterness' to discipline workers. Some even participate in labouring themselves, thereby personalizing the spirit of hard work. Their attitude towards bitterness is at the very least ambiguous. Their hopes for their children are that they will attend university and find better occupations, thus allowing them to escape from hard work.

The capacity to work hard is less an ideal virtue than a performative quality. During fieldwork I often heard migrants from a particular region saying that they were more capable of working hard than migrants from other regions, thus claiming that they were better candidates for employment. They often showcased their ability to work hard in front of outsiders. In doing so, they aimed for market gain and a positive identity beyond legal citizenship.

Within intimate circles of friends and family, people would nonetheless admire the cunning of avoiding hard labour while on the job. My informants were happy to share stories with me in which they fooled their bosses rather than working hard for them. Some proudly told me that they were good at 'loitering' while working, which requires cultivating a good relationship with your boss rather than working hard.

Working too hard for a boss is in fact a source of other's suspicions. One day Luo came to me to complain about his friend Mao Jie's excessive work ethic. Mao Jie was famous among his acquaintances for being extremely capable of eating bitterness. Luo usually praised his ethic of hard work and considered it a sacrifice for his four sons. On that day, however, Mao Jie asked Luo to work with him for a boss. At 12:50, lunch had still not arrived, and Luo was growing both hungry and impatient. The boss said he was not hungry. Luo said, 'He was not doing the work, so of course he was not hungry'. He blamed the late lunch on his friend Mao Jie: 'He was too devoted to work and to the boss. The boss might give him several thousand yuan. But you should not let your workers feel hungry.' On that occasion, Luo saw his friend Mao Jie's habit of working hard as selling himself out.

While my informants often recognized the importance of hard work when making public statements, they also acknowledged that their achievements were constrained by their low educational credentials, nonlocal status and the precarious moral economy of personal

connections. Within the work place, the employer-employee relationship was also often mediated by personal relationships. In light of the lack of open and efficient enforcement of the law, my informants rarely invoked the legal protection of employment rights. To protect their autonomy and benefits at work from being violated by the arbitrary exercise of power, they often had to resort to personal connections instead.

Some justified their interest in cultivating connections with reference to Chinese tradition. They claimed that, unlike foreigners, the Chinese emphasize human connections (*guan xi* 关系): cultivating proper human ties is an important element of Chinese ritual. The national tradition also allows hard work and personal connections to co-exist. One street promoter told me that he was reading the Chinese classics. He hoped to cultivate relations of trust with potential clients through his own gradual but sustained efforts. For him, the Chinese classics can provide eternal rather than ephemeral inspiration for everyday conduct.

The reference to supposed national characteristics sometimes leads to criticism. Many informants would complain that success in Chinese society relied on personal connections rather than on hard work. One 55-year-old male migrant expressed a sense of nostalgia for the supposedly honest labour of Mao's period and a sense of grievance towards some entrepreneurs who had taken advantage of privatization in the post-Mao reform period. He continued, 'Their money is earned without effort. They did not experience any bitterness in getting the money. They got it from high up.' The hard work migrants did give them a moral advantage in criticizing the rich.

In his ethnography of a Chinese village, Hans Steinmuller (2013) has identified a gap between the state-promoted discourses of hard work and the many lived experiences of success and failure. In her ethnographic work on rural Sichuan, Anna Lora-Wainwright (2013) also dwells on the ambivalence about hard work among her informants, especially the younger generation. On the one hand, aware that less strenuous alternatives to making a living are available to those with better social networks and education, villagers resented the continued necessity for hard work. On the other hand, they also recognized that hard work played a key role in reproducing family and community relations. The socialist state promotes a national spirit of hard work in trying to create a labour-based

national community. Paradoxically, the national ideology of hard work provides a vantage point from which to criticize the social inequality and corruption brought about by dubious state institutions and personal networks.

Labour, Money and the Nation

The socialist experiment in Mao's period aimed to turn labour into the ultimate source of value and restrict the circulation of money. In the People's Communes of that period, the value of labour and its remuneration was based on a work points system. Peasants in rural communes rarely received cash, their everyday livelihoods mainly being provided through redistribution by the state. The restricted use of money did not eradicate social or economic inequality but rather perpetuated the hierarchy between rural and urban, socialist industrial workers and peasants. Wages and welfare of all kinds provided great security for people in urban areas. Wages were once seen as a privilege of government officials and urban citizens; only those working in the state sector would receive a regular wage and various supplementary payments in both money and kind.

The market development and labour migration of the post-Mao period, by contrast, has provided many rural people with an opportunity to access waged employment in the cities that is paid in cash. Many informants claimed that government officials, medical doctors and teachers in the state sector, once thought of as occupying superior positions outside the 'society' of ordinary people, now also work for money and even take 'gifts of money' (i.e. bribes) from ordinary people. There is no moral hierarchy in term of occupation. Some informants even exaggerated the effect of money in negating the power of any state institution, arguing that money could fix everything. My informants often celebrated money's freedom-giving potential.

The state's household registration system defined my informants as rural citizens whose welfare benefits were connected to their villages. In the 1990s, lacking urban citizenship, their children were not allowed to enter the urban public schools sponsored by the government. Since 2010,

migrants' children have been allowed to attend urban public primary and junior high schools, but they still have to transfer to high schools in their rural hometowns for the college entrance examinations. Moreover, despite this progressive policy, migrants' children still had to meet complicated requirements for enrolment in urban public schools. After a few days' futile search for a primary school for his children, one migrant asked: 'If we all use the same RMB (Chinese currency), why can't my children attend the same primary school here?' When facing rural-urban discrimination in their everyday lives, my informants would ask the rhetorical question: 'Does RMB make distinction?'

While the state still maintains a distinction between rural and urban citizens, the flow of money criss-crosses the boundary between them. Rural migrants participate not only in the national labour market but also in a national consumer market. They also point to the newly built house, new furniture and appliances and marvel at how far rural livelihoods are now integrated into the national market. In the harvest season, one return migrant told me: 'You see how much change has happened here. I do not know what life will look like in the next few years. In the city, now nearly every family has a car. We also have many cars in our village. In the future, every rural family will have a car too.'

Post-Mao labour migration has coincided with the expansion of the market and the money economy. Here it is not equal legal citizenship that mediates the nation, but money and currency. The Renminbi, China's official currency, literally means 'people's money'. Currency mediates the imagination of a common national space and serves as the symbol of national unity. My informants often extended the metaphor of money in order to understand 'Chinese society' at large in the context of the expanding money economy and migration. Money provides a vantage point from which an enlarged national space can be imagined.

Even as money mediates national unity, it also highlights social differences. As rural migrants are remunerated in money, the value hierarchy of labour is immediately evident. Ying, now the owner of several wood-flooring manufacturers, first came to Shanghai in 1992. One Shanghai friend helped him find a job in a food workshop owned by Wenzhou merchants. 'I worked there for seven days, from early morning until late at night. I then asked how much I could earn. The boss said I could earn

six yuan on average every day. At that time Shanghai was a very xenophobic city. I was treated as a country bumpkin. What are country bumpkins? They are of low quality, cheap, and they cannot get a proper wage. I was such a strong labourer, yet I was only paid six yuan a day, the same as a female worker received.' He only worked there for seven days before deciding to set up his own small business.

Money also connects rural migrants' labour immediately to everyday livelihoods through a growing consumer market. I often heard my informants say: 'You do not have food if you stop working'. Their everyday subsistence and livelihoods had to be arranged through money and the market. They often highlighted the fact that they had to spend money on vegetables, water and housing. Besides, living expenses in Shanghai have also tremendously shot up. My informants never failed to keep track of the ever-increasing food and housing prices and the other living costs. However, despite occasional nostalgia for the non-commercial subsistence of life in rural areas, my informants told me, with a sense of surprise, that they now have to buy food in their rural hometowns, the prices of which are nearly the same as in the cities. Stranded in both rural and urban areas, my informants found themselves budgeting against rising expenditure in both areas.

Many migrants originally had a kind of romantic imagination of their hometown as providing security—a community away from the insecure market and society at large, the home to which they could return after a period of urban employment. Every time they went back to their hometown, they took with them the cash they had earned, and saved it in a hometown bank. As the banks only paid very low interest rates, their savings also declined. As they observed, the rich, who did not have to rely on jobs and wages, could take advantage of the low interest rates in investing in the housing market and thereby earn money from money. Given the rising consumption in their hometowns and the devaluation of their savings, migrants were now faced with constantly postponing their original plan to return. Sometimes, even a return visit was too expensive.

During a short visit to his hometown, one migrant told me: 'We do not plant crops any more. We have to buy rice. If we stay at home, we have to "eat" our old savings and could not sustain ourselves for very long. Now the state has devalued our money. Toothpaste originally cost

three yuan; now it costs six: the extra three yuan goes on tax. Petrol now sells at six yuan per litre. The government says that our oil price is linked to the global oil price. We produce 60% of our oil in our country, so why should we link our petrol price to the global market?' As migration and the money economy connected his hometown to a wider national and international world, he claimed his hometown had become a lifeless place abandoned by recent developments. He continued: 'There are no job opportunities. Nothing is worth money here. We are not close to any big cities. We rely purely on money from the outside. When we are short of money, we go out to work, or the local government goes to the higher government to beg for some more. Then we spend it.' He imagined a bleak future for his hometown when the young people had all left and the state provided the last care: 'We are the last men in the village. The state will cover our healthcare and clothing.'

The state is therefore still expected to protect people's livelihoods as a guarantee of its legitimacy. Every Spring Festival (Chinese New Year), government leaders pay a symbolic visit to food market. The price of everyday necessities is expected to be stable. Complaining about the inflation of living costs often enabled strangers to initiate a conversation. These complaints often connected the rise in living costs to the state's manipulative policy, greedy businessmen and increasing social inequality. Their complaints also fostered a sense of belonging to a group of common people (*lao bai xing* 老百姓).

Against the inflated living costs, my informants often complained, their wages were stagnating, while the urban middle class and elites could participate in different forms of investment, such as the stock market and real estate, and associate themselves with economic growth. There was widespread criticism that the privileged were acquiring their wealth not through labour but through invisible and dubious speculation and corruption. My informants often aspired to leave labour behind and become entrepreneurs to lift them out of unequal employment and stagnant wages and give them a sense of a progressive career.

Zhi Guo, a thirty-year-old migrant from rural Jiangsu, worked for a company installing the internet in clients' home. While doing that work, he had many opportunities to meet relatively rich house-owners. These

encounters often enhanced his sense of being discriminated against by city-dwellers, causing him to launch into a moral critique of recent economic developments. He told me about a couple he had met while working in their house: 'They do nothing at home. They just invest in calligraphy work.' He often criticized the rich people he encountered for having earned their wealth through speculation rather than labour and for lacking moral integrity. In his view, contrary to Deng Xiaoping's national ideal of common prosperity, the rich despised the poor rather than helped them.

Since I met Zhi Guo for the first time, he has been considering starting his own business. He saw his current job as transitional in his employment trajectory. His wages only gave him enough for the family to survive; his work experience and expertise were not valued. Once the main internet-restructuring project had come to an end, he discovered that he could not obtain as many assignments as before and earned less money. He eventually left this job and went to stay in his hometown for two years, unable to work up any enthusiasm for his next job.

He often discussed with me the possibility of setting up an agricultural business, an attempt to link his entrepreneurial aspirations to rural development. His aspirations also overlapped with the state's rural vitalization project as part of its policy of national rejuvenation. He explained why he still insisted on pursuing entrepreneurship all those years: 'It is not only about large sums of money. Your enterprise is a place where you can find your footing in society. If you can make a profit, you can also distribute resources equally. I do not want to earn a million alone. Instead, I want to lead a team of ten persons, each of whom could earn 100,000 each.' He stressed the moral superiority of his entrepreneurial dream: it was not intended for speculation, but for the well-being of ordinary people, especially for those in rural areas.

Very much interested in Chinese history, Zhi Guo was highly critical of the country's current development model. He said that technology was still controlled by foreign countries and that the Chinese only produced it, a model that had cost China resources and health. He increasingly extolled the virtues of rural life, since it was rural people who had sacrificed themselves for the republic from the very beginning. He imagined

an alternative view of rural development, a future when the boundary between the city and the village would disappear because of technological development and 'you can work anywhere'. He hoped that China could devise a particular development, one that was different from the current Chinese and foreign models. Though he was highly critical of the state's development policy, he believed that only this, coupled with wise leaders and anti-corruption initiatives, could bridge the gap between rural and urban, thus turning rural areas into a land of hope.

My informants often extended the metaphor of money to understand 'Chinese society' at large in the context of the expanding money economy and migration. Money provides a vantage point from which to imagine an enlarged national space. Paper money, as a fiat currency, symbolizes pure trust in the state and the national community (cf. Nakhimovsky 2011). As Peter van der Veer has noted,

Indeed the welfare of the nation as well as the effectiveness of the state depends on monetary value. Inflation, devaluation, revaluation, exchange value, the value of one's labour, all are signs of the health of the polity and the trustworthiness of political leaders. The state guarantees the value of its money, and people hold a strong belief in that invisible power of the state when they hold visible coinage in their hands. The state is held accountable for the functioning of the market, and this is in effect more important for people's political judgment than most other fields of political action. Nevertheless, the value of money depends on invisible market forces that are not controlled or only partly controlled by the nation-state. (2016: 55)

While money mediates national unity, it also creates disjunctions between devalued labour, inflated living costs and stagnant wages. For my informants, the assumption is that the state can control the market, or even overtly manipulate it. The state is imagined as a machine for printing money and controlling prices; it is responsible for the devaluation of labour and price inflation. The failure to protect the value of labour and the livelihoods of people enables my informants to criticize the state's and elites' lack of care for the people, as well as to anticipate the state's interventions. Against such a powerful and manipulative state, rural migrants have a sense of belonging to the 'common people' or the grassroots of the 'nation'.

The Nation as a Utopia of Investors

It was the 2010 Shanghai Expo that first brought me to the urban village where I finally did my fieldwork. The shabby urban village where the rural migrants were living was just three subway stops away from the Expo pavilion complex. Despite aggressive eviction by urban management officers, during this nation-staging event, migrants in the village were busy selling fake Expo souvenirs around the pavilion complex. When I returned to the urban village in 2013, I constantly heard rumours about its second coming, even though the large area of the complex had been torn down and redeveloped. Pointing to a red car parked in the road, one migrant told me that its owner was a former neighbour of his, whose family had made 400,000 yuan out of a souvenir wholesale business during the Expo. He said that he hoped another big fair would come along again. As an important national event, the Expo attracted people from all around the country and, for my informants, it materialized the nation as a market. The Expo souvenir business had only a low entry barrier and thus was very inclusive; nearly everyone in the urban village could participate with just a little start-up capital.

This shows how rural migrants can turn a national event into an entrepreneurial opportunity on the fringe. They also need investment opportunities in order to be included in the nation. As Ellen Hertz (1998) demonstrates in her ethnography of the Shanghai stock market in 1992, recently introduced by the state, this stock market attracted investors from all walks of life and launched a general investment fever, with many scattered players (*san hu* 散户) joining in. However, this is not all about making money. Investors see the stock market as one of the few truly egalitarian forums for making money. The stock market fever created a strong sense of bottom-up egalitarianism.

While market investment, gambling and lotteries were strictly forbidden by the state in Mao's era, they flourish in contemporary China. Since the 1980s, the socialist state has been running a lottery in the name of helping the elderly, the disabled, orphans and the poor. Different forms of get-rich-quick Ponzi schemes—scams offering high returns to early investors compensated with funds obtained from later investors—have arisen in China in

the 1990s, a period concurrent with the rapid migration and market reform. They were also widely present among my informants.

Cui, a 33-year-old house decorator, was a regular buyer of lottery tickets. Though the lottery is legal, it is still morally ambiguous. Buyers of lottery tickets were often criticized for dreaming about unearned wealth. Cui always stressed that he was not addicted to the lottery; he just played it and kept calm. In contrast to his fellow decorators, he argued, who often squandered money on gambling and eating afterwards, his enthusiasm for the lottery was more in the nature of a productive investment.

He recognized the importance of hard work but often regretted that the golden year of opportunity in his trade had already passed. He once said that the lottery provided more opportunities than his trade did. But he rarely won anything. He mainly attributed his failure to the manipulation of the state:

When you purchase a lottery ticket, the state keeps a record. There is a computer in the headquarters of the lottery. Every day the computer registers all the numbers people have chosen. The staff count and see which numbers people have not chosen. OK, that is the winning number. Of course, they sometimes let you win a prize, encouraging you to continue buying.

Despite the suspicion of corruption, he always encouraged me to figure out the pattern of winning numbers. After another loss, Cui said that he would go to a bigger lottery shop next time because it had big chart showing all past winning numbers. He also held that it would be good to have software to analyse each number's chances of winning.

It did not matter whether or not Cui had won a prize; buying a lottery ticket could at least help him demonstrate his own potential for nearly making it. To rationalize his buying of tickets, he often told me that only one number was wrong or missing. Even if he did not win, he claimed, buying a lottery ticket was his small contribution to national welfare.

Compared to the lottery, Ponzi schemes were criticized more harshly by my informants as an immoral and frantic way of gaining wealth without labour. In public, they would often connect Ponzi schemes to the moral corruption of Chinese society—people cheat each other and want to earn money without doing honest labour. However, many of my informants were involved in various Ponzi schemes. It is through investment

in these schemes that they imagine themselves being part of a national project, one that promises them upward mobility and equality.

Li Hai was a young migrant whose construction materials business had failed, so he began working in a factory. Not an enthusiast of the lottery, he still cited both the lottery and the stock market as examples of a new economic model—the virtual economy. A friend asked him to join a virtual-economy investment project, telling him that this was now the main sector in foreign countries and that it would soon become the main trend in China. I expressed my doubts and told him that I had read some reports about dubious Ponzi schemes representing themselves as belonging to the virtual economy. Li Hai explained to me: ‘My idea is like this. After joining the WTO, our country now faces great international competition. The government now also notices the problem of pollution. Is it possible that the state will initiate a new policy of virtual economy?’ He also felt that social inequality was increasing: the common people lacked a good platform for investment and were becoming even poorer. Now only rich people can invest. This project was said to be a platform provided by the state: common people could participate in investing and get their share with a small amount of money. The state also planned to initiate the project first in Shanghai and then extend it to the less developed provinces. Despite the fact that he had once been invited to join a Ponzi scheme and his fear that this might be another one, he still did not want to miss taking up such a good opportunity. In the end, though, it did indeed turn out to be a Ponzi scheme.

Sometimes it is difficult to tell whether an investment scheme is a Ponzi scheme or a real investment opportunity. Direct sales companies also ask existing salespersons to recruit more distributors ‘downline’, a form of multilevel marketing that sometimes turns into a Ponzi scheme. I was invited to attend a direct sales company’s multilevel-marketing training section by a young woman migrant. My informants often had an ambivalent attitude towards the company, but doubted whether it was in fact a Ponzi scheme. The training was organized in a salesperson’s home. It started by expressing gratitude to the woman hosting the meeting and praising their highest leader, an overseas Chinese. It was said that the leader’s father had left China, but he was asked to return to do business in China. The company wanted to save money in China and open Chinese schools abroad. The most important activity was encouraging

newcomers like me to join their team. We were promised the opportunity to travel to attend the company's meetings in Guangzhou and Macao that summer. A sixty-something laid-off Shanghainese woman told me the excitement she experienced when she attended the meeting last year: 'You did not experience the Cultural Revolution, right? You could only experience this in the Cultural Revolution. When you enter into our company's meeting hall, you just see a sea of people. Those successful salespersons shared their experiences. They just looked like you, but they had made it. You felt you could make it too.'

The young woman migrant told me that multilevel marketing provided her with a platform for experimenting with entrepreneurship besides her secretary's job. This opportunity is just like any other marketing opportunity except that it is even better. It provides a 'genuine' and inclusive community that is different from the ambiguous 'society' in which they are living. It brings together two groups of people who are otherwise hostile towards each other: laid-off Shanghainese and migrants. It highlights mutual help and provides a sense of communal intimacy that is often lost in cities. Most importantly, it claims to provide a transparent and equal platform. First, everyone starts equally: no matter when you join the team, you have the same chance to succeed. Secondly, the wage incentive is transparent, and the results are equal. There are said to be two satellites monitoring the sales on earth, so everyone will receive their fair reward. Thirdly, there is a world of unlimited opportunities: you can always recruit new members, and their sales can add to your performance. Your income does not have to rely solely on your own labour.

In contrast to their highly competitive and unequal type of employment, entrepreneurship, the lottery and various forms of Ponzi scheme provide a utopian space of equality and mobility, as well as accessible routes to an inclusive national community. These small-scale investments also turn national projects such as nation-branding Expo, national welfare and national development into money-making opportunities. The state plays a mystical role in the construction of these investment opportunities. State agents control the fringes of the Expo complex randomly, manipulate the lottery system and devise opaque development policies. It is in their engagement and competition with the mystical state that my informants imagine themselves being part of the nation.

Conclusion

The 'nation' as a collective identity is always ambivalent and incomplete (Giesen and Seyfert 2016). Drawing on a patchwork of socialist ideology, Chinese tradition and the Communist Party's revolutionary tradition, the socialist state has attempted to elevate the labour of working people to the status of a national symbol. Post-Mao economic development requires a mobile work force. The state encourages market development and mobility, but restricts migrants' access to public goods and equal citizenship. The organization of labour is always conditioned by the state's categorization of the rural and urban citizen. With the flows of money and people between village and city, an imagination of national space emerges through the expanding market and money economy. In the absence of the provision of welfare schemes for all, a secure livelihood, inclusive citizenship and an equal political community, rural migrants have to make a living in a competitive 'society' mediated by precarious personal connections and money. The national ideology of hard work paradoxically highlights social inequality and disjuncture. Labour is devalued with reference to particularistic networks and the money market, and thus cannot provide an anchor for the construction of the nation. My informants can only imagine their inclusion in the nation by grasping investment opportunities that are tightly controlled by the state.

However, while the state is often accused of creating social inequality, its intervention in combating social inequality is also anticipated. It is through both criticism and anticipation of the opaque state that the nation is imagined. As Peter van der Veer has noted, though the idea of the nation is produced in the global encounter, societies forge their national imaginations in specific contexts. Though the nation's formation often relies on xenophobia, it can also take shape in the form of internal differentiation and disruption (Surak 2012). With reference to China, van der Veer notes that the opposition between literate elites and the illiterate popular masses is deeply ingrained in the nation-making project (2013: 125), a project that is still incomplete in contemporary China. State- and elite-sponsored nation-making projects often highlight social inequality and disjunction. Its failure to solve the paradox of egalitarian

expectations and great social inequality often leads to different forms of grassroots nation-making. The nation cannot be built directly by the state, and often has to be built against the opacity of the state. The hyphen between nation and state should not obscure from us the indirect and complex relationship between the two.

Notes

1. 'Common people' might sound dismissive in English. Here I use it to translate the Chinese term *lao bai xing*, which can also sound dismissive in Chinese.
2. This section is based on my archival research on the database of the *People's Daily* (the most influential official voice of the central government and the Communist Party) from 1946 to the present.

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