

Risk Cultures in China: An Economic Sociology

Aims and Objectives

The project investigates the sorts of risks involved in the construction of markets in China. It is qualitative, sociological research based on three economic sectors: the stock market, city transformation and banking. In each sector we look at how a given organization or firm together with a number of other economic and political agents form a network to construct a market. We are studying these networks insofar as they are comprised of a group of such subcultures, involved in signalling behaviour, information transmission, communication and trust relations. These are risk-sharing activities. They construct markets as sites of reduced uncertainty.

These markets are better understood as quasi-markets, because of the weak enforceability of contracts, unpredictable property law, and because the agents in these new economic fields include a plurality of bodies from district, local and national state, as well as universities and public sector firms. These are at times economic actors and at other times political actors. We study these quasi-markets as sites in which agents share risks and reduce uncertainty that is necessary for them to take (investment) risks. This research is thus an economic sociology of risk cultures: a sociology of the networked construction of quasi-markets through organizations that are involved variously and sometimes simultaneously in complex risk-taking and risk-sharing activities. Our work tracks cases of risk cultures, network formation and market constitution over a period of 24 months fieldwork based in China, principally in Shanghai but also considering related networks in Beijing, Shenzhen and Hong Kong.

Project background

This project forms part of the ESRC's World Economy and Finance Programme and links to it in being a detailed study of one very major world economy, and through its focus on risk in the context of incomplete markets. Over three years (2006-2009) the project focuses particularly on the forms of social and economic change in contemporary urbanism in Shanghai, Beijing, Shenzhen and Hong Kong. Its sociological perspective adds a dimension to the more economics-oriented studies in the programme. Its qualitative case-study methodology adds a dimension to the quantitative aggregate methods of other studies. Its particular study of risk in terms of firm subcultures adds a dimension to the studies of sovereign and household risks of other projects.

The ESRC Centre on Migration, Policy and Society (COMPAS) at the University of Oxford conducts high quality research in order to develop theory and knowledge, inform public opinion and contribute to policy debates on migration.

www.compas.ox.ac.uk

Methods

A significant proportion of the research is constituted by ethnographic study of the emergent markets in China that are at the heart of the research. The project includes three six month ethnographies situated in stock markets, real estate companies and banking by Tyler Rooker. Rooker (Lutailai) is an anthropologist with longstanding research interests in China. Fluent in Mandarin and living in China for almost five years over the last decade, he has previously published (Chinese and English) on the 'zhongguancun', high tech business clusters concentrated in Chinese cities. The research also draws on data from observation, interviews with many key informants, documents and videos. Its outcome will be a 'thick description' of such networked quasi-market formation in case studies.

We also draw selectively on a number of collaborations with scholars in economics, architecture, finance and banking based in China. We are working with architectural practices at the heart of some of the most significant forms of urban change, developers and spin off companies from the university sector in understanding the structuring of the transition of recent years in China.

One strand of the research has been based in Shenzhen, addressing the interface between urban change, migration and 'dwelling' in the city. Working with researchers from the Shenzhen Academy of Social Science the project has interviewed over 200 migrants to the 'villages in the city' (*chengzhongcun*) which are residential areas established by Shenzhen's original villagers and the upmarket *xiaoqu* or small neighbourhoods built by real estate companies that synthesise FDI, municipal interests and private capital in the emergent property markets of the city.

Outputs

Since 2006 collaborations have generated a number of workshops, conferences and events associated with the project. Major workshops have been conducted with the Shanghai Academy of Social Science, the Shenzhen Academy of Social Science and Shanghai University. The project developed, organised and participated in platforms at the Hong Kong and Shenzhen Architecture biennales.

A number of book chapters and journal articles from the project are currently in press and will be posted on this site. A book of the project 'China Constructing capitalism' has been contracted by Routledge for completion in 2010.

On 28-30 September 2009 the project will hold a conference in Shanghai; 'Risk, Finance and Modernity: East and West' Speakers confirmed include John Urry (Lancaster University), Cui Zhiyuan (Tsinghua University, Beijing) and Ulrich Beck (Munich University).

Researchers:

Jakob Arnoldi (Aarhus University), Michael Keith (COMPAS), Scott Lash (Goldsmiths), Tyler Rooker (Goldsmiths and COMPAS) and Wang Xiaoming (Shanghai University).