In rural China, a generation born and raised in shared conditions of poverty and farm labour has differentiated into bosses and workers as private enterprise re-emerged after the 1980s. In the following decades, relations between bosses and workers have become increasingly distant and impersonal, with stricter monitoring and control of the labour process. This has contributed to crystallising the roles of ‘boss’ and ‘worker’ as distinct identities, supplanting the feelings of commonality and homogeneity among villagers.

In rural China, a generation born and raised in shared conditions of poverty and farm labour has differentiated into bosses and workers as private enterprise re-emerged after the 1980s. In Xishan (a pseudonym), a rural county in inland China, at the border between Shandong and Henan, industrialisation was, at first, essentially driven by petty entrepreneurs from outside the county. As these early entrepreneurs’ business ventures grew bigger, and they started to employ the people around them, social differentiation emerged within local society.
Against this backdrop of social differentiation between employers and employees, this essay describes how villagers from a common background have negotiated their identities as bosses and workers over the past decades. To study this question, I rely on interviews conducted with business owners and workers in Xishan County over nine months between 2016 and 2019. I also draw on firsthand, in-depth participant observation, gained by being employed for two weeks as a worker in a car-parts factory in Wuchang (a pseudonym) in the county. I was assigned to put pieces into a machine and then take them out after they had been curved—repetitive, dirty, loud and tiring work. Every day, I took my lunch with the workers and dinner with the boss’s family.

Based on observations from that fieldwork, I argue that in the past decade, both private company owners and workers have striven to bring about a shift from a paternalistic relationship, where bosses employed their relatives and neighbours, to more distant and impersonal work relationships. This shift has allowed a second change—from loose and flexible supervision of workers towards stricter monitoring and control of the labour process. Both processes have contributed to the emergence of distinct identities as ‘bosses’ and ‘workers’, which has supplanted the feelings of commonality and homogeneity among villagers.

From Local and Family-Based Paternalism …

In the early stages of developing their enterprises, usually as workshops in their home village, first-generation business owners relied on a labour force drawn from their family, relatives and neighbours. That history of entrepreneurship entailed a high level of psychological and emotional proximity between employers and employees. For the generation born before 1980, intimate relationships between bosses and workers were made easier by the fact they were often raised in similar socio-economic environments. As a result, the business owners’ relationships with their fellow villagers were characterised by strong commonality and emotional bonds. As a village workshop owner explained: ‘It’s an employment relationship, but some of the workers are friends. Well, we cannot really say they are friends; they are from the village, they are from the same lineage.’

The family-like relationship between business owners and workers—still prominent today among small businesses—was further strengthened by the gendered organisation of labour. While bosses were most often male, most workers were (and are) middle-aged women whose husbands have left the county to find better-paid jobs. This dual role of local female factory workers as both mothers (or grandmothers) and workers has long prevented bosses from enforcing too strict a discipline. Working hours were flexible and could be changed depending on the women’s need to take care of their children and visit relatives. Labour flexibility also resulted from the habits of local workers, most of whom came from rural backgrounds and were used to farming. As an interviewee explained: ‘For people who are used to farming the land, it is very hard to make them turn to a very standardised way of working. They need some time.’

While the flexibility in working hours benefits female workers, the family-like relationship also helps create moral ties that encourage employees to be loyal and obedient. One small entrepreneur, in particular, gave me a vivid account of how he disciplined his workforce in this way. He boasted about how he forced his employees to stay in his factory instead of leaving for better opportunities or even opening their own business. ‘My employees? I control them like that!’ he said, clenching his fist to illustrate how powerless his workers were in this situation. He then gave me several examples of how his generosity has compelled employees to be loyal to him—for instance:

Today, I knew one of my employees had problems at home and did not have any money. I said, ‘I have money.’ I gave him my credit card to pay for his children’s health care. Just a gesture like that, and the employee will work for you all his life … It is different from big enterprises. Here, there is a sense of trust.
In that sense, the labour organisation observed in Xishan County’s small rural businesses fits Mary Jackman’s (1994) description of paternalistic labour arrangements in which the dominant group’s concern for the wellbeing of the subordinate serves to preserve the exploitation of the latter by the former.

... To the Emergence of Impersonal Labour Relationships

In the past decade, however, this started to change, especially among bigger local businesses. Due to lack of space, the original car-parts workshops transferred to bigger factories outside the village or in the township or county seat, and entrepreneurs started hiring workers from surrounding villages. As companies grew, business owners started employing workers from nearby villages rather than their own. One reason for this evolution is that when business owners employ relatives or neighbours, they cannot refuse to help them start their own companies, which then increases local competition. A second reason for this development is that, even though close relationships allow business owners to control their workers and enforce discipline, they also create reciprocal obligations and make it harder to refuse workers’ requests. As one business owner explained: ‘Now, we don’t have workers from our own village ... because it is not good to hire your own people to work with you. It is always very complicated [to deal professionally with people you know well].’

By recruiting from villages further from their own, business owners widened the distance between themselves and their employees. This created a relationship that was more professional and less personal, thus providing the emergence of an identity that was based not on shared communal ties, but on professional boundaries.

In parallel to business owners separating their private and professional lives, a shift in attitudes towards work has also led workers to move towards less emotional proximity with their bosses. Owning a business, for a majority of my second-generation interviewees, is seen as a particularly enviable position. They strongly associate upward mobility and high social position with business undertakings and risk-taking. Young men, especially, consider entrepreneurship an ideal occupation and lifestyle. ‘Young people are eager to become entrepreneurs, if they have a choice,’ a young employee explained.

The prominence of this ‘self-made entrepreneur narrative’, and the relatively privileged position of young workers in the local labour market, thus shapes their attitudes towards work and prompts them to prefer flexible work arrangements. Young workers also strive to depersonalise their relationships with their employer to become more autonomous. For example, a young worker told me she would not invite her boss to her children’s wedding, and the boss would not invite her to his children’s wedding either. ‘If you do that, you create social obligations that interfere with your employment relationship. You would feel obliged, for example, to return favours, and to work more. It would be a bad thing for both bosses and workers,’ she explained. Similarly, the prominence of this ‘self-made man narrative’ likely affected young workers’ attitudes towards piece-rate work. In the factory where I worked, both types of remuneration (daily or piece-rate) coexisted, and they often coincided with different generations. While young, fast-working women told me they preferred piece rates because they could earn more, older workers usually preferred a day salary, which allowed them to work more slowly and be more relaxed in the factory.

The labour flexibility characterised by an ethos of individual competitiveness and the absence of paternalistic relations between bosses and workers have been, therefore, not only well accepted by the younger workers, but also, to a large extent, driven and encouraged by them. To a certain extent, the shortage of a skilled, young labour force gives them an advantage in negotiating labour rules and organisation. They express this advantage by ‘voting with their feet’ and frequently changing jobs and companies—a practice company owners see as a liability. Compared with older workers, younger workers were considered by local business owners to be more likely to change companies, as...
a combined result of a favourable labour market and a shifting work culture. As an interviewee explained: ‘The younger workers are much more mobile. They stay here one year, and then they go somewhere else.’

Hiring a Professional Manager to Impose Impersonal Discipline

Faced with this uncertainty, business owners organise themselves to counter the adverse consequences on their business of workers’ flexibility. A solution they commonly adopt, for example, is to limit the mobility of their labour force by exchanging information and collaborating with other local business owners. ‘They all know each other and exchange this kind of information [on us],’ one worker explained. This puts new workers in a weak position and enables the bosses to negotiate lower salaries.

In recent years, another strategy to depersonalise labour relationships to the employers’ profit has emerged among the bigger local business owners. To make their relationship with their workers as systematic and impersonal as possible, while maintaining control over the hiring process, they have started recruiting professional managers. According to boss interviewees, the presence of a specialised manager prevents ‘complicated feelings’ from interfering with employment relationships. In addition, most of the professional managers are not local and often come from other provinces, which makes it harder for them to establish ties with workers that go beyond professional bonds or to create their own business locally, which limits potential new competitors.

Hiring a professional manager to systematise the relationship between employers and employees also enables business owners to create much stricter discipline and to enforce this in a more systematic manner. A business owner explained: ‘I have an office director. He has a written guideline, and it must be systematic, to manage people well. You have to follow the system.’

Much of this new attempt at stricter discipline derived from study sessions organised by the local government. A local entrepreneur told me, for example: ‘The government organises study sessions for us. We learn new management techniques that we had not thought of, or that we were previously not able to implement.’ Entrepreneurs also learnt from enterprises they considered to be more advanced elsewhere in the country, especially in coastal southern China, with whom they regularly organise exchanges and study sessions. As one business owner explained: ‘We learnt about [these new management techniques] in south China, because the south is more advanced.’

Making labour control more systematic reinforces the impersonal nature of the employer/employee relationship. It also emphasises the distinct nature of the roles of business owners, managers, and workers—a shift that includes a moral component, as business owners claim to transform peasants into modern, disciplined workers. Following influences from southern China, thoughts about modernity go hand in hand with the encouragement of an increasingly strict disciplinary regime in Xishan County’s factories. One entrepreneur, for example, told me that workers in Xishan County, unlike workers in southern provinces, were difficult to work with because they were ‘backwards’ (落后) and not disciplined. In Wuchang factory, the boss often talked of his attempts to enforce stronger discipline and to train workers who otherwise would be left to their lazy habits.

Clumsy Attempts at Re-creating a Patriarchal Relationship

But systematic labour control, encouraged by state-sponsored training and by entrepreneurs from southern provinces, is not well accepted by workers, who resist it through foot-dragging or by quitting their job. Several workers told me they would not hesitate to quit their job if discipline was to become too harsh and not allow them some
flexibility to take care of their family. This is why, along with depersonalising and systematising their relationships to their workers, big local business owners also try to re-create a paternalistic relationship, in more subtle and more controllable ways than they did when they started their business. For example, they organise lunches and trips together with their workers, provide rewards for good work, and give inspirational speeches.

One anecdote observed at Wuchang factory particularly illustrates this process. About two weeks after the spring festival, the boss and his wife invited all the workers for lunch in a rather upscale restaurant nearby. All female employees (amounting to about 90 per cent of the company’s workforce) sat at one table, while the few male employees sat at the boss’s table. The boss’s wife sat at the men’s table, but on numerous occasions she came to chat with the women workers. Before anybody started eating, the boss stood and made a speech, in which he blamed the employees for lacking discipline. His first concern was that workers should not look at their mobile phones during working hours. Second, if employees stayed at the factory for lunch, they should take a shorter lunch break. Third, from now on, he explained, workers could not arrive late to work. The factory gates would close at 7.30 am and those who arrived late would have to apologise and ask for permission to enter. As a conclusion, the boss exhorted workers: ‘Stop being lazy! Work more to earn more and give me a good reason to hire you.’ Next, the professional manager also stood and gave a speech. He insisted that workers should always leave their machines clean at the end of the day. Last, the boss’s wife took the floor, wishing everyone a happy Women’s Day and encouraging women to toast and drink together.

This anecdote illustrates the attempts to enforce strict discipline within the factory. The insistence on cleanliness and punctuality is symbolic of the transformation business owners expect from local workers. The opposition in the language used to talk about workers (‘lazy’, ‘dirty’, ‘unwilling to work hard’) and bosses (‘clean’, ‘well-intentioned’, ‘hardworking’) reveals the distancing process at work, even as the speech’s intended purpose was to re-create proximity between them. The infantilising discourse about workers—which is intended to turn them into better, modern, and ‘disciplined’ labourers—emphasises the distance between them and their employer, and shapes the social identities of both groups.

The speech also revealed the clumsiness and ineffectualness of the boss’s attempt at re-creating a friendly relationship within the factory. The fact that bosses and workers were not sitting at the same table and that only one side got to publicly express their opinions effectively divided the company into two groups—‘bosses’ and ‘workers’—and widened the distance between them. The female workers, in this process, silently resisted the introduction of disciplinary measures to control their work. By ignoring or mocking the speeches, they took back the initiative of creating a distance between themselves and the bosses. This dual distinction process, reflected and enacted on both sides, contributed to the formation of distinct social identities for everyone in the factory, including the boss and the workers, and those positioned between the two groups.

Growing Impersonality and Diverging Identities

The trend in labour relationships over the past few years has been one of declining proximity and increasing formality. Despite the cultural commonality between workers and bosses who were born and raised in similar backgrounds, both have consciously lowered the emotional and organisational proximity between one another. Several factors brought about such a shift: the growing size of local businesses, changing attitudes towards labour and entrepreneurship, but also interpersonal networks, and the exchange of information between local business owners and the local government, as well as their peers in southern China.

Despite this general trend, there is still considerable local diversity in terms of interpersonal proximity and the emotional bonds between bosses and workers. Larger entrepreneurs, more connected to their southern counterparts, paved the way
to intentional distancing and depersonalisation of labour relationships, while smaller entrepreneurs, more closely attached to their villages and more emotionally tied to their workers, had very different ideas of themselves and of their position in the local community.

Through the intentional distancing and depersonalisation of labour relationships, the distance between employers and employees from similar farming backgrounds has widened and two social identities, that of the worker and that of the boss, have emerged over the past decade.