

## 2 Moving beyond Shanzhai? Contradictions of Platformized Family Production in the Planetary Network of E-Commerce Labor

Lin Zhang

One evening in 2016, I sat down with an e-commerce entrepreneur at a roadside barbecue stand in W village—a Taobao village in East China’s Shandong Province specializing in the production and sales of handicrafts.<sup>1</sup> I became interested in rural e-commerce when I first visited W village in 2010. Over the past decade, I have witnessed the rapid expansion of e-commerce not only in W village but also across the country. By 2020, 1 percent of all villages in China (5,425) were branded as “Taobao Villages” by the e-commerce corporation Alibaba.<sup>2</sup> Despite the media hype about the “Taobao Village Phenomenon,” my informant told me, “The golden days of rural e-commerce have passed,” and a large number of entrepreneurs in W village are struggling to make enough money to support their families: “We are trying very hard to upgrade the industry and move beyond the *shanzhai* logic of production.” He went on: “E-commerce has indeed made some of us rich, but vicious competition also threatened community solidarity and caused more interpersonal conflicts.”

*Shanzhai*, literally meaning “mountain strongholds,” initially appeared in ancient vernacular Chinese novels to describe the military fortresses created by Robinhood-like martial arts-practicing bandits in political exile from the imperial establishment. The contemporary usage of *shanzhai*, referring to manufacturing practices based on copying and accumulative minor modifications often in defiance of intellectual property rights, usually traced to the cottage industry of family-owned subcontracting manufacturing businesses prevalent in Hong Kong since the 1950s. These small businesses rode on innovations in a networked global division of labor while revitalizing traditional Chinese family production practices. This hybrid production system made Hong Kong, along with a few other countries and regions in East and Southeast Asia, a new frontier of global capitalist accumulation. Mainland China became a beneficiary of the system in the late 1970s, when it embarked on market reform, and emerged as a global manufacturing powerhouse in the 1990s.

However, it has been the southern coastal manufacturing hub Shenzhen's industrial ecosystem of shanzhai mobile phone production and sales that has garnered and sustained the most public attention (Ho 2010; Wallis and Qiu 2012; Zhang and Fung 2013; Chubb 2015; Lindtner 2020). This system has repurposed the informal and flexible but sophisticated networked division of labor, formed through export-driven manufacturing of global brands like Apple and Samsung, to create more affordable and versatile products for less affluent consumers in China and other developing countries. In the past decade or so, the system in South China has kept evolving—from manufacturing cheap global brand knockoffs for globally competitive Chinese indigenous brands like Huawei and Xiaomi, to forming a burgeoning incubating ecosystem for cutting-edge tech start-ups from around the world (Lindtner 2020).

In parallel to the development in Shenzhen, a new hybrid regime of what I call “platformed family production” emerged in rural China with the introduction of e-commerce. In turning peasants into e-commerce entrepreneurs and consumers and connecting rural manufacturing to e-commerce platforms, the hope is to upgrade Chinese manufacturing, transcending the existing regime of shanzhai to increase the value added in production through innovation and branding. The digital platform emerged, according to Nick Srnicek (2016, 4), in the aftermath of the 2008 global financial crisis as a “new business model” to revitalize a sluggish global capitalism. Platforms are two-sided markets that “bring together users, capture and monetize data” and “[need] to scale to be effective” (Woodcock and Graham 2020, 19). China, in particular, has embraced digital platforms in its effort to restructure an imbalanced economy. In the aftermath of the 2008 crisis, awakened to the unsustainability of and risk posed by an economy that was overreliant on low-value-added export-driven manufacture, the country embarked on a major national restructuring with the goal of transitioning into an economy propelled mainly by indigenous innovation, service industries, and domestic consumption. In a densely populated country with a huge rural population,<sup>3</sup> rural e-commerce carries the hope of forging an alternative path of rural development to unlock a more humane and sustainable model of development in China.

The new hybrid regime of platformized family production, in particular, is celebrated for its potential to reenergize the rural economy through a synthesis of existing rural manufacturing capacity; family-based organization of labor; and e-commerce's platform-mediated model of production, sales, and consumption. However, what is often missing from both the celebratory narrative of the platform economy and some critical research on digital labor is a reckoning with the escalating tensions between the distant nature and massive scale of e-commerce—which relies on and is embedded

in the planetary networks of digital capitalism—and the local and material practices of village-based e-commerce production.

This chapter broadens the scope and meaning of the term *digital labor* to demystify the much-celebrated figure of the autonomous, individualized e-commerce entrepreneur in rural China by depicting the embeddedness of e-commerce work in a network of historically formed, gendered division of labor in the villages and in the collective social production on the Internet. As I will show, it is the articulation of and tensions between the individualized and intellectual property-conforming “immaterial labor” idealized by planetary networks of production, and the collective and hybrid (manual and intellectual) nature of productive and reproductive labor on the ground, that shape the experiences of digital work in the Chinese countryside (Hardt and Negri 2005).

The copresence of manufacturing and creative labor in W village allows us to scrutinize not only the blurring and imbricating of the two but also their intensifying tensions and how such tensions are manifested along gender, class, and generational lines. This positioning makes rural China a particularly interesting site to deconstruct the universality and novelty of technological entrepreneurialism and its empowering and democratic promises. In doing so, the chapter also counterbalances digital labor studies’ Western centrism by methodizing (rather than objectifying) China—that is, acknowledging the West as a part of the formation of Chinese subjectivities that entered into Chinese history “in the form of fragmented pieces,” but never in “a totalizing manner” (Chen 2010, 223).

Similar to platformized family production, shanzhai in W village is a product of the creative synthesis of a planetary system of capitalist production and local handicraft-making traditions. Public perceptions of shanzhai exist on a spectrum. At one extreme, we have outright condemnation and dismissal of shanzhai as mere counterfeiting and an obstacle to Chinese innovation.<sup>4</sup> Critics of shanzhai treat an idealized trajectory of capitalist development in Western societies as universal and subsume alternative experiences in non-Western or within Western societies as either a “lag” or a “lack.” For them, the hybrid regime of shanzhai stands as a “transitional” stage to a more “developed” and “modernized” state of capitalism or, as Eckstein and Schwarz (2017, 7) put it with regard to mainstream perception of non-Western piracy practices, “as a crucial phase in the establishment of peripheral markets which will, if not criminalized and more fully ‘developed,’ naturally grow into the modern domain of copyright.” At the other extreme, we hear enthusiastic celebration of shanzhai’s limitless revolutionary potential as a more democratic, effective, creative, and competitive alternative to the innovation system of Silicon Valley, defying Silicon Valley’s conformity to the global

intellectual property rights (IPR) regime while seamlessly combining manufacturing labor with design and marketing.<sup>5</sup>

With regard to rural e-commerce, I identify more with the latter perception of shanzhai production as a culturally specific and historically contingent trajectory of capitalist development. But in taking seriously rural e-commerce entrepreneurs' struggles to move beyond shanzhai, I feel ambivalent about the celebratory narratives about shanzhai's boundary-crossing and dichotomy-defying potential in resisting Western hegemony. Instead, my observation in W and other Taobao villages informs me that, as a hybrid model and a result of China's negotiated integration into global capitalism, shanzhai is simultaneously productive and frustrating for its practitioners. As we will see, the rise of rural e-commerce and platformized family production, building on while trying to transcend the shanzhai logic of production, only heightened existing tensions between individualization/commercialization and collective organization of labor and community in rural China.

I argue that the platformization of handicraft production in rural China privileges the individualized e-commerce entrepreneur as its ideal subject, fetishizes and instrumentalizes innovation and creativity in conformity with the global IPR, and valorizes intellectual and digital labor disguised as information technology (IT) entrepreneurship. These tendencies not only contradict the reality of collective labor organization both on the e-commerce platforms and inside the villages, but also conflict with the indispensable role of gendered manual labor in the production process. These tensions, while immanent in the planetary networks of digital capitalism and thus not particular to W village or China, are being accentuated and complicated by the overt hybridity of platformized family production in the Chinese countryside. That hybridity is seen in the coexistence in the same geographical and temporal space of platform-mediated handicraft labor and e-commerce labor; village-based family production systems and networked e-commerce trading; and residual small peasant and socialist collective identifications and the individualizing forces of entrepreneurial economy. The primary goal of this chapter, then, is to analyze these contradictions in the specific context of e-commerce in W village.

In the following pages, I will show how the platformization of rural family production, despite the entrepreneurs' desire to transcend the shanzhai logic, both builds on shanzhai production and intensifies the contradiction between individual profiteering and collective production that is inherent to the shanzhai logic. I do so by telling ethnographic stories about the "winners" and "losers" of entrepreneurial reinvention as villagers were forced to compete on e-commerce platforms and learn to brand rural identities. My goal is to show how a new regime of value and valuation has taken shape in the process of platformization of village-based family production, which reinforces

rather than overcoming inequalities and stratification in rural China. I tell these stories by drawing from data collected from several ethnographic trips (ranging from one to six months and conducted between 2010 and 2020) to a handicraft e-commerce village in Northeast China, as well as from archival research about the history of handicraft labor in the area and macropolitical economic data about rural e-commerce in China.

### **From Shanzhai to Platformized Family Production: Tensions in Planetary Networks of Labor**

Surrounded by marshes and rivers that are a natural habitat for wild bulrush, and short of arable land, W and the adjacent 32 villages under the administration of B county boast thousands of years of history making handicrafts using bulrush. In the self-sufficient, small peasant economy, straw shoes, grass fans, and cushions were woven mainly by women in the villages. The boundaries between innovation and copying and between mental and physical labor were blurred in this family-based and subsistence-driven village collective production system. Mothers passed weaving skills on to daughters, and villagers created new handicraft designs collectively through the natural process of diffusion.

This collective system of handicraft making was appropriated by the commune-based brigade enterprises in the early 1970s and then, when local (village and township) government became the organizer and coordinator of handicraft production, continued into the early reform years in the form of township and village enterprises (TVEs).<sup>6</sup> Since the late 1970s, an industrial chain for exporting handicrafts matured under the monopoly of the collective-owned No. 2 Handicraft Factory (hereafter No. 2). Older women weavers in the village recalled that most of their time during the agricultural slack season was spent weaving products, which they handed over on a weekly basis to village-based product collection centers; the products were then collected by No. 2. In the factory, the products were screened, packaged, and transported directly to the port city of Qingdao. From there, the handicrafts were shipped overseas to more than 20 countries in Asia and Europe, and to the United States. China's relative autonomy from the capitalist world system and its negotiated and gradual integration since the late 1970s had yet to generate a need for a capitalist IPR regime to ensure profit and incentivize innovation. This absence of a copyright/patent regime in cultural production under socialist state patronage reflected the broader national climate at the time (Han 2010). The incentive for creating new products, meanwhile, mainly came from the demand of the foreign businesses sourcing products from No. 2. By the late 1980s, weaving as a sideline production served the important functions of improving peasant family income and boosting B county's tax revenue.

Thus, in the absence of a copyright/patent system, the collective regime of handicraft production was formed initially under the small peasant economy based on the village lineage system, which, during the late socialist and TVE years, was repurposed to serve a state-commanded model of economy. This collective model became the foundation of the shanzhai production regime that emerged in the mid-1990s when handicraft production was privatized as part of a national trend following Deng Xiaoping's 1992 Southern Tour to advance China's economic reform.

Building on the handicraft subcontracting system established during the TVE era, the private export businesses boomed between 2001 and 2006. Growing overseas and domestic demand for woven products of all kinds prompted expanded production and diversified designs. New private handicraft factories and retail shops thrived in B County, keeping the female weavers busy at home while their husbands had to seek jobs in the cities due to the lack of work opportunities in the villages. Privatization and competition also created the issue of "piracy" by criminalizing "copying," which made village entrepreneurs aware of the need to protect intellectual property. The sharing and copying of designs, which used to be a benign community-building practice for thousands of years, and a nation-building practice in the socialist and early reform years, became counterfeiting and legal offenses when China became more integrated into the global capitalist division of labor as a manufacturer. Export business owners and villagers told me that during the boom years, it was a common practice for competitors to copy or appropriate each other's designs and sell the same and similar products at a lower price with impunity.

While the digitalization of handicraft sales through the mediation of the planetary production network carried with it promises to upgrade the industry beyond the export-oriented shanzhai model, the reality was more complicated. On the one hand, instead of competing with each other to manufacture for foreign brands like Walmart and Ikea and producing brandless high-quality products at a low cost, e-commerce entrepreneurs now competed with each other in innovation, branding, and pricing to tailor to the tastes and needs of a growing number of domestic e-commerce consumers. Technically, they had moved up the value chain to design, produce, and sell directly to customers. Intensified competition in the e-commerce marketplace and the open-sharing possibility of the Internet made it both more convenient and imperative for entrepreneurs to come up with new designs to distinguish themselves from their competitors in accordance with constantly shifting market trends and consumer preferences.

On the other hand, the search ranking-driven nature of Internet sales and the profit-maximizing algorithmic design of e-commerce platforms also discouraged rural entrepreneurs from investing their labor and time into designing and testing new products

and improving the quality of existing products. One example of how Taobao's algorithm encourages shanzhai, or practices of copying, concerns how a *baokuan* (爆款)—that is, a best-selling product on Taobao—is created. A *baokuan* is born when a product, along with its many shanzhai variations, becomes so popular that it's used almost ubiquitously by consumers in different parts of the country and sold by numerous vendors on the Internet (and sometimes offline). Alibaba implicitly encourages the creation of *baokuan*s by turning a blind eye on copying practices among listed e-sellers on its platforms because *baokuan* helps drive up search traffic and sales volume. Here the monopoly platform's overriding imperative of profit maximization, along with its nature as a digital landlord that profits by extracting rents from platform-based entrepreneurs, inhibits the entrepreneurs' innovative potential and perpetuates shanzhai production.

The phenomenon of *baokuan* reveals how platform-based sales encourage copying in production. The design of Taobao's complicated and frequently changing search-ranking algorithm and the availability of profit-maximizing paid marketing plug-ins like *Zhitongche* (直通车), however, work to discourage product innovation. *Zhitongche* is a paid search-ranking system that charges shop owners a per-click fee to help them improve their product-listing ranking on Taobao (Zhang 2020, 127). Village entrepreneurs told me that investing money and time into designing and prototyping a new handicraft design usually does not generate a commensurate reward for the innovators. Instead, it is much more profitable and cost efficient to copy or appropriate existing products, especially *baokuan* designs, while redirecting the capital saved into Taobao's paid marketing tools to bump up the product's search-result ranking. "People who invest into producing new designs often suffer," observed Lei, an art school graduate and urbanite who migrated to W village for e-commerce. He explained to me how e-commerce dampens the incentives for entrepreneurs to innovate and sometimes even hurts the quality of their products:

People are constantly watching at each other's sales figures online. Once they notice a new product that actually sells well, they will ask around, locate the weavers, and ask them to supply the same products. Alternatively, they will show the weavers that they trust the picture of the new product and have them produce copies, sometimes with a little modification. For example, they might change the color of a futon's decorative cloth or add a cover to a storage basket. Then when they create a new listing on Taobao, they will label their "shanzhai product" with the same keywords as the original but sell at a much lower price. Sometimes the profit margin is so thin that they have to cut corners here and there to outcompete other sellers selling similar products. Why waste time designing and making new products when your efforts only enrich your competitors' pocket?

As a result, even when they have ideas for new designs, village entrepreneurs are reluctant to put more capital and resources into research and development for fear that imitators will steal their ideas and profits. The prevalence of design copying and

appropriation in e-commerce at W village reflects the broader tension in the planetary network of digital labor. The Internet and other networked digital tools have energized both nonproprietary production and the practice of profiting from social production. Consequently, the distinctions between creativity and copying, and between individualistic profiteering and community-based collaboration, have become muddled (Jaszi 1991; Benkler 2006; Jenkins, Ford, and Green 2018).

The village-based family production network, meanwhile, further intensified the tensions between the embeddedness of labor and the planetary network's drive to extract profits. As we have already seen, the e-commerce in W village was built on the collective and open production network of village-based family handicraft making. That is, any e-commerce entrepreneur can choose to source a particular product from any weaver, though the relationships between e-commerce sellers and weavers are sometimes mediated by product collectors. According to Lei's account, this collective and open structure of production has made it easier to steal and copy one another's new designs. As Pei, another young e-commerce entrepreneur, explained to me, in the absence of a legally binding contractual relationship typical of formal business enterprises, the village production network overlaps with the informal lineage system of an agricultural society: "I can't keep my design away from my cousin, and he had to tell his wife about it. Then his wife's sister knows it too . . . and in no time, you see my design listed in every village shop's front page."<sup>7</sup> Platform-based market competition from other sellers, meanwhile, works to keep product unit price low, which results in the devaluation of handicraft-making labor. However, the platform itself benefits by pitting sellers against each other to offer high-quality products at a lower price to e-commerce consumers.

In fact, the tensions generated by the platformization of shanzhai production have been so thorny that they triggered a heated discussion at the 2013 inaugural Taobao Village Summit in Zhejiang Province. I participated in the Summit as part of my fieldwork. These tensions were the first topic brought up by Chen Liang, a senior researcher from Aliresearch, who chaired a panel discussion about the common issues facing Taobao villages. "Let's begin with the biggest challenge facing the upgrading of Taobao villages," he said: "How do we deal with *tongzhihua*?" (同质化, product homogenization). Then he invited the panelists to comment on the topic. One Taobao village entrepreneur confessed that shanzhai served a necessary function in platform-based and algorithm-mediated selling; he put it this way: "Taobao is a bottomless sea of commodities. If I am the only shop selling a specific product, few customers will notice me. Through copying and repeated sales of the same and similar products, we attract customer traffic towards these products, move up their platform ranking, and work together to create a baokuan." "However," he went on to say, "this would always lead to price wars and other forms of

vicious competition.” His comment generated much resonance with village entrepreneurs sitting in the audience. A few even jumped in to offer impassioned stories of vicious competition that had happened in their own villages. Nevertheless, the panelists were in consensus that shanzhai production is just an expediency, or a temporary and “immature” phase in the development of rural e-commerce, which will soon be transcended with the expansion and upgrading of industries.

What the panelists did not acknowledge is the contradiction between the individualizing logic of entrepreneurial competition and the collective nature of platform-mediated and village-based production. This contradiction, as I have shown, is inherent to the emerging planetary network of digital labor. In W village, only a few successful e-commerce entrepreneurs have been able to increase the value of their products through branding and self-branding, which has left other entrepreneurs feeling betrayed and marginalized. Rural e-commerce practitioners, as we will see, have to negotiate on a daily basis within the tensions resulting from the platformization of family and village-based production.

### **Branding Rural Identities: Going beyond Shanzhai?**

Branding has been a crucial strategy for e-commerce businesses in W village to improve their products’ value added, establish a loyal customer base, and stand out among the many competitors selling the same or similar products. For small, family-owned e-commerce businesses, the branding of their businesses has always been intertwined with the practice of self-branding or “the strategic creation of an identity to be promoted and sold to others” (Marwick 2015, 166). As Banet-Weiser (2012) has argued, branding is as much about culture as it is about economics, and it’s inextricably linked to the process of identity formation in the planetary network of digital capitalism. Branding and self-branding, as I will show, became another site where the tension between individualization and the persistence of collective (and to a lesser extent, family) relations and identities played out as village entrepreneurs strove to upgrade their businesses beyond shanzhai.

The planetary market rewards those who are better at converting their rural identities into value to be added to the products sold. On the one hand, learning to brand one’s e-commerce business is an individualizing process of locating and articulating one’s niche and positioning in the market to distinguish one’s business, or one’s self as an “enterprise,” from one’s competitors. Critics of neoliberal market subjectivities have often linked contemporary branding and self-branding practices to the formation of individualized identities. For example, Alice Marwick (2015, 170) has shown how successful Silicon Valley self-branders presented their identities as “divorced from

interpersonal and social ties,” existing “in a competitive, insecure business environment” and acting “primarily through social media.” Lily Chumley (2016, 125), in a different context, has described how art academy students in urban China learned to form brandable personal styles “through practices of self-narration and self-expression.”

However, for the rural e-commerce entrepreneurs I encountered during my fieldwork, branding and self-branding were often informed by the collective residuals of locale-based community identities and were mutually constitutive with the emerging collective politics of platform-based rural development (backed by the corporate-state nexus) and that of “buy-rural” consumer citizenship among urban middle-class Chinese. This persistent relevance of collective identities and politics, and their subjugation by the logic of capital in branding, find echoes in Banet-Weiser’s (2012) analysis of American commodity activism and Lilly Irani’s (2019) study of the branding of handicrafts in rural India. Irani, in particular, when talking about how middle-class designers taught rural handicraft makers product branding in India, noted the tension within the call to innovate through branding, as peasants were instructed “to tweak symbolic forms and material cultures while remaining within elite understandings of community, culture, and authentic group difference” (Irani 2019, 199).

As I will show with the story of Pei and Ling in W village, it is often incumbent on the rural entrepreneurs themselves to live through, if not reconcile, this contradiction of the entrepreneurial labor of branding. For peasant e-commerce entrepreneurs, successful branding and self-branding not only require a certain level of cultural/linguistic literacy and technical competence (such as digital photography, graphics processing, and web design skills) but also demand a cosmopolitan sensibility regarding the demands of the planetary market (i.e., the taste of urban middle-class consumers), the corporate agenda of e-commerce platforms, and the political imperatives of the state. These deterritorialized values constitute a new regime of differentiation and governmentality, disciplining the rural entrepreneurs while also opening space for them to reinvent themselves and their businesses.

Pei and Ling’s e-commerce business was deemed by many villagers the most successful in terms of branding. Having spent many years attending colleges and working white-collar jobs in a nearby city before returning to W village for e-commerce, they were more attuned to urban consumer tastes than other villagers, who had either stayed in the countryside their whole lives or only engaged in manual labor jobs in cities. The couple’s sociable and expressive personalities also helped them better adapt to the planetary market’s demands for personal expression, interactivity, and networking. After their return in 2008, they were the first in the village to register a trademark for their e-commerce business (in 2009) and the first to upgrade from Alibaba’s

customer-to-customer platform Taobao.com to its more advanced business-to-customer platform Tmall.com (in 2011).<sup>8</sup>

I first met the couple when I followed a team of visitors led by a group of county leaders on a “rural e-commerce village tour.” People familiar with Chinese politics would recognize those tours as an appropriation of the working method of socialist mass line politics, a set of ideological commitment and praxis at the core of the Chinese Communist Party’s social contract with the peasant and working-class citizens during the Maoist era. “The conditions in which the mass line had flourished are gone,” argues political historian Lin Chun; its rhetoric and tactics, however, proliferated in contemporary Chinese political economy (Chun 2019). During communist mass mobilization campaigns, exemplary rural villages and urban work units would be selected and thrust by the powerful propaganda machine into the national limelight as “model villages” or “model *danwei*” for others to emulate. Those models would then serve as sites to propagate the central state’s policy ideas and showcase local cadres’ political achievement (*zhengji*, 政绩) and became places of political pilgrimage for leadership teams from other work units or villages (Diamond 1983; Meisner 2016).

As I have argued elsewhere, Alibaba appropriated this model of socialist mass mobilization campaign politics to form an alliance with governments in the construction and promotion of the “Taobao Village Phenomenon” (Zhang 2020). This hybrid version of collective politics has informed the branding strategies of many of the rural model e-commerce entrepreneurs. They have strategically crafted their brands and self-brands in accordance with the commercial and political demands of the corporate-state nexus in promoting rural e-commerce entrepreneurship. Pei and Ling’s e-commerce business “*Mu Nuan*” was one of the most successful. The brand image of their business was meshed with Pei’s self-brand as a socially responsible young entrepreneur of rural origin who had returned from the city to his home village to “modernize” and digitalize traditional handicraft culture.

Pei’s rise started in mid-2013, when a journalist from the provincial TV station’s agricultural channel came to W to report on the development of village e-commerce. Riding on a succession of commercial and political waves, Pei’s career as a model e-commerce entrepreneur took off. In no time, his daily schedule filled with tasks like hosting guests on political pilgrimage to W, being interviewed by journalists from all over the world, and flying all over the country to attend award ceremonies, e-commerce workshops, and publicity events. This career culminated in the couple’s workshop being visited by the governor of Shandong Province on his inspection tour of W village in the same year. Soon after the high-level inspection tour, Pei was awarded the prestigious title of “National Young Leader in Rural Development” by the Communist Youth League and the Ministry

of Agriculture. Later in 2014, Pei was invited by Alibaba to serve as one of the eight bell ringers at the company's New York Stock Exchange initial public offering (IPO).<sup>9</sup>

One gets a glimpse of the couple's branding strategy, linking their personal entrepreneurial ambition with rural development and community empowerment, through the "brand story" told on the "About Us" page of their e-commerce shop. As shoppers click on the page, their attention is immediately caught by their brand logo, "Mu Nuan," juxtaposed with a close-up shot of a woman weaver's work-worn hands weaving a futon (see figure 2.1a). Mu Nuan's business goal, they find out, is to "rejuvenate rural handicraft industry, help absorb rural surplus labor, and promote rural economic development." As shoppers scroll down the page, they learn about the history of the local handicraft tradition and the steps involved in turning a wild bulrush plant into a finished futon. This storytelling about tradition serves as the backdrop framing Pei and Ling's entrepreneurial endeavor in digitalizing the age-old village industry and the public recognition that Pei and Ling and their shop have received over the years. In the middle of the page, shoppers are presented with three sets of photos and narratives showcasing the couple's achievements: hosting government officials such as the former governor of Shandong Province (see figure 2.1b), being interviewed by journalists from media outlets like the All-Russian State TV and China Central Television, and attending national political and commercial events.

Together, these visual and discursive branding materials tell a coherent story about both Mu Nuan and the peasant entrepreneurial couple. Through the story, the couple's personal identity as model peasant e-commerce entrepreneurs becomes thoroughly intertwined with Mu Nuan's brand image in giving social and cultural meaning to their labor. This "authentic" story evokes trust and respect from consumers searching for reliable sellers in a virtual shopping mall. By purchasing handicraft products from Mu Nuan, urban middle-class shoppers also derive virtuous satisfaction from supporting rural regeneration. Ultimately, Mu Nuan's brand story, like many other similar narratives about grassroots entrepreneurs on Alibaba's platforms, contributes to building the e-commerce giant's corporate image as a champion of grassroots empowerment and an ally of self-made entrepreneurs. This corporate brand image also aligns with the Chinese state's latest nation-building efforts in promoting rural economic and social restructuring through digitalization and microentrepreneurship. Here we see how an aspiration for personal entrepreneurial success and fulfillment becomes entangled with the corporate-state nexus's promotion of planetary market infrastructures in the practice of branding and self-branding.

However, while Mu Nuan's and Pei's brand images were built on the collective politics of corporate-state-nexus-backed digitalization of the rural economy, Pei had to



Figure 2.1  
Branding material from Mu Nuan's e-commerce shop.  
Source: Author.

carefully navigate the tensions between his individual achievement and his public role as a representative of collective politics. Pei's personal fame as a nationally recognized model entrepreneur not only connected him to elite political and commercial networks beyond the village but also made him an object of envy within the village. Some of the villagers I talked to questioned the authenticity of Pei's brand image and his motive in promoting village e-commerce. One villager confided: "I know it's a tough job being a representative of your village, not to mention being a national symbol for peasant entrepreneurship. They (the family) should get paid for the hard work. But it's problematic when you use your public image as a community representative for personal enrichment. What you do does not really benefit the community in any real sense. You are just a mouthpiece for the politicians and CEOs."

Later I learnt that this village entrepreneur was caught up in a price war with Pei over a new line of handicraft products sold on the Internet. He suspected that Pei had received preferential algorithmic treatment from the platform so that "he could live up to his role as a model entrepreneur." His suspicion was echoed by several other village entrepreneurs. Although such allegations could be groundless speculation motivated by jealousy and personal grudges, they spoke to the escalating interpersonal tensions within the community resulting from e-commerce. Other villagers questioned the logic of the new economy. They felt that it was unfair for the corporate-state nexus to promote a few individuals as model entrepreneurs, and then publicize their atypical experiences to hype up e-commerce. "I don't feel represented at all by the media propaganda," one villager shared: "All those publicities about e-commerce village did was to drive more people into an already overcompetitive market. My e-commerce business is suffering now because of competition, and no one wants to hear my story."

Herein lies the contradiction of the expansion of the planetary market in rural China. While it appropriates the village-based regime of handicraft production and the collective politics of mass line mobilization, by rendering rural development and peasant labor "entrepreneurial," the government has essentially aligned with digital platform monopolies in offloading responsibility for peasants and the countryside to individuals: "If your fellow villagers can do it, you can do it too!" The branding narratives, while tapping into the village handicraft tradition and community-based division of labor, celebrate personal empowerment and digital entrepreneurship, and romanticize the hard physical labor of weaving. From reading the media coverage and brand stories, we wouldn't know the personal contingency and corporate-state promotional efforts involved in cultivating a model entrepreneur, not to mention the sense of alienation that villagers have felt from this publicity. The entrepreneurial labor of branding in rural e-commerce, thus, is a practice of appropriating community-based

rural identities and traditions to package and sell a niche product or an “authentic” self in a competitive market. In doing so, it has privileged “the individual, rather than the social, as a site for political action (or inaction) and cultural change (or merely exchange)” (Banet-Weiser 2012, 10).

The planetary market rewards those who are more adaptive to its logic of accumulation, which has constituted a new regime of subjectification and differentiation in shaping peasant identities. It has certainly opened up more opportunities for those villagers who are more outgoing, more expressive, better educated, and more “urban” and “middle-class.” However, it also reinforces existing regimes of inequality along the lines of gender, age, education level, migration experiences, and economic standing. As I have shown elsewhere (Zhang 2017), the rise of e-commerce, coupled with the availability of more desirable alternative labor opportunities for younger women, the intergenerational power shift, and the rise of intravillage economic inequalities, has contributed to the devaluation of handicraft labor and the declining socioeconomic standing of women weavers relative to that of the e-commerce entrepreneurs. This depreciation of gendered handicraft labor, in turn, has deepened class and generational inequalities among women in the area. In contrast to the expanding army of e-commerce entrepreneurs and the celebration of Internet-based entrepreneurship, the number of handicraft makers has dwindled in the past decade.

Even within Pei’s family, his self-brand as a young male entrepreneur overshadowed the contribution of other family members. When Pei was busy attending public events and socializing with political and corporate elites to maintain the visibility of his self-brand as a model entrepreneur, his wife and parents had to take full responsibility for the family business while taking care of his three young children. However, Pei had been the sole recipient of most of the political awards that the family business had garnered. In 2013 at the inaugural Taobao Village Summit, when I noticed that all of the rural e-commerce entrepreneur representatives invited to receive awards were males in their 20s or 30s, I realized that Pei’s family dynamic reflects the broader inequalities in the rural entrepreneurial labor regime.

## Conclusion

Through the case of the Chinese e-commerce village W, this chapter has traced the evolution of the hybrid regime of platformized family production in rural China and depicted the tensions produced when the individualizing drive of the planetary market to maximize profit contradicts the collective nature of platform-mediated and village-based practices of e-commerce labor. These tensions were already present in

the shanzhai production regime long before the rise of digital platforms. Although platformized family production has been celebrated as an alternative model of rural development, shanzhai have received a mixed evaluation as either an impediment to China's modernization or a creative challenge to Western-dominated capitalism. By historicizing platformized family production and shanzhai, this chapter highlights the continuities of the emerging platform-based planetary production networks from the infrastructures and practices of older regimes of the global subcontracting system (Woodcock and Graham 2020). It also maps the new tensions emerging between the embeddedness of digital work and the reterritorializing drive of the planetary networks of digital capitalism.

While acknowledging shanzhai as a culturally specific and historically contingent material formation of global capitalist production and recognizing the achievement of digital platforms in lowering the threshold of business entry for peasant entrepreneurs, I question the celebratory narratives about shanzhai and platformized family production. The experiences of rural e-commerce practitioners in W village challenge the techno- and culturalist optimism about a hybrid capitalist production regime. The challenges that e-commerce entrepreneurs encounter in innovation and branding speak to an intensified contradiction between individualizing entrepreneurialism and collective labor that is inherent to the new planetary system of digital production, which is itself accentuated in the overt hybridity of platformized family production in rural China. These hidden stories reveal the personal and collective challenges of and failures in entrepreneurial reinvention, which lay bare the limitations of IT-driven entrepreneurialization in resolving the systematic problems at the core of contemporary global capitalism—namely, persistent inequality, structural labor shortages, and the unchecked power domination of political and economic elites. While the digital economy has made new winners, it has also facilitated the confluence of new and preexisting systems of differentiation and inequality in rural China. The varied experiences of W villagers in the new economy remind us of the culturally specific ways in which transformations in the global capitalist labor regime are experienced by differently positioned subjects.

## Notes

1. "Taobao villages" are named after Alibaba's customer-to-customer e-commerce platform Taobao.com. According to Alibaba, a Taobao village is a village that generates RMB 10 million or more in e-commerce sales annually and has 100 or more active online shops on Taobao operated by local residents.
2. See AliResearch, "China Taobao Village Report 2020," February 8, 2021, <http://www.aliresearch.com/en/Reports/Reportsdetails?articleCode=167153834769125376>.

3. In 2008, roughly 53 percent of the Chinese population was rural; by 2018, the percentage had decreased to 40 percent. See <https://www.statista.com/statistics/278566/urban-and-rural-population-of-china/>.
4. For example, see [http://www.xinhuanet.com/2018-06/19/c\\_1123000916.htm](http://www.xinhuanet.com/2018-06/19/c_1123000916.htm).
5. This optimistic take on shanzhai is exemplified by *Wired* magazine's documentary about the shanzhai production system in Shenzhen. See <https://www.wired.co.uk/video/shenzhen-full-documentary>.
6. TVEs are market-oriented public enterprises under the purview of local governments. These enterprises emerged in the late 1970s and 1980s following China's economic reform. Many were established on the legacy of the commune and brigade enterprises founded during the Great Leap Forward and the later years of the Cultural Revolution.
7. For more information about the informal lineage system of the Chinese agricultural society, see the concept of "acquaintance society" (*shuren shehui*) in Fei, Hamilton, and Zheng 1992.
8. Tmall is Alibaba's upgraded e-commerce platform. Compared to its original Taobao platform, Tmall has a higher threshold of entry in terms of registration and maintenance fees.
9. Pei was not able to attend the IPO in the US because his visa was denied by the US immigration office.

## References

- Banet-Weiser, Sarah. 2012. *Authentic™: The Politics of Ambivalence in a Brand Culture*. New York: New York University Press.
- Benkler, Yochai. 2006. *The Wealth of Networks: How Social Production Transforms Markets and Freedom*. New Haven, CT: Yale University Press.
- Chen, Kuan-Hsing. 2010. *Asia as Method: Toward Deimperialization*. Durham, NC: Duke University Press.
- Chubb, Andrew. 2015. "China's Shanzhai Culture: 'Grabism' and the Politics of Hybridity." *Journal of Contemporary China* 24 (92): 260–279.
- Chumley, Lily. 2016. *Creativity Class: Art School and Culture Work in Postsocialist China*. Princeton, NJ: Princeton University Press.
- Chun, Lin. 2019. "Mass Line." In *Afterlives of Chinese Communism: Political Concepts from Mao to Xi*, edited by Christian Sorce, Ivan Franceschini, and Nicholas Loubere, 121–126. Canberra: ANU Press.
- Diamond, Norma. 1983. "Model Villages and Village Realities." *Modern China* 9 (2): 163–181.
- Eckstein, Lars, and Anja Schwarz. 2017. *Postcolonial Piracy: Media Distribution and Cultural Production in the Global South*. London: Bloomsbury Academic.

- Fei, Xiaotong, Gary G. Hamilton, and Wang Zheng. 1992. *From the Soil: The Foundations of Chinese Society*. Berkeley: University of California Press.
- Han, Dong. 2010. "Can I Own My Writings and Sell Them Too? A Brief History of Copyright in China from the Late Qing Era to Mao's China." *Chinese Journal of Communication* 3 (3): 329–346.
- Hardt, Michael, and Antonio Negri. 2005. *Multitude: War and Democracy in the Age of Empire*. Reprint. New York: Penguin Books.
- Ho, Josephine. 2010. "Shanzhai: Economic/Cultural Production through the Cracks of Globalization." Paper presented at Crossroads: 2010 Cultural Studies Conference, Lingnan University, Hong Kong, June 17–21, 2010.
- Irani, Lilly. 2019. *Chasing Innovation: Making Entrepreneurial Citizens in Modern India*. Princeton, NJ: Princeton University Press.
- Jaszi, Peter. 1991. "On the Author Effect: Contemporary Copyright and Collective Creativity." *Cardozo Arts and Entertainment Law Journal* 10: 293.
- Jenkins, Henry, Sam Ford, and Joshua Green. 2018. *Spreadable Media: Creating Value and Meaning in a Networked Culture*. Reprint. New York: New York University Press.
- Lindtner, Silvia M. 2020. *Prototype Nation: China and the Contested Promise of Innovation*. Princeton, NJ: Princeton University Press.
- Marwick, Alice E. 2015. *Status Update: Celebrity, Publicity, and Branding in the Social Media Age*. New Haven, CT: Yale University Press.
- Meisner, Mitch. 2016. "Dazhai: The Mass Line in Practice." *Modern China* 4 (1): 27–62.
- Srnicek, Nick. 2016. *Platform Capitalism*. Cambridge: Polity Press.
- Wallis, Cara, and Jack Linchuan Qiu. 2012. "Shanzhaiji and the Transformation of the Local Mediascape in Shenzhen." In *Mapping Media in China*, edited by Wanning Sun and Jenny Chio, 127–143. London: Routledge.
- Woodcock, Jamie, and Mark Graham. 2020. *The Gig Economy: A Critical Introduction*. Cambridge: Polity Press.
- Zhang, Lin. 2017. "Entrepreneurial Labor: Digital Work and Subjectivities in China's New Economy." PhD thesis, University of Southern California.
- Zhang, Lin. 2020. "When Platform Capitalism Meets Petty Capitalism in China: Alibaba and an Integrated Approach to Platformization." *International Journal of Communication* 14: 114–134.
- Zhang, Lin, and Anthony Fung. 2013. "The Myth of 'Shanzhai' Culture and the Paradox of Digital Democracy in China." *Inter-Asia Cultural Studies* 14 (3): 401–416.