author by Hong Kong NGOs. What's more, each informant – as is true in most interview-based research – does not provide an equal share of Leung's data. While it would be unreasonable to expect that they would, Leung ends up relying very disproportionately on just two individuals, who are married to each other and may in many other ways also be outliers among the population in question.

Even with the acknowledged weaknesses, this is an important book that demands the attention of all scholars of Chinese labour politics or social mobilization as well as students at both the undergraduate and postgraduate levels. The research is impressive and the perspective presented is both novel and – at least potentially – widely applicable.

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Unknotting the Heart: Unemployment and Therapeutic Governance in China JIE YANG Ithaca, NY: Cornell University Press, 2015 xxv + 255 pp. \$24.95 ISBN 978-0-8014-5660-2 doi:10.1017/S030574101500137X

This erudite, compelling, closely argued volume is the one that has cried out to be written ever since the massive, unprecedented layoffs of the late 1990s and early 2000s hit the old socialist-era proletariat of the "People's Republic." For, fashioned out of more than 100 interviews conducted over nearly a decade in Changping, a district in the Beijing suburbs, it tackles the troubles of the heart – the depression, despair, dispiritedness and helplessness that have beset workers formerly ensconced in urban enterprises that once took on their care as well as their livelihood. This study puts "trauma," "intensity of feelings," "marginalization and impoverishment" at the heart of the story (x, xi) in its exegesis of China's "therapeutic governance": a "loosely connected set of psychological expertise, representations, and governing technologies applied to the management of social problems from the perspective of therapy" (xv). The read is fascinating.

Yang traces the methods of "psychologization," a response to a "mental health crisis" that has hit the country. This is a "recent trend in population management in China," one that manipulates the unemployed by attempting to hoodwink them into believing their socio-economic problems can be solved by talk therapy and through assignment to make-work, "fake" jobs. In the process, what is made to appear as governmental "care" is substituted for true solutions, such as an adequate welfare system, the creation of new forms of employment or offers of appropriate, genuine training. The aim, writes Yang, is to conceal the state's own responsibility – in shucking these people off – for the plight of these once supposed "masters of the state."

Rather than, as other outstanding scholars have done (William Hurst, Ching Kwan Lee, and Mun Young Cho, among others), asking how the discarded have fared, this book instead chiefly investigates how the state essays to cope, via the institution and practices of psychotherapy, with these now marginalized members of a new underclass. The author relates how the state and its local actors draw upon "psychotherapy as a strategy of governance" (p. 198).



Yang brilliantly pushes through a thesis arguing that tools from Mao's kit have been refurbished to serve as a new form of "thought work," urging its subjects to shift from the "dependency" the *danwei* promoted to an individualized (as against, in Mao's time, collective) "self-reliance," rendering them at once pacified and passive, but able to contribute to the new market economy.

The emotions – the rage, humiliations, cynicism and embitterment that these people harbour – are highlighted in this treatise. Yang enriches her story by reference to parallels between this venture and what is modelled by Western therapeutic styles. At the same time she explains how general psychological theory is employed to inform Chinese concepts of *renqing* (human feelings, social relationships), gratitude and empathy.

Gender plays an important role in this study. Yang argues that both genders are essentialized, with women portrayed as caring and complacent, figured as having potential (*qianli*) for lending sympathy, and so tend to be pigeon-holed into jobs as *peiliao*, household companions who, through chatting, are primed to deliver solace and intimacy to wives who might also have been laid-off but who are financially prepared to pay for these services. They are also sometimes encouraged to become "entrepreneurs," e.g. to set up fruit and vegetable stalls as a mode of "self-realization" in the new marketplace.

Males, contrariwise, are seen as reservoirs of anger, a hidden threat (*yinhuan*) apt to turn violent. Consequently, the state's efforts at appeasement (*song wennuan*, sending warmth) are targeted mostly at men, in the hope of pre-empting their choler. The occupation reserved for them is the taxi-driver trained to spot and prevent suicide-prone passengers. The core of the whole endeavour, then, Yang contends, is to use unemployed persons to further the regime's project of development and stability.

While there is much to admire, I have some quibbles, plus some challenges to the interpretation. First the quibbles: Changping is just one place; how widespread is this effort? In eight summers of looking into urban poverty and the laid-off I have never encountered word of it. *If* the district is in some sense special, what makes it so? Secondly, there are typographical and other errors here and there; a few instances are references to Kevin O'Brien as Kevin O'Brian; *Luotou xiangzi* said to be a film, when it was first of all a novel. Ching Kwan Lee's *Against the Law* did not state that workers in the Northeast clamoured for legal rights; this was the demand of Southeastern workers. Lei Feng is sometimes Lei Feng, other times Leifeng. The book uses *pinyin* frequently, which is welcome, but would have benefited from the addition of a glossary providing Chinese characters. There is a fair bit of repetition.

More importantly, I would claim not that the state aspires to get these cast-offs truly to "actualize their potential," thereby *contributing to* the market economy so much as that it discards its own obligations by *abandoning* the laid-off to the market. Besides, in her telling, these people are placed in posts, however unappealing and temporary. Most of those I spoke with were not so lucky. Moreover, Yang speaks of the government's "inability" to provide "structural remedies" to the ills suffered by the unemployed (pp. 208, 212). But I would maintain that the Chinese state has had the fiscal wherewithal to solve the problems of the old proletariat; its decision-makers downplay the criticality of using their moneys in this manner.

Finally, it seems in places that "mental illness" is conflated with depression; at least the two are not sharply distinguished. And what is called "system reform" or "economic restructuring" is far from being "unfettered privatization" (p. 106), though, again, Yang conflates these terms. And despite some references to class and class conflict, the book's asserted linkage between the obfuscation of unemployed workers' problems and a new form of class conflict was not clear to me. Still, the overall impact of this book is unquestionably powerful. For those who wish to understand the disposition of the displaced, this is where to look.

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China's Path to Innovation XIAOLAN FU Cambridge and New York: Cambridge University Press, 2015 xvi + 434 pp. \$120.00 ISBN 978-1-107-04699-3 doi:10.1017/S0305741015001381

As students of contemporary China know, the concept of "innovation" (*chuang xin*) has become ubiquitous in public discourse. While the term is applied to everything, from government reform, to enterprise management, to popular culture, its official promotion is derived from China's commitment to build *technological* capabilities. And, it is this *technological innovation* which is the concern of economist Xiaolan Fu.

In studies of technological innovation in developing countries, including those focused on China, a long-standing debate has involved the relative importance of imported foreign technology versus indigenous innovation for meeting the technological needs of society. Fu has acquainted herself admirably with the extensive literature on this subject and makes this debate a key organizing principle for the book. She argues, rightly, that China's path to innovation should be understood as involving both the exploitation of technologies in the international environment and a robust commitment to building capabilities for its own research and development (R&D) and indigenous innovative capabilities. But, in discussions of China's approach to innovation, the specific characteristics associated with this path have sometimes been obscure and contested. This is particularly true with regard to the modalities of international technology transfers to China, to problems of assimilating foreign technology, and to the relative importance of foreign technology versus indigenous innovation at different stages of national development. Fu takes the challenges of shedding light on these issues seriously, and the book itself is organized into three sections dealing respectively with early technological take off, the building of indigenous capabilities during a catch-up phase, and the challenges of becoming a leader in "radical" innovations which set new technological trajectories.

Most of the chapters in the book are derived from previously published journal articles dating from 2008 to 2014. As a result, the volume has several distinct styles. Some involve technical econometric analysis of data from the first decade of the 21st century, with several chapters based on a 2008 enterprise survey conducted by the National Bureau of Statistics. Although one wishes, at times, for more recent data, these chapters are often provocative, especially as the econometric analysis teases out the relative importance of different factors contributing to the development of technological capabilities (various forms of foreign direct investment, the acquisition of tacit vs. codified knowledge, the impacts of enterprise ownership and firm size, etc.). Other chapters present case studies: the optical fibre industry, photo-voltaic (PV) solar panels, and accounts of Huawei and ZTE experiences in technological learning. The third section of the book identifies some of the well-known problems China faces in becoming a leader in radical innovation; many of her suggested solutions resemble measures introduced in key reform documents issued over the past two