

Knight, John B and Lina Song. *Towards a labour market in China*. New York: Oxford University Press. 2005. 258 pp. ISBN: 978-0-19-924527-7

Basing their argument primarily upon five survey-based data sets—the 1999 urban household survey and the 1988 and 1995 national household surveys of the Institute of Economics, Chinese Academy of the Social Sciences, and the 1994 national rural labor force survey and the 1995 four-city survey of rural migrants employed in urban enterprises from the Ministry of Labor—the authors study China's attempt to create a labor market. The study shows the rigidity and inefficiency of the rural and especially the urban labor situation from the 1950s to the 1990s, and analyzes the effects of Chinese attempts to overcome this inefficiency with labor reforms. Knight and Song provide a detailed analysis of wage structures, rural migrants, redundancies, and unemployment in the Chinese urban labor market and of labor allocation in the rural labor market. They conclude with a vision of the imperfect labor market, where the Chinese government will have succeeded in creating economic incentives and a functioning labor market alongside a social safety net like that developed in most Western democracies.