science serves something akin to what Marcuse referred to as "repressive desublimation" or the proliferation of transgressive experiences that do not serve genuine transformational ends but merely end by shoring up the very systemic logics that they are supposed to be against.

In the end, Thorpe succeeds in diagnosing the role of sociology as a handmaiden in the reproduction of our pathological social reality rather than a genuine means to undermine it. The hyper-subjectivism and social atomization created by neoliberalism has meant the dissolution of social solidarism and the decline of the possibility of a critical form of social knowledge with democratic, public aims. *Sociology in Post-Normal Times* is a book that should be read and discussed widely, for this reviewer fears that, if Thorpe is right, such books will be fewer and farther between.

Governing and Ruling: The Political Logic of Taxation in China, by **Changdong Zhang.** Ann Arbor: University of Michigan Press, 2021. 349 pp. $39.95 paper. ISBN: 9780472055012.

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Taxation has been a central issue in the Chinese political economy both in the past and present. During its two-millennia-long imperial history, taxation shaped state-society relations, class conflicts, and inter-elite competitions. While increasing the capacity to tax agricultural surplus buttressed state-making, Chinese emperors generally kept the tax rate reasonably low to maintain social stability and promote the market economy. When economic crises and military exigencies compelled the state to raise taxes, the growing perception of unfairness often triggered peasant revolts, eventually resulting in a dynastic transition (Zelin 1984:113). Such transitions did not undermine China's central position in the pre-capitalist world economy.

However, taxation became a significant problem in the nineteenth century, contributing to China's decline in the capitalist world system. With the rise of local predatory-military elites refusing to transfer the agricultural tax to the imperial center, the Qing dynasty's attempts to transfer the agricultural surplus to industrial entrepreneurs failed, rapidly undermining China's position vis-à-vis rising industrial powers such as Britain and Japan (Hung 2008). The failure of the Qing state and the subsequent Republican regime to resolve those problems paved the way for the founding of the People's Republic of China (PRC) by the Chinese Communist Party (CCP) in 1949.

The PRC leaders have envisioned effective taxation as an imperative for promoting economic growth, ensuring regime stability, and increasing geopolitical power. Rural collectivization during the mid-1950s enabled the PRC to penetrate the countryside more effectively than all previous Chinese regimes, which allowed the central government to collect the agricultural tax directly and keep farm prices lower than industrial prices, functioning as a hidden but substantial agricultural tax (Gürel 2019:1035). The reorganization of the industrial sector around state-owned enterprises (SOEs) allowed the government to tax industrial profits more easily than before. These policies facilitated China's rapid industrialization.

China's switch from a non-capitalist economy to state capitalism after 1978 created fresh tax-related opportunities and challenges. On the one hand, the flourishing private sector provided the government with a sizable tax base. On the other hand, it necessitated the establishment of a more sophisticated tax-collecting bureaucracy and made state-society relations increasingly complex. By expanding the central government's share in total taxes, the Tax-Sharing Reform of 1994 forced local governments to rely on extra-budgetary taxes and fees collected from the transfer of rural land to urban uses, raising tensions between villagers and local officials. Chinese farmers carried out massive anti-tax resistances throughout the 1990s, forcing the government to abolish the agricultural tax in 2006 (Takeuchi 2014). Likewise, rural resistance to land acquisitions has forced local administrations to raise compensation packages in recent years.

The use of tax audits to discipline and punish specific segments of the Chinese population and silence political dissent—long-term practices in reform-era China—has intensified during the Xi Jinping era. Unpaid taxes and tax evasion charges resulted in heavy fines imposed on several financial, real estate, and social media companies, accompanied by high-profile arrests in some cases. Hence, understanding how the tax system works remains crucial for making sense of the Chinese political economy.

Changdong Zhang's *Governing and Ruling: The Political Logic of Taxation in China* provides a compelling explanation of the role of taxation in the resilience of China's authoritarian state capitalism. Zhang criticizes contemporary fiscal sociology literature for focusing more on expenditure than taxes and failing to take taxation as an independent variable. Following the classical fiscal sociology of Tocqueville, Weber, and Schumpeter, the book treats taxation as a cause of socio-political change (pp. 5, 17, 33). Specifically, Zhang uncovers how taxation shapes state-society and state-capital relations with the ultimate goal of sustaining authoritarian rule. To this end, he combines "cross-regional comparison, process tracing, and large-N studies" (p. 7). Zhang draws on interviews (with officials, entrepreneurs, and academics in Beijing, Wuhan, Taiyuan, and Xi'an), published and unpublished archives (of the People's Congresses in one county of Shanxi province and one county of Zhejiang province), and various official statistics (pp. 7–11).

Building on Kung-chuan Hsiao, Milan Svolik, and Jennifer Gandhi's works, Zhang identifies "three governance problems" that are related to taxation: "social control," "cooperation," and "discipline of local agents." He also describes two dilemmas (the growth dilemma and the representation dilemma) that are closely related to these governance problems. Zhang refers to the works of Joseph Schumpeter, Charles Tilly, Michael Mann, Scott Gehlbach, Joel Migdal, and Margaret Levi, which demonstrate that the rise of modern "tax states" of the West was a conflict-ridden process, which compelled the states to concede democratic rights and representative institutions to tax citizens and businesses effectively. Hence, with increasing infrastructural power, western states' despotic power decreased. Zhang shows that the Chinese state aims to avoid this "representation dilemma." While enhancing its infrastructural/taxation power, it refuses to give up its despotic control over society (pp. 30–32).

Zhang notes that increasing taxation capacity may also lead to overtaxation of citizens and capitalists, thereby creating a "growth dilemma." Therefore, "to elicit mass cooperation for investing capital and labor in productive activities, rulers must provide a credible commitment that the government will not prey on investors and will protect private property rights" (pp. 30–31). Hence, governments must address cooperation and agent discipline problems to avoid the growth dilemma. Since the Chinese government intends to maintain the political status quo (of non-transition to liberal democracy), rather than finding long-lasting solutions to these challenges, it tries to walk a fine line between repression and limited representation and between despotic rule and Weberian bureaucracy. For Zhang, the Chinese government has utilized three mechanisms—a half-tax state, de facto fiscal federalism, and an under-institutionalized tax system—to resolve these dilemmas. The book's empirical chapters (Chapters 2 to 6) discuss these mechanisms in detail.

Chapter Two shows that China took significant steps toward establishing a "tax state" because of the development of the market economy, SOE reforms and privatizations, and the Tax-Sharing Reform of 1994. Since the early twenty-first century, taxes have constituted over 20 percent of the GDP and 60 percent of fiscal revenue. The private sector's contribution to tax revenue rose from almost zero in 1978 to two-thirds by today and is still increasing (p. 55). Nevertheless, China's transition to a tax state has remained incomplete for two main reasons. First, non-tax revenues consist of 40 percent of fiscal revenue. Second, direct taxes—composed of individual income, company income, and real estate taxes—make up only 30 percent of total tax revenue (p. 69). While the central government depends heavily on SOE taxes, local governments rely on non-tax revenues, especially land transfer fees. Citing a 2014 nationwide survey that found that more than half of respondents "do not know" whether their tax burden is high or fair, and only less than 10 percent saw their burden as high, Zhang argues that "relying on indirect taxes reduces citizens' tax perception, and therefore alleviates the representation dilemma" (p. 70).

Although reduced tax perception contributes to authoritarian resilience, China's "half-tax state" has been fraught with contradictions. Zhang claims that "SOEs rely on the power of monopoly to extract rent rather than innovation to gain profit, enjoy privileged access to land and bank loans that inflate their revenue, and generate inequality between industries" (p. 62). Reliance on indirect taxes also "leads to a narrow tax base and a high nominal tax rate" (p. 77), causing rampant tax evasion. It also helps maintain a regressive tax system, exacerbating income inequality. Moreover, local governments' extensive land use as collateral worsens their debt problem. Bursting housing bubbles have raised labor costs and undermined China's comparative advantage (pp. 64–68). Finally, villagers resist local governments' imposition of low compensation fees for land acquisitions, making "riots over land seizure" a major source of social unrest (p. 66). Therefore, despite its advantages regarding citizens' tax perception, the "half-tax state" fails to offer a long-lasting solution to growth and representation dilemmas.

Chapter Three examines the role of de facto fiscal federalism in China's political economy. Zhang notes that capital mobility was low in China in the 1980s and early 1990s and increased as the market economy matured by the mid-1990s. As a result, local governments "incrementally yielded to the demands of private entrepreneurs to promote economic development and increase tax revenue. As a result, governance quality has improved significantly" (p. 119). However, Chapter Four shows that this improvement has exhibited significant regional variation. Zhang's fieldwork-based comparison of a light industry county of Zhejiang and a coal mining county of Shanxi shows that "because natural resources are immobile, local political leaders do not need to improve the business environment" in resource-rich areas, whereas "in regions with high asset mobility, local political leaders have strong motivation to keep local investment and attract outside investment" (p. 125). Nevertheless, Zhang claims that even in regions with high asset mobility, "easy land revenue somehow demotivates the . . . efforts to improve governance quality . . . This state-led urbanization model reflects the immaturity of China's market system, in that the state still controls many resources (e.g., land). It also generates many negative effects on local governance, including government-business collusion and rising social resistance" (p. 119).

Chapter Five examines the Chinese government's effort to alleviate the cooperation problem by incorporating capitalists into the local people's congress (LPC) system. While lower-level congresses elect higher-level congresses through a process controlled by the Chinese Communist Party, township and county congresses are elected by popular vote, and independent candidates are allowed to participate. Direct elections provide opportunities for the Chinese bourgeoisie to increase its political influence. Zhang informs his readers that "about 30 percent of county-level LPC deputies in many regions are private entrepreneurs" and "high involvement of private entrepreneurs may heavily influence a region, especially given the growing importance of the LPC" (p. 150). This is especially the case in regions of high asset mobility, where "competitive and mobile industries have more independent private entrepreneurs who are willing to make aggressive proposals and monitor the government, while monopolized and immobile industries have more dependent entrepreneurs" (p. 171).

However, defying Barrington Moore and his followers, who view capitalists as driving forces of democratization, bourgeois representation through the LPCs does not lead to democracy in China. Local CCP branches prepare the final list of candidates even in the direct elections of township and county congresses (p. 162). Hence, LPC elections serve as the co-optation of the capitalists to the regime rather than providing them with an independent voice. Co-optation also shapes entrepreneurs' attitudes toward local elections. They often engage in voting-buying (pp. 164–65). While this is bad for governance quality, it helps authoritarian resilience: ''commercialization of elections may corrupt the LPC and weaken its representation function, therefore alleviating the representation dilemma'' (p. 151).

Chapter Six explains why and how such co-optation works. According to Zhang, China's ''under-institutionalized taxation system, characterized by very high nominal tax rates, tax officers' great discretional power, and a tax-target system that violates rule of/by law'' (p. 182), is a critical factor behind authoritarian resilience. High taxes lead to rampant tax evasion by private entrepreneurs. Government officials often turn a blind eye to tax evasion to attract investment and promote economic growth. However, this situation also enables the government to use tax audits as a repression tool. Fear of punishment compels entrepreneurs to cultivate good relations with the government. Hence, ''the under-institutionalized taxation system resolves the representation dilemma by generating fear and patron-clientelism'' (p. 185).

Chapter Seven reviews the achievements and challenges of China's half-tax state. Zhang notes that the under-institutionalized, half-tax state has sufficiently alleviated the growth and representation dilemmas and enabled China to become a politically stable middle-income country. However, China must establish a fully institutionalized tax system to escape the middle-income trap and move up in global value chains. For Zhang, such a transition requires a system depending on direct and progressive taxation. He also claims that privatizing the existing SOEs and severing local governments' control over land are necessary for avoiding the middle-income trap. However, he acknowledges that implementing such reforms would inevitably weaken the foundations of authoritarian resilience, bringing the representation dilemma to the front and center of Chinese political economy (pp. 237–38).

Governing and Ruling takes a significant step toward resolving the puzzle of China's authoritarian resilience under state capitalism. However, the book suffers from several shortcomings. First, Zhang convincingly explains the role of regional competition for mobile capital in China's rapid economic growth after the mid-1990s. Yet he does not fully explain why the Chinese economy also developed rapidly from the late 1970s to the mid-1990s, when capital mobility was negligible. Given that India and numerous other countries of the global South had greater capital mobility but failed to reach similar growth rates in that period (Gürel 2019:1026), the political economy literature should pay greater attention to Mao-era legacies and the quality of governance during the early reform era to explain China's superior economic performance.

Second, Zhang portrays the Chinese SOEs as inefficient institutions lacking innovative capacity and calls for further privatization. A review essay on three recent books on the Chinese political economy, including *Governing and Ruling*, similarly comments ''Most of the supportive resources in China seemed to be allocated to the much less efficient SOEs rather than the most efficient private firms'' (Chen 2022:1402). However, the evidence for SOE inefficiency is weak at best. A recent empirical study finds that Chinese SOEs ''promote major technical innovations'' and ''long-term economic growth'' (Qi and Kotz 2020:112).

Finally, given the rise of regressive taxation in many countries, including the United States, in the neoliberal era (Centeno and Cohen 2012:326), Zhang's presentation of regressive taxation as a sign of China's ''partial market transition'' (p. 50) rather than its capitalist character does not offer a sufficiently comprehensive and convincing explanation. Notwithstanding, the book makes a robust and lasting contribution to the fiscal sociology literature.

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