China's Contentious Pensioners*

William Hurst and Kevin J. O'Brien

ABSTRACT China has seen a surge of working class protests in recent years. Many of these have involved retirees. Pensioners are found to be particularly prone to take to the streets because their grievances are intense and are widely perceived to be legitimate, they are "biographically available," and they often feel nostalgic for aspects of the Maoist past. Their actions also display elements of moral economic resistance. This article draws on the available literature as well as interviews with 30 workers, retirees, laid-off workers, managers and local officials in five cities.

Working-class protests have recently been flaring up in one Chinese city after another. Throughout the 1990s, the Ministry of Labour tallied thousands of public gatherings, strikes, petitions and demonstrations each year, and according to a trade union journal, 247 workers' demonstrations occurred in Henan during 1998 alone. Popular action by China's proletariat has become so common, especially in the industrial heartland, that central leaders now rate labour strife a major threat to social stability.[1]

There has only been limited research, however, on just who is involved in these incidents and why protests are occurring. Some analysts have examined contention by laid-off (*xiagang*) workers and have explored the factors that influence their participation.[2] Others have noted popular pressure applied by a range of city dwellers,[3] while observing that many protesters tend to be over the age of 40. But little is known about precisely who is fuelling this surge of contention and why members of certain social groups have been particularly prone to take to the streets.

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1. For the Henan report, see General Office of the Henan Federation of Trade Unions, "Analysis of workers' street demonstrations in Henan in 1998," *China Labour Bulletin*, No. 50 (1999). For nation-wide 1997 and 1998 Ministry of Labour data and leadership concerns, see Ching Kwan Lee, "The 'revenge of history': collective memories and labor protests in northeastern China," *Ethnography*, Vol. 1, No. 2 (2000), p. 219; Ching Kwan Lee, "Pathways of labor insurgency," in Elizabeth J. Perry and Mark Selden (eds.), *Chinese Society* (London: Routledge, 2000), p. 41; also Feng Chen, "Subsistence crises, managerial corruption, and labour protests in China," *The China Journal*, No. 44 (July 2000), p. 41.

2. Antoine Kernan and Jean-Louis Rocca, "Social responses to unemployment and the 'new urban poor': case study in Shenyang city and Liaoning province," *China Perspectives*, No. 27 (2000); Jean-Louis Rocca, "The rise of unemployment in urban China: the contradictions of employment policies," *China Perspectives*, No. 30 (2000), pp. 52–53.

3. Dorothy J. Solinger, "The potential for urban unrest: will the fencers stay on the piste?" in David Shambaugh (ed.), *Is China Unstable?* (Armonk, NY: M.E. Sharpe, 2000); Ching Kwan Lee, "From the specter of Mao to the spirit of the law: labor insurgency in China," *Theory and Society*, forthcoming.

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The Prominence of Pension Protests

Media coverage of popular protest in China is notoriously spotty and unreliable. The Henan report mentioned above is more complete than most. It shows that 55 per cent of the incidents in that province were centred on some combination of wage arrears, pensions and "livelihood difficulties," and that a further 26 per cent were based on grievances involving "poor labour relations" or "illegal dismissals." A survey of Chinese and foreign newspapers from 1996 to April 2001 also offers a glimpse into the complaints that precipitate popular action. Of 62 working class protests reported in *People's Daily*, *Worker's Daily*, *The New York Times*, *The Washington Post* and *AP News Service*, virtually all of them concerned benefits for laid-off workers (29 per cent), wages (34 per cent) or pensions (42 per cent).[4]

The prominence of pension protests became especially apparent during field research in two cities that had recently experienced labour unrest.[5] In Benxi, a railroad, coal and steel-industry city of just under one million in Liaoning, several laid-off coal miners related the story of a demonstration that some had engaged in and the others had witnessed during the summer of 2000. This action entailed a sit-in at the city government and was held to demand subsidies for *xiagang* workers who had previously been denied all benefits.[6] Other than this one exception, all other demonstrations of which they were aware (over 20 instances) were initiated by retirees and were held to demand payment of pension arrears.[7]

One of the authors of this article (William Hurst) stumbled upon two such protests in Benxi. On the afternoon of 25 November 2000, approximately 150 retired miners obstructed a major junction in the town centre for about two hours. They said that their pensions had not been paid in months and that their heat and other utilities had been shut off in the sub-zero November cold because their work unit could no longer pay the bills on their behalf. Nearly a year later, on 19 November 2001, a similar demonstration took place. About 100 retirees blocked the doors of the main city government building for several hours, shouting and carrying signs that proclaimed that their pensions had not been paid for over a

4. For gripping, detailed accounts of worker mistreatment and popular action, see Anita Chan, *China's Workers Under Assault* (Armonk, NY: M.E. Sharpe, 2001).

5. Interview, state-owned enterprise (SOE) manager, Benxi, November 2000; interview, 39-year-old female former SOE cadre, Benxi, November 2000; interview, 49-year-old female former coal miner, Benxi, November 2000; interview, 50-year-old male former printing press operator, Benxi, November 2000; interview, 36-year-old female former pharmaceutical plant worker, Datong, December 2000; interview, 34-year-old female former coal miner, Datong, December 2000. All the interviews for this article were conducted by William Hurst.

6. Interview, 42-year-old male former coal miner, Benxi, November 2000; interview, 43-year-old male former coal miner, Benxi, November 2000; interview, 38-year-old male former coal miner, Benxi, November 2000; interview, 49-year-old female former coal miner, Benxi, November 2000.

7. Some officials rate unpaid pensions the largest potential threat to social order. A high-ranking cadre in Benxi, for example, observed that firms always try to make pension payments, even when they do not pay wages or *xiagang* benefits. They do this, he said, because they are genuinely concerned with pensioners' livelihood and because local officials have learned to fear protests by retirees. Interview, November 2001.

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year. Though it was not possible to speak to the demonstrators on either occasion, several other interviewees, including one who was a manager at a large state-owned enterprise (SOE) and one from the city government, confirmed that protests over pension arrears and inadequate pension payments were "commonplace" and constituted the bulk of labour activism in Benxi.[8]

In Datong, a mining and defence-industry city of two million in Shanxi, two municipal officials, including one from the local public security bureau, noted that the city had been relatively quiet of late.[9] Both of them acknowledged, however, that a number of working-class demonstrations had taken place over the past few years. They said that all of these had been sit-ins at local government offices by retired workers demanding their pensions, while no popular contention by laid-off or current workers had occurred.[10]

There are signs that this pattern also holds in other cities. One worker interviewed by Marc Blecher, for instance, reported that only a tiny percentage of the many thousand laid-off workers in Tianjin ever "made a fuss," while "the people who protest down at City Hall are just old workers who are not receiving their pensions."[11]

Pensions, *xiagang* benefits and wages are all payments made to workers at various stages in their relationship with a firm. The main difference between these potential sources of unrest is not so much what protesters want – they all want to be paid what they feel they are owed – but who the participants are: employed workers, laid-off personnel or retirees. If the evidence from Benxi and Datong is representative, unpaid pensions occupy a special place in the minds of many members of the urban proletariat. What is less clear is why this grievance is held so dear.

China's Pension System

Beginning in 1951, pensions were guaranteed to all state-sector workers when they retired (age 55 for women and 60 for men).[12] Payments were set at a comparatively high level: roughly 80–90 per cent of the

8. Interview, 38-year-old male former coal miner, Benxi, November 2000; interview, 27-year-old female former steel worker, Benxi, November 2000; interview, SOE manager, Benxi, November 2000; interview, 42-year-old male foreman in an SOE, Benxi, November 2000; interview, 39-year-old female former SOE cadre, Benxi, November 2000; interviews, Benxi City Employment Introduction Centre, November 2000. One city official claimed that two or three retirees' protests occur each week in Benxi. Interview, November 2001.

9. Interview, municipal official, Datong, December 2000; interview, public security bureau official, Datong, December 2000.

10. Less than three months after these interviews, however, a violent confrontation between 2,000 laid-off miners and the police took place in Datong. *Foreign Broadcast Information Service – China: Daily Reports* (hereafter, FBIS-CHI), No. 309 (2001).

11. Marc Blecher, "The working class and governance in China," paper presented at the Forum on Governance in China, Institute of Development Studies, University of Sussex, 11–13 September 2001, p. 8.

12. Li Zhaoguang, *Yanglaojin zhidu yu ziben shichang* (*The Old-Age Pension System and Capital Markets*) (Beijing: Zhongguo fazhan chubanshe, 1998), p. 230.

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worker's salary at retirement.[13] Though inflation has eroded retirement benefits over the years, causing many retirees to complain that they can no longer live off them,[14] the obligation of state-owned enterprises to provide pensions has not been lifted. Payments to retirees under this system, however, are only as reliable as a given firm's finances and are not backed by the state. Rather, they operate on a "pay as you go" basis; no funds are set aside for retirement obligations and benefits are paid directly out of current contributions by younger workers.[15]

Throughout the 1990s, there were frequent calls to revamp the pension system. In 1994, for example, the Central Committee specified a multi-tiered set-up that combined pooled social funding with supplemental enterprise-sponsored pensions and individual savings.[16] More recently, Zhu Rongji and other top officials have recommended that the Centre play a larger role in guaranteeing pensions, and overhauls have been considered that would amount to a state takeover.[17] Many official publications have likewise argued that the "socialization" of pension obligations is necessary and that existing problems are not being ignored but are instead receiving the utmost attention.[18] Various reforms have been proposed in the last few years, with the most widely talked about involving provincially-managed funds, derived from firm and employee contributions, which are invested in a range of financial instruments and are supposed to become the primary source of funding for an employee's

13. Nicholas R. Lardy, *China's Unfinished Economic Revolution* (Washington, DC: Brookings Institution Press, 1998), p. 45. Some have offered slightly lower estimates, such as 70% of pre-retirement wages. Martin King Whyte and William L. Parish, *Urban Life in Contemporary China* (Chicago: University of Chicago Press, 1984), p. 73.

14. Interview, SOE manager, Benxi, November 2000.

15. Jiang Chunze and Li Nanxiong, "Zhongguo yanglao baoxian shengji tongchou yihou de maodun fenxi yu duice yanjiu" ("Policy research and analysis of contradictions resulting from implementation of China's provincial-level retirement insurance plan"), *Gaige* (*Reform*), No. 1 (2000), p. 91; The World Bank, *Old Age Security: Pension Reform in China* (Washington, DC: World Bank, 1997), p. 15; Li Zhaoguang, *The Old-Age Pension System*, pp. 81–82; Sarah Cook, "Readjusting labour: enterprise restructuring, social consequences and policy responses in urban China," in Malcolm Warner (ed.), *Changing Workplace Relations in the Chinese Economy* (New York: St. Martin's Press, 2000), p. 235.

16. Loraine A. West, "Pension reform in China: preparing for the future," *Journal of Development Studies*, Vol. 35, No. 3 (1999), p. 161; see also, Elisabeth J. Croll, "Social welfare reform: trends and tensions," *The China Quarterly*, No. 159 (1999), pp. 693–94.

17. Zhu Rongji has stressed repeatedly that on-time payment of pensions is the crux of social security reform and that China must develop a more reliable pension system not directly tied to firms, e.g. FBIS-CHI, No. 427 (2000). For more on Zhu's efforts to pacify the proletariat, see Solinger, "The potential for urban unrest," p. 85. See also "Jiakuai shixian yanglao shiye shehui fuli shehuihua" ("Quickly realize socialization of enterprise old-age welfare"), *Laoren tiandi* (*Old People's World*), No. 12 (2000). On the risk, however, that such reforms would make the state a "lightning rod for anger and protests" by "proletarians who might otherwise not find a way to connect with each other," see Blecher, "The working class and governance," p. 6.

18. "Quickly realize socialization." See also any of several central government reports over the past few years, including "Chengzhen yanglao baoxian zhidu de xianzhuang ji wenti" ("The present situation and problems of the retirement insurance system in cities and towns") *Guowuyuan fazhan yanjiu zhongxin* (*State Council Development Research Centre*), Document No. 115 (2000) in the series *Diaocha yanjiu baogao* (*Investigative Research Reports*), pp. 4, 7–11.

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pension.[19] So far this reform has advanced furthest in Liaoning,[20] and central authorities have announced tentative plans to implement it nationwide. Other measures that would shore up the long-term viability of the pension system have also been considered. These include lowering the income replacement rate, raising the retirement age, and drawing in more younger workers from the foreign sector and suburban township and village enterprises.[21]

Ongoing and proposed reforms aside, in most of the country there still is no effective programme for relieving troubled SOEs of their pension obligations,[22] and thus no safety net for retirees. Despite this, many firms have begun to delay or stop pension payments, either owing to a lack of funds or in an attempt to coerce the government into assuming more responsibility for retirees.[23] But even in those places where provincial authorities have taken over some pension liabilities from over-stretched firms, large shortfalls persist. Liaoning province, for example, the acknowledged leader in the socialization of pensions, still faced a 2.5 billion *yuan* deficit in its retirement fund as of early 2001.[24] In Liaoning's capital, Shenyang, underfunding became a serious and potentially explosive problem in the mid-1990s. By 1998, 27 per cent of the city's participating enterprises simply stopped making pension payments, leading to waves of protest until the municipal finance and labour departments stepped in with a 240 million *yuan* bailout.[25]

While the government has experimented with partial reforms, some SOEs have acted on their own to fill the breach. Despite their often precarious straits, sometimes verging on outright insolvency, some firms have come up with schemes to guarantee employee pensions. Many enterprises, for instance, have begun to "buy-out" (*maiduan*) workers when they are laid off, rather than participate in the officially-sanctioned

19. Ci Qinying, "Guanyu yanglao baoxian tongchou tiao kuai zhi zheng de sikao" ("Reflections on the conflict between vertical and horizontal powers over the collection of insurance fees for care of the elderly"), *Hubei daxue xuebao* (*Journal of Hubei University*), No. 3 (2000), pp. 95–98.

20. See FBIS-CHI, No. 427 (2000); also *Benxi ribao*, 2 February 1998.

21. West, "Pension reform in China," pp. 170–71.

22. In 1997, sweeping reforms of the pension system were announced. See FBIS-CHI, Nos. 210 and 247 (1997). Most interviewees claimed, however, that these reforms had not had much effect. On early implementation efforts, see Zhonggong Liaoning shengwei zuzhibu ketizu, "Guoyou qiye gaige yu fazhanzhong ruogan maodun wenti de diaocha baogao" ("Investigative report on various contradictions and problems of state-owned enterprises during reform and development") *Makesizhuyi yu xianshi* (*Marxism and Practice*), Vol. 51, No. 2 (2001), pp. 25–26; Jiang and Li, "Policy research," pp. 93–94. The World Bank, which helped draft the 1997 reforms, also acknowledges a slow start. The World Bank, *Old Age Security*, p. 68. The largest impact so far has been the lowering of retirement ages. Today, many retirees are in their early 50s, and some are in their 40s. Several interviewees said that the normal retirement ages are now 50 (women) and 55 (men); or even 45 (women) and 50 (men). This has of course only intensified difficulties in making pension payments. On retirees as young as 40 and an early retirement rate of over 30% in Shanghai, see Feng Chen, "The re-employment project in Shanghai: institutional workings and consequences for workers," *China Information*, Vol. 14, No. 2 (2000).

23. Interview, SOE manager, Benxi, November 2000; interview, former SOE manager, Benxi, November 2000; interview, municipal official, Datong, December 2000.

24. Zhonggong Liaoning shengwei zuzhibu ketizu, "Investigative report," p. 26.

25. Lee, "From the specter of Mao," p. 15.

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xiagang system (under which employees are retained as members of the firm, even after they have ceased to perform any duties).[26] Under the buy-out system, the enterprise makes a lump-sum payment when an employee is laid off, and the employee forfeits any future claim to enterprise resources. The firm also often deducts a portion of what is owed (or, in some cases, gives the worker the option of having a portion deducted) to pay for a pension issued through and administered by an insurance agency.[27]

Though the solvency of these insurance firms is by no means assured, the original employer is at least able to shift the responsibility for an employee's retirement on to a separate entity. While this is mainly intended to be a cost-cutting move that provides a mechanism for sloughing off huge long-term obligations,[28] it is also designed to provide a shelter from culpability if and when retirement liabilities cannot be met.

Why Pensions Inspire Protest: Entitlements and Dependence

Interviews with 18 workers and former workers in Benxi and Datong, and 12 in Chongqing, Shanghai and Beijing, suggest several reasons why pension protests have become so widespread. Almost without exception, they cited pensions as a more legitimate grievance than unpaid wages or *xiagang* benefits. One Benxi coal miner, for instance, had been jobless for ten years. During this time she had not received any payments from her former firm or the state – neither wages nor *xiagang* benefits – and had lost any health insurance coverage she once had claim to. She said, however, that she would never consider demonstrating in order to obtain the *xiagang* benefits to which she is entitled. Rather, she would protest only if, upon reaching retirement age, her pension were delayed or withheld, in which case she would not hesitate to fight for it with great resolve.[29] A Benxi mechanic made similar remarks. Despite managing to open a successful construction business after he was laid off and saving enough to support himself through old age, he claimed that he would protest or do "whatever it takes" to get his pension if it were withheld or delayed.[30]

Behind these comments lies a belief that pensions take precedence over most other grievances because they are a symbolic recognition by the state and firm of an employee's years of devoted service as well as a vital source of support for those who are too old to work. This was clearly the case for the Benxi coal miner, for whom it was morally wrong and politically unacceptable to force the elderly to support themselves. She

26. An overview of the *xiagang* system can be found in Hong Yung Lee, "Xiagang, the Chinese style of laying off workers," *Asian Survey*, Vol. 40, No. 6 (2000).

27. Interview, SOE manager, Benxi, November 2000; interview, bank manager, Benxi, November 2000; interview, 46-year-old female former building maintenance worker, Benxi, November 2000; interview, 34-year-old female former coal miner, Datong, December 2000; interview, 36-year-old female former pharmaceutical plant worker, Datong, December 2000.

28. See Lardy, *China's Unfinished Economic Revolution*, p. 140.

29. Interview, 49-year-old female former coal miner, Benxi, November 2000.

30. Interview, 50-year-old male former printing press operator, Benxi, November 2000.

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argued that those over 50 years old have a sacred right to not have to labour. Her convictions seemed to stem from a belief that pensions are the foundation of the social contract between state, firm and worker. Workers devoted their lives to building socialism in exchange for subsistence guarantees while they worked and a decent standard of living in old age. Though they toiled long hours for low wages during their working years, their health and livelihood after they retired were assured. Under these terms, non-payment of wages or a lack of *xiagang* benefits could be viewed as one more temporary sacrifice for the firm (just as large amounts of unpaid overtime or periods of "volunteer" labour in the countryside were seen during the Great Leap Forward and Cultural Revolution), but non-payment of pensions constituted a fundamental breach of contract. As retirees from the Chongqing Knitting Factory summed it up (in impeccable Marxist terms) when their retirement benefits were cut by two-thirds or more in 1992: pensions represent the work accumulation of past decades and constitute part of the surplus value created by one's labour.[31] A firm's obligations, in other words, may be deferred but they ultimately come due.

This sort of thinking was echoed in interviews with other laid-off and employed workers in Benxi and Datong. All but three felt that they were still guaranteed a pension upon reaching retirement. Very few had participated in any action to demand *xiagang* benefits or unpaid wages, but each of them stressed that they would seriously consider mounting a protest if their pensions were not tendered promptly and in full. For these workers only a failure to pay up during retirement would show that the firm had irretrievably reneged on its end of the employment bargain.

The three interviewees who felt that they had not been assured a pension also said they were prepared to engage in street protests if they did not receive some sort of retirement benefits. One of them emphasized that since his children had been laid off, he had no way of assuring his own, let alone his family's well-being once he could no longer do the odd jobs (such as street sweeping and snow shovelling) that he has relied on for the decade he has been out of work.[32]

Retirees, in many cases, have no other means of support than a pension. They are thus much more at the mercy of their work unit than their younger counterparts, for whom moonlighting, odd jobs or securing a new permanent position remain viable possibilities.[33] Older, sometimes

31. Elizabeth J. Perry, "Crime, corruption, and contention," in Merle Goldman and Roderick MacFarquhar (eds.), *The Paradox of China's Post-Mao Reforms* (Cambridge, MA: Harvard University Press, 1999), p. 319.

32. Interview, 43-year-old male former coal miner, Benxi, November 2000.

33. On second jobs, see Ching Kwan Lee, "The labor politics of market socialism: collective inaction and class experiences among state workers in Guangzhou," *Modern China*, Vol. 24, No. 1 (1998), pp. 11–13. Of course, laid-off workers are often relegated to unpromising occupations, too. See Dorothy J. Solinger, "The new crowd of the dispossessed: factory layoffs and the informalization of the urban economy," paper presented at the Conference of the British Association for Chinese Studies, University of Warwick, 14 September 2001, p. 11.

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feeble, retirees often simply cannot go back to work. Moreover, even if they somehow manage to find employment, there are few opportunities for the elderly to earn appreciable sums of money. A visit to a job placement centre in Benxi revealed that all the listings were restricted to applicants under 40 or required heavy manual labour.[34] Odd jobs commonly performed by *xiagang* workers also tend to require physical strength (loading and unloading construction materials and bulk goods, shovelling snow, breaking ice on pavements and roads with picks and spades, and so on) and employers hiring in informal labour markets in Benxi were clearly interested in finding the youngest and strongest workers available.[35] In Benxi and Datong at least, the only sort of jobs that many (mostly male) retirees could reliably land were bicycle or motorcycle taxi driver and bicycle repair stand operator.[36] The former is an occupation under regulatory assault in many cities;[37] the latter does not seem to be a line of work in which more than a few *yuan* can be earned each day.[38]

Some Chinese experts on labour issues maintain that retirees can rely, or ought to rely, on their children and relatives if their pensions are not forthcoming or are insufficient.[39] This argument, however, is problematic because it does not take into account that most of the localities that have problems with pension arrears have also been hard hit by lay-offs and have large backlogs of unpaid wages. As one former construction foreman in Liaoning observed, retirees in these locales cannot rely on their children for support because, in many cases, their children have been laid off or do not receive regular wages.[40] Though some retirees do indeed take odd jobs themselves, and this can provide some ready cash, their children are unlikely to be able to provide the additional income needed for their parents' often large medical expenses.[41] All but one of the *xiagang* interviewees working in odd jobs reported that they were able to earn at most a few hundred *yuan* per month. This was enough only for themselves and possibly their spouses and children, and sometimes not even that.[42] In these circumstances, they of course had little left over to provide for their aged parents.

In fact, in depressed cities such as Benxi, it is common for *xiagang* workers to turn to their retired parents for support and retraining ex-

34. Visit by William Hurst to Benxi Labour Bureau Career Introduction Centre, November 2000.

35. Visits by William Hurst to two informal labour markets, Benxi, November 2000.

36. Street sweeping is also frequently done by elderly women, though it is exceedingly low-paying and not practical for those with respiratory ailments.

37. Protests by bicycle and motorcycle taxi drivers often occur. The impetus is usually environmental regulations that restrict or prohibit vehicle use.

38. According to one such repairman in Beijing, none of the jobs he performs carries a fee of more than 2 *yuan*, and the most common repairs cost between .10 and .50 *yuan*.

39. Interview, professor, People's University, Beijing, August 2000; interview, professor, Fudan University, Shanghai, July 2000.

40. Interview, 42-year-old male former construction foreman, Benxi, November 2000.

41. Interview, municipal official, Datong, December 2000.

42. Interview, 42-year-old male former machine tool plant worker, Benxi, November 2000.

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penses. One laid-off coal miner, for example, relied on his father's meagre pension to pay a 750 *yuan* deposit to a taxi company that finally agreed to take him on after he had been out of work for 12 years.[43]

The problem of laid-off progeny has drawn increasing attention in the Chinese press. In 2000, a journal geared to the elderly detailed the travails of an extended family in which even a retired cadre, with his secure and reliable pension, could not be properly taken care of by his *xiagang* children.[44] If retirees with stable pensions must rely on their children, and their standard of living plummets if their children are laid off, retirees without secure pensions (or no pension at all) can only be in a worse situation when they turn to their laid-off children for help.

Workers' view of pensions as the ultimate entitlement and retirees' heavy dependence upon transfers from their work units suggest that pension gripes are perceived to be more legitimate and are felt more intensely than many other grievances. Moral indignation and survival needs are thus two reasons why pension arrears have so often sparked popular resistance.[45] Just as Feng Chen has argued that labour protests in general tend to erupt out of crises of subsistence,[46] retirees' protests erupt in response to acutely felt and perilously deep subsistence crises.

Moreover, the bitterness and deprivation that inspire protest are likely to spread as the over-60 population grows from 10 per cent of the urban total in 2000 to 13 per cent in 2010. With the state sector contracting and the number of retired workers increasing, strapped SOEs in some cities may find it increasingly difficult to make pension payments.[47] In Shanghai and Shenyang, for instance, the ratio of employees to retirees in SOEs has already fallen to about 2:1.[48]

Biographical and Life History Factors

Another factor that promotes activism is the biographical availability of retirees. The concept of biographical availability was developed by Doug McAdam to explain how busloads of American students came to participate in the "Freedom Summer" of 1964. Insofar as "going south"

43. Interview, 46-year-old male, former coal miner, Benxi, November 2001.

44. Mao Chunbo, "Zinü xiagang hou ruhe dai laoren?" ("How do laid-off children care for the elderly?") *Laoren tiandi*, No. 2 (2000).

45. Political opportunity is a third factor that deserves attention. One Benxi official, for example, argued that the city government recognizes the especially difficult situation faced by retirees and sympathizes with their concerns to a greater extent than is the case with laid-off or employed workers. Interview, November 2001. On the role that "political opportunity structure" plays in protest, see Sidney Tarrow, *Power in Movement* (New York: Cambridge University Press, 1998), ch. 5.

46. Feng Chen, "Subsistence crises," pp. 45–50.

47. From 1980 to 1998, the money needed nation-wide for pension funding jumped 41-fold. And in a survey of 28 cities only about half the workers eligible were participating in the socialized issuance of pensions. Reported in Dorothy Solinger, "Labour market reform and the plight of the laid-off proletariat," *The China Quarterly*, this issue.

48. Cook, "Readjusting labour," pp. 232, 235. On the growing number of retirees, see West, "Pension reform in China," p. 156.

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carried a much higher risk than most forms of popular action, McAdam hypothesized that free time and few other commitments played an important role in explaining whether or not students took part.[49] McAdam also argued that there is an age range within which high-risk activism is most likely. People tend to participate during a narrow band of years when they are old enough to be free of parental control, but not yet old enough to be bound by too many responsibilities of work or family.[50]

Despite their advancing years, Chinese retirees aged 50 to 65 or so are biographically available because they are perched between the demands of providing for children and the onset of extreme old age. Though McAdam does not consider this second period of availability, other studies[51] have shown that individuals in this age group frequently engage in protests which their younger counterparts shy away from out of fear that the consequences might affect their ability to secure their families' well being.

Protest in China is certainly an example of high-risk activism, even compared to Freedom Summer. Particularly when it is recalled that many retirees are trying to rely on their employed or *xiagang* children for much of their income, it is not surprising that younger workers are more wary of mass action than members of their parents' generation. Even if younger workers are not providing for their parents, they must still think about their children. As school fees and medical costs soar, so does the cost of child-rearing. The possibility of being arrested, beaten or otherwise sanctioned or rendered unable to work is much more daunting to a 30-year-old worker with a young child than to many 60-year-old retirees with grown children. As a young protester in Liaoning explained, when a police response to a series of large demonstrations seemed likely: "Young people dare not go again for fear of a crackdown. They have parents and children to take care of… Older workers are not afraid. They see no difference between starving to death and being killed."[52]

Another factor that encourages popular protest, also cited by McAdam,[53] is a personal history of activism. People who have been activists before are more likely to be activists again. The present generation of retirees and those nearing retirement is replete with individuals who spent much of the Cultural Revolution shouting slogans. Pensioners in this age group, as well as those slightly older and slightly younger, took part in mass mobilization, whether by choice or not, on a scale unmatched in almost any other society. It is worth noting that the two interviewees who expressed a willingness to take their grievances to the streets if their pensions were withheld were both radical activists and youth leaders

49. Doug McAdam, "Recruitment to high-risk activism: the case of the freedom summer," *American Journal of Sociology*, Vol. 92, No. 1 (1986), pp. 69, 83.

50. *Ibid*. p. 85.

51. On a depression-era pension movement that drew in up to 8.7% of Americans over 65, see Edwin Amenta and Yvonne Zylan, "It happened here: political opportunity, the new institutionalism, and the Townsend Movement," *American Sociological Review*, Vol. 56, No. 2 (1991), p. 254.

52. Http://www.SCMP.com, story dated 22 March 2002, accessed 24 March 2002.

53. Doug McAdam, "The biographical consequences of activism," *American Sociological Review*, Vol. 54, No. 5 (1989); also McAdam, "Recruitment to high-risk activism," pp. 68–70.

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during the Cultural Revolution and its immediate aftermath.[54] Many of today's contentious pensioners, in other words, were yesterday's Red Guards.

Looking Back to a Brighter Past

Retirees are also inclined to make nostalgic references to better times past. Several pensioners in Benxi and Datong, for instance, went so far as to say that China was better off in the 1970s and that they would gladly return to that era and give up any gains from reform.[55] As members of a generation that came of age during the heyday of state socialism, today's contentious pensioners are motivated in part by a sense of longing for the security and perceived freedom of their youth.

The idea of backward-looking social protest is not new to studies of contemporary China. Previous work has called attention to nostalgia for the Maoist era among urban intellectuals, students, rural residents and workers. Geremie Barmé has argued that many urban youth and others in China's cultural elite long for the days of moral fortitude and ideological struggle as an escape from a consumerist present in which their lives feel meaningless and empty.[56] Guobin Yang has noted that some members of the Cultural Revolution generation cling to a wistful view of the 1960s and 1970s that helps them deal with the anomie fostered by the post-Mao reforms.[57] Kevin O'Brien and Lianjiang Li have observed that an appreciable number of villagers pine for the days when Maoist campaigns kept corrupt local cadres in check.[58] Tamara Jacka has found female migrant workers in Hangzhou and Beijing who affirm "old-fashioned" Maoist ethics and who contrast them with the corruption, inequality and immorality of the present.[59] Ching Kwan Lee has written of a lingering moral presumption of lifelong employment and entitlement that offers a basis for state workers to criticise current policy. She traces shared

54. On the Cultural Revolution's part in instilling a sense of political efficacy in the working class, see Elizabeth J. Perry and Li Xun, *Proletarian Power* (Boulder, CO: Westview Press, 1997), p. 193.

55. On the effects of memories from adolescence on generational cohorts, see Howard Schuman and Jacqueline Scott, "Generations and collective memories," *American Sociological Review*, Vol. 54, No. 3 (1989).

56. Geremie R. Barmé, *In the Red* (New York: Columbia University Press, 1999), pp. 318, 323–324; also, more broadly, Geremie R. Barmé, *Shades of Mao* (Armonk, NY: M.E. Sharpe, 1996).

57. Guobin Yang, "Emotional memories: nostalgia and identity among China's red guard generation in the 1990s," paper presented at the Annual Meeting of the American Sociological Association, Washington, DC, 2000.

58. Kevin J. O'Brien and Lianjiang Li, "Campaign nostalgia in the Chinese countryside," *Asian Survey*, Vol. 39, No. 3 (1999); Lianjiang Li, "Support for anti-corruption campaigns in rural China," *Journal of Contemporary China*, Vol. 10, No. 29 (2001).

59. Tamara Jacka, "Working sisters answer back: the representation and self-representation of women in China's floating population," *China Information*, Vol. 13, No. 1 (1998), p. 62. For resistance by urban migrants that relies on newer, rights discourses, see Dorothy J. Solinger, *Contesting Citizenship in Urban China* (Berkeley: University of California Press, 1999), pp. 282–290. For state workers who employ the language of rights and citizenship, see Lee, "The 'revenge of history'." For rural people who do so, see Kevin J. O'Brien, "Villagers, elections, and citizenship in contemporary China," *Modern China*, Vol. 27, No. 4 (2001); Kevin J. O'Brien, "Rightful resistance," *World Politics*, Vol. 49, No. 1 (1996).

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perceptions and cultural frames partly to decades of state socialism and its claims of worker mastery.[60] Elizabeth Perry has also uncovered nostalgia among China's proletarians for "the fast-disappearing securities of socialism," while linking protests by some laid-off and retired workers to class analysis, a sense of entitlement, and an ethos that "it is right to rebel" that was nurtured during the Cultural Revolution.[61]

Present-day retirees, all of whom experienced the Cultural Revolution, are particularly likely to harbour feelings of outrage at the failing of today's crippled industrial giants. Although, like nostalgic peasants, they may be underestimating the downside of the past while conjuring up an idyllic era of material progress and unprecedented political inclusion, it is not altogether relevant that their feelings are in part based on an idealized view of "Maoism."[62] Myths about a radiant past[63] can of course inspire just as well as facts. And for some retirees it truly was a radiant past. For workers in many SOEs, the Cultural Revolution was a heady time when activism was encouraged, autonomy was high, and workers briefly acquired some real power over managers on the shop floor.[64]

Even in the years immediately after Mao's death, Chinese workers retained their high status. Two older factory officials in Benxi remembered the period immediately preceding the Third Plenum (1978) as a time of unprecedented shop floor harmony and financial well-being, not least because Hua Guofeng (and others) initiated a major investment programme that benefited the state sector.[65] And even well after the reforms began, pensions in particular remained a defining prerogative for permanent workers in SOEs; they distinguished proletarians from the rural masses, promised an early and comfortable retirement, reduced dependence on families, and enhanced personal autonomy.

Be it myth or reality, past experiences, dashed expectations, hazy memories or idealized views of yesterday's triumphs, all of these feelings together are more than enough to engender resentment over a worker's present marginality, poverty and powerlessness, and a yearning for the

60. Lee, "The labor politics of market socialism," p. 18; Lee, "Pathways of labor insurgency," p. 57. For more on workers' collective nostalgia for moral incentives, egalitarianism and comradeship, see Lee, "From the specter of Mao," pp. 35–37, 46.

61. Perry, "Crime, corruption, and contention," pp. 315–320, quoted text on p. 319. Elizabeth J. Perry, "To rebel is justified: Maoist influences on popular protest in contemporary China," paper presented at the colloquium series of the Program on Agrarian Studies, Yale University, November 1995.

62. Lee, "The 'revenge of history'," pp. 227–28; O'Brien and Li, "Campaign nostalgia," p. 391.

63. For this term, see Michael Burawoy and Janos Lukacs, *The Radiant Past* (Chicago: University of Chicago Press, 1992).

64. Andrew G. Walder, *Communist Neo-Traditionalism* (Berkeley: University of California Press, 1986), pp. 206, 218–19.

65. Interview, SOE manager, Benxi, November 2000; interview, trade union official, Shanghai, October 2000. On this investment plan, see Susan L. Shirk, *The Political Logic of Economic Reform in China* (Berkeley: University of California Press, 1993), pp. 35, 185, 206–209; Barry Naughton, *Growing out of the Plan* (Cambridge: Cambridge University Press, 1996), p. 62. Though Hua is commonly associated with the plan, Deng had a hand in it as well. See Dorothy J. Solinger, *Chinese Business under Socialism: the Politics of Domestic Commerce, 1949–1980* (Berkeley: University of California Press, 1984), pp. 115–16.

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days when the urban proletariat was respected and its members could expect a decent living from cradle to grave.

Retirees' Protests as Moral Economic Resistance

In Mao's China, relations between workers and SOEs were largely governed by the principle of reciprocal patron-client ties.[66] In exchange for obedience to managers and Party officials and curtailing consumer demands, workers were promised a modest income and generous welfare benefits. Such relations were at the heart of a "socialist social contract"[67] and their reciprocal nature extended beyond the firm to much of the rest of society.[68]

James Scott has noted that popular protest often appears when markets encroach upon subsistence rights and undermine long-standing ties between patrons and clients.[69] Although Scott's work on "moral economy" focuses on rural resistance in South-East Asia, pension protests in urban China have something of a similar flavour.

Chinese retirees often find that bonds to their firm have become frayed, sometimes to the point of breaking. Many feel that by failing to deliver a pension their former patrons are reneging on their most materially and symbolically important obligation.[70] As one retiree whose pension has not always been paid in full put it: "the state (*guo*) does not respect me now and does not try to keep even its most basic promises."[71] The depth of such feelings became especially clear in an interview with a senior SOE manager who complained about the droves of retirees who hounded him about their pensions. He said that these people just did not understand the basis of market reforms and they refused to abandon the outdated idea that the firm had a duty to attend to their every need. A municipal official likewise noted that retirees rejected market-based cutbacks and clung to outdated notions of proper relations between employees and firms. A new entrepreneur, who was a laid-off cadre, went so far as to say that his old colleagues and new employees (mainly *xiagang* SOE workers) needed a

66. Walder, *Communist Neo-Traditionalism*, pp. 162–189, 246–47, 250–51.

67. Tang Wenfang and William L. Parish, *Chinese Urban Life under Reform* (Cambridge: Cambridge University Press, 2000), ch. 1.

68. See, for example, Jean C. Oi, "Communism and clientelism: rural politics in China," *World Politics*, Vol. 37, No. 2 (1985); Whyte and Parish, *Urban Life in Contemporary China*, pp. 26, 72–73, 100–104.

69. James C. Scott, *The Moral Economy of the Peasant* (New Haven: Yale University Press, 1976).

70. Interview, 50-year-old male former printing press operator, Benxi, November 2000; interview, 43-year-old male former coal miner, Benxi, November 2000; interview, 49-year-old female former coal miner, Benxi, November 2000; interview, 36-year-old female former pharmaceutical plant worker, Datong, December 2000. See also Feng Chen, "Subsistence crises," p. 59; Perry, "Crime, corruption and contention," pp. 318–320; Rocca, "The rise of unemployment."

71. Interview, 68-year-old male, retired worker from a military enterprise, Chongqing, October 2001.

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period of "thought reform" to be shaken out of their old, non-marketized ways.[72]

Feng Chen and Ching Kwan Lee have raised important questions about moral economy arguments inasmuch as they have noted that some expected attributes, such as an open demand to restore the Maoist political order and a clear hostility to the emerging market economy, were largely lacking in the firms they examined.[73] Elizabeth Perry, on the other hand, has written of moral economy-based protests launched in the name of subsistence "occurring with remarkable frequency in recent years in both rural and urban China." Perry locates the origins of these actions partly in Mencian notions of rulership and argues that the socialist experience (in particular, the privileged position workers enjoyed) reinforced and reshaped traditional rights to subsistence.[74] Marc Blecher, writing about Tianjin, has also uncovered "latent and pessimistic collectivism" among some workers as well as reservations about the growth of the market.[75]

The situation in Benxi and Datong, if anything, was even more black-and-white.[76] With the exception of some managers and cadres, virtually all the working-class interviewees expressed open hostility towards market reforms, claimed that they and the country had been better off before reform began, and expressed varying degrees of desire to restore large parts of the Maoist social order. Some interviewees even suggested that Chinese society was beginning to resemble the corrupt, impoverished period before 1949 and that it had been on a downward course of expanding corruption and widening inequality since the early

72. Interview, SOE manager, Benxi, November 2000; interview, municipal official, Datong, December 2000; interview, 50-year-old male former SOE foreman, recently turned entrepreneur, Shanghai, October 2000.

73. See, Lee, "Revenge of history," p. 228; Feng Chen, "Subsistence crises," p. 44. Lee also documents an emergent citizen identity and demands for legal rights that reflect a world view in transformation.

74. Elizabeth J. Perry, "Challenging the mandate of heaven: popular protest in modern China," *Critical Asian Studies*, Vol. 33, No. 2 (2001): quoted text on p. 168; Perry, "Crime, corruption, and contention," pp. 317–18; see also, Kernen and Rocca, "Social responses to unemployment;" Rocca, "The rise of unemployment."

75. Marc Blecher, "What are Chinese workers thinking?" paper presented at the Annual Meeting of the Association for Asian Studies, Washington, DC, 28 March 1998. To be fair, Blecher also finds three orientations that do not support moral economic indignation nor a heightened likelihood of labour protest. On "widespread unhappiness but general compliance" among workers, not least owing to "the presence of a reserve army of the unemployed" and increasing fragmentation of the proletariat, see Martin King Whyte, "The changing role of workers," in Goldman and MacFarquhar (eds.), *The Paradox of China's Post-Mao Reforms*, pp. 195–96; also Blecher, "The working class and governance," pp. 7–9. On fragmentation providing a basis for working-class action, see Elizabeth J. Perry, "Labor's battle for political space: the role of worker associations in contemporary China," in Deborah S. Davis, Richard Kraus, Barry Naughton, and Elizabeth J. Perry (eds.), *Urban Spaces in Contemporary China* (New York: Cambridge University Press, 1995), pp. 303–304, 325.

76. A different situation may exist in booming coastal areas and in more marketized inland cities that have considerable private sector activity. On the importance of distinct local patterns, see Dorothy J. Solinger, "Clashes between reform and opening: labor market formation in three cities," in Bruce Dickson and Chao Chien-min (eds.), *Remaking the Chinese State: Strategies, Society, and Security* (London: Routledge, 2001), pp. 103–131.

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1980s.[77] One Benxi interviewee, for instance, ended a long statement about why "everything was better under the planned economy" by exclaiming: "an iron rice bowl is far better than an empty rice bowl!"[78] Another Chongqing retiree, who had lost his health coverage, nicely summed up this widespread sense of violation and outrage with the words:

> I worked my whole life to build this enterprise, to strengthen the army, to defend the fatherland and to construct socialism. All those years I laboured 15-hour days and I never took holidays, nor did I demand overtime pay. The factory should at least guarantee my health now that I'm old. If the work unit can't pay for it, the country should find a way. How can my unit and country ignore me now? This is not fair at all! Especially when the factory director is still making 150,000 *yuan* per year. If Chairman Mao were still around, such things would never happen.[79]

Although few interviewees sought to revive Maoism in toto, many did want to reinvigorate reciprocity and a subsistence ethic as governing principles of social life.

Conclusion

Once considered an important aspect of research on social movements, the analysis of grievances has been nudged out of the spotlight since the "resource mobilization" and "political process" approaches emerged in the 1970s and 1980s. To understand why Chinese retirees protest, however, the study of grievances must be pushed back towards centre stage.[80] Discontent arises for a multitude of reasons and it is intimately bound up with questions of identity and ideology;[81] in particular, some research suggests that large, suddenly-imposed grievances and "disruptions of the quotidian" arising from resource loss can play a critical role in inspiring collective action.[82]

77. Interview, 45-year-old male former chemical worker, Shanghai, October 2000; interview, 49-year-old female former coal miner, Benxi, November 2000; interview, 46-year-old female former building maintenance worker, Benxi, November 2000.

78. Interview, 42-year-old male former worker in a machine building firm, Benxi, November 2000. For a discussion of how economic reforms and market exploitation "activate the cognitive resources buried in received socialist ideology and rhetoric," see Lee, "From the specter of Mao," p. 4.

79. Interview, 72-year-old male, retired worker from a military enterprise, Chongqing, October 2001.

80. For efforts to draw more attention to grievances, see Karl-Dieter Opp, "Grievances and participation in social movements," *American Sociological Review*, Vol. 53, No. 6 (1988); Bert Useem, "Solidarity model, breakdown model and the Boston anti-busing movement," *American Sociological Review*, Vol. 45, No. 3 (1980).

81. Steven Buechler, *Social Movements and Advanced Capitalism* (Oxford: Oxford University Press, 2000); Jurgen Habermas, *The Theory of Communicative Action*, Vol. 2, trans. Thomas McCarthy (Boston: Beacon Press, 1987).

82. On the consequences of suddenly-imposed grievances on people of working class socio-economic status and higher, see Edward J. Walsh, "Resource mobilization and citizen protest in communities around Three Mile Island," *Social Problems*, Vol. 29, No. 1 (1981). On threats to taken-for-granted subsistence routines and collective action, see David A. Snow, Daniel M. Cress, Liam Downey and Andrew W. Jones, "Disrupting the 'quotidian': reconceptualizing the relationship between breakdown and the emergence of collective action," *Mobilization*, Vol. 3, No. 1 (1998), pp. 9–14.

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Like activism by some other groups and in other places, protests by Chinese pensioners occur largely in response to crises of subsistence. The hard times faced by retirees, however, are significantly more acute than those faced by younger Chinese workers and the non-payment of pensions is thus an especially intense grievance. Pensions also appear to be considered a sacred right in the eyes of both workers and the state. This perception only intensifies the resentment felt by many retirees and, in combination with genuine material urgency, can spur them into action.

Chinese pensioners are also apt to participate in protests because of their biographical availability. Freed from many of the demands of supporting a family, they are especially likely to mount protests to redress their grievances. Many retired workers also act out of a sense of nostalgia. Having started their careers at a time when workers were revered and their livelihoods were protected, many older workers long for a return to the days when they were respected and taken care of by the state. Having come of age during and just after the Cultural Revolution, many retirees furthermore have a personal history of activism. This also is likely to have a role in encouraging their present-day contention.

Finally, retirees' protests in China display elements of moral economic resistance. Conceptualizing popular action in this way enables us to get beyond the obvious point that retirees' protests tend to be more reactive than proactive.[83] It is also a reminder that activism for many retirees is based mainly on subsistence claims and a sense that reciprocal patron–client ties have been severed, while helping us think across time and space to compare contentious older Chinese with elderly activists elsewhere.

83. For, however, growing evidence of proactive claims, see Lee, "The 'revenge of history' "; Lee, "From the specter of Mao." For proactive claims in the countryside, see Kevin J. O'Brien and Lianjiang Li, "The politics of lodging complaints in rural China," *The China Quarterly*, No. 143 (1995), pp. 781–782; O'Brien, "Villagers, elections, and citizenship."

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