Introduction: Labor in a Changing China

Renqiu Yu
Purchase College, State University of New York

The experiences of the Chinese workers illustrate most dramatically the profound changes taking place in contemporary China. No longer the "leading class" in a socialist country, as proclaimed in the Constitution, many of them, especially the migrant workers from rural areas and the retired, the laid-off, the new urban poor, and farmers, are now reduced to being "the weak groups." They are voiceless and defenseless, the most vulnerable and desperate people in a society that is rapidly transforming itself through marketization and globalization.

The priority of post-Mao reforms has always been to foster an environment favorable and attractive to foreign and domestic investors and to promote economic growth; more often than not the interests of workers are neglected or sacrificed. At the same time, the reformers are also keenly concerned with political and social stability. Thus they have adopted a cautious and gradualist approach to dismantling the old socialist system and building a market-oriented economy, so as to avoid large-scale labor unrest and social turmoil. The study of Chinese labor in this transitional period is, therefore, inevitably related to the changes in state policies and their impact on labor, labor relations, and the Chinese society as a whole; the cooperation between the state and capital; the tension between the central authority and local governments; and economic growth and social justice.

As the reform programs were implemented in different regions at a different pace and in various forms so as to adapt to the local conditions, enormous diversities exist in the country, and it is difficult and misleading to make sweeping generalizations about China and Chinese labor. In the Fall 2006 issue, *International Labor and Working-Class History* published Richard Appelbaum and Nelson Lichtenstein's article on Wal-Mart's impact on factories and labor conditions in Southern China.[1] Now we have a special issue on Chinese labor. With their specific foci, the five articles in this issue should help readers gain a broad understanding of some of the major labor issues in contemporary China.

Our five contributors have been actively engaged in the study of Chinese Labor. Professor Ngok of Zhangshan University has been studying Chinese labor policy and labor legislation for more than a decade, while the other four scholars have carried out field work in different parts of China—Shanghai, Chongqing, and Dongguan, Guangdong—in the last few years, some as recently as the summer of 2007. Inspired by Michael Buroway's analytical framework and earlier studies by Ching Kwan Lee, Ngai Pun, and Anita Chan,[2] these articles provide rich descriptions and sophisticated analyses of Chinese labor

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relations and labor politics. The inclusion of invaluable interviews also personalizes and humanizes these academic studies through workers' own voices. Together these articles will help us understand the main trends and patterns of labor relations and the fluidity and complexities of all the issues concerning labor in contemporary China.

Xiaodan Zhang's fascinating study of the changing dynamics in shop-floor bargaining in both the socialist and reform periods (since 1978) clearly demonstrates the dramatic changes that have occurred in the status of Chinese workers. This case study, based on participant observation, argues that in the socialist period many poor workers were indeed attracted and inspired by the official rhetoric of equality and liberation that represented them as masters of the nation as well as of its enterprises. They enjoyed job security, health insurance, and social welfare; they also benefited from distinctive Maoist experiments, such as the program for "workers' participation in management" and "management's participation in production." While the state and management used such ideology to control workers and to maximize output, workers also learned to use the rhetoric to bargain more effectively with management. As Xiaodan Zhang observes, they would use "the official discourse about their status as being management's political equals as a weapon to fight against any perceived unfairness and despotic ways of ruling."

In the reform era, workers are no longer able to invoke such ideological rhetoric to support their shop-floor bargaining. With the state beginning to retreat and official emphasis no longer on equality but growth, workers have become contract laborers in a new labor market created by the state policies. The shop floor is still a contested terrain, but the dynamics of workers' bargaining are very different. The structural reforms since 1978 have certainly given management more power over workers, who now try to defend their material interests as well as basic human dignity with far fewer ideological and institutional resources.

Lu Zhang's article, focusing on the "lean-and-mean" production model and its labor control methods in China's automobile industry, further illustrates the Chinese Party-State's procapital and progrowth priorities in the reform era; indeed, the model often acts as the chief ally of profit-seeking businesses in adopting and shaping postsocialist labor control regimes. Based on a meticulous examination of the data collected at seven automobile companies, some foreign-owned, others Chinese-owned or joint ventures, Lu Zhang suggests that they are all moving towards the lean-and-mean model with generalized lean production and declining job security for all the workers. Ironically, the factory unions and the factory (Communist) party committees, as Lu Zhang has discovered in her case studies, often play important roles in mediating and containing conflicts between workers and managers by using old socialist methods such as "heart-to-heart talk" (*tanxin*) and "thought work" (*sixiang gongzuo*). Such behavior at the grassroots—the Communist Party committees and unions using old socialist legacies of indoctrination to help businesses maximize profit by controlling labor—should not be seen as particularly strange since

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in 2002 the Chinese Communist Party claimed that it now "represents advanced productive forces, represents advanced culture, and represents the broad interest of the people" (the so-called "Three Represents" theory).[3] After more than twenty years of relentless procapital, market-oriented reforms, the Chinese Communist Party has largely forsaken its role as the vanguard party of the working class, and in this enormously contradictory transitional period, it cooperates more with business than with the workers, a self-righteous pragmatic behavior justified by the Three Represents theory.

The State's key role in changing the status of workers and in redefining labor politics in post-Mao China is also analyzed in Kinglun Ngok's article. The essay provides a very useful overview of the evolution of labor policies and labor legislation and at the same time supplies a historical and political context for the other four articles based on narrower case studies. Ngok points out that, as far as labor is concerned, the most important post-Mao reform has been the abolition of the lifetime employment guarantee and the establishment of a competitive labor market, throwing Chinese workers into a totally new reality. No longer "the master" of the enterprise and a "leading class" in society, they are now laborers selling their labor in a labor market. The new reality began to take shape in 1986 when the State introduced a new contract labor system to replace the socialist lifetime employment. The reforms were at once painful and successful. While millions of State-Owned Enterprise workers were laid off in the 1990s, tens of millions of rural laborers were permitted to travel to cities providing seemingly inexhaustible cheap labor for the new "world's workshop."

Ngok's discussion of the differences between labor policies and labor legislation and his observation that many labor policies and regulations were first brought out after heated debates in the government, media, and academic community and eventually codified into laws, are very helpful for understanding the complexities and difficulties of the reform process, especially the efforts at establishing the rule of law in China. A consensus emerged in China after the death of Mao Zedong in 1976 that the rule of law was crucial if autocracy and tragedies like the Cultural Revolution (1966–76, during which Mao exercised arbitrary power) were to be avoided.

Chinese leaders in the reform era seem determined to have the rule of law eventually, but they also want maximum flexibility in devising labor policies—as well as other policies—and want to maintain social stability. The State never hides its intention to give priority to creating and maintaining a favorable investment environment. But it is also quick to issue administrative directives (labor policies)—and eventually enact laws—in response to rising labor unrest and protests as a result of widespread labor abuses. While these labor policies and laws contain some positive prolabor provisions, the problem is that they are not effectively enforced. This is due to a combination of factors, including the dominant progrowth ideology and strategy, the lack of an independent court system, corruption in the legal system, and labor's lack of legal knowledge and means. It is in this context that we can see why the Chinese laborers are called a "weak group" in the restructured economy and society.

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Nogk's discussion of the intentional vagueness and ambiguities of the terms in the new Labor Contract Law, passed by China's National People's Congress in June 2007 and scheduled to become effective in January 2008, is most revealing. The Law constitutes real progress, and people expect it to be more effective in protecting the workers' rights and interests. However, as Ngok points out, since the Law does not even include a clear definition of "laborer," "it still fails to give a clear legal status to migrant workers," and as a result it provides no equal treatment and effective protection for them. Such strategies of ambiguity have so far allowed the State—particularly local government—to carry out its procapital and progrowth policies and to avoid effective enforcement of the Labor laws and regulations. The latter only mitigate, not solve, the problem of labor dissatisfaction. Workers may look for alternatives if they continue to experience disappointment and defeat when they appeal to the Labor Laws for protection of their basic interests. In fact, in recent years many labor activists have begun to realize the significance of an independent court system and have started to join forces with other groups to lobby for one. The movement for independent unions can also be expected to gain further momentum.

While attempting to enact laws to shape a market economy, the State also promotes a neoliberal discourse to facilitate the transformation from socialism to postsocialism. In her article on the occupational choices of the *bangbang* migrant workers, Xia Zhang examines the factors, including the neoliberal discourse promoted by the State, that inform the subjectivity of this special group of Chinese migrant workers. The *bangbang*, who are rural migrants working as freelance porters in Chongqing, Sichuan, seem to enjoy "freedom" in choosing their job in the new labor market, but the price they pay for such freedom is high, including operating in a labor market with little legal protection. These migrant workers are part of the huge "surplus rural labor force" that the post-Mao reform policies permit to migrate to work in the cities, and the neoliberal discourse celebrates their transformation into "self-reliant and enterprising laborers" in today's market economy. In the last quarter century, these migrant workers have contributed enormously to China's industrialization, modernization, and urbanization but have enjoyed the least benefits from these processes. Some artists among the migrant workers have called them the "invisible hands" of China's development.[4] A large number of them come from the interior regions; at first they went to eastern coastal areas, but now they can be seen in cities all over the country.

Their experiences vary. As we learn from Xia Zhang's case study, a basic feature of the *bangbang* porters in Chongqing is that they have no contract with their "*laoban*"(bosses), who may be individual employers, schools, supermarkets, or bus and train stations. Therefore the *bangbang* lack any legal protection. They have no job protection, no personal injury protection, and no benefits. All they have is their labor to sell. Xia Zhang argues that the *bangbang* learned from their experiences to rely only on themselves and not to expect much from the State. For such a group of laborers to cherish what

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little freedom they actually have seems logical and desirable from the State's point of view but hugely ironic in a country that only three decades ago claimed to be the motherland of workers and farmers.

What is also interesting is that so many of these migrant workers made a conscious choice to become *bangbangs* after having worked in factories and becoming disillusioned with that experience. Their appreciation of the little *ziyou* (freedom) that the *bangbang* jobs provide them seems to reflect how horrified they were by the working conditions and labor control in contemporary Chinese factories. Unable and unwilling to become workers in the factories, they deliberately choose to become freelance *bangbang* laborers. Since they still possess land use rights in their villages, the ultimate security they have is still in the countryside. Indeed, one of the reasons, Xia Zhang reports, why they choose to be *bangbang* is that the job gives them the flexibility to return home to farm their land. this suggests the enormously complex situation of the migrant workers in contemporary China. Their status, mobility, and future are now a growing focus of interest in scholarly works.[5]

Migrant workers' experiences are also the subject of Xue Hong's article, but here the emphasis is different. She presents a comprehensive examination of the local conditions and the strategies for recruiting and controlling labor in three electronics factories in Dongguan, Guangdong. These factories are subcontractors working "at the bottom of global production chain" for big transnational brand-name companies. Among the most important local factors influencing strategies of labor recruitment and control in these factories is reliance upon traditional native place networks.

Victory Cable, for example, a kind of "family workshop" that desperately tries to maintain some competitive edge, relies on native place networks to recruit, retain, and control workers. In this way Victory Cable has been able to recruit workers from the poor region in Guizhou, one of the poorest provinces in China. Workers from this poor region seem to be happy to have a job in a factory owned by someone from their native place, and the employer is pleased by the obedience of the workforce. However, one can also imagine that, just as in Xiaodan Zhang's study, where official rhetoric was used by both management and workers for their own purposes, so native place and kinship networks could potentially facilitate the work of labor organizers. Obviously employers dread such possibilities. On the one hand, as Hong Xue's study of Express Production indicates, employers used such native place networks to recruit workers. On the other hand, they adopted very careful measures to prevent the formation of a sense of solidarity along the line of native place connections. Traditional social and cultural resources, such as native place networks, have long played important roles in modern China,[6] and, it seems they are destined to go on shaping labor relations and labor politics in the twenty-first century.

It is common knowledge that China has been able to achieve high economic growth in the last three decades largely because of its motivated, diligent, and low-cost labor. The five articles in this issue provide comprehensive and

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detailed analyses of the dynamics in Chinese society that have helped create low-cost labor and keep it "cheap" for such a long period of time. Together they illustrate the diversity and complexity of Chinese labor relations and labor politics today, and they give voice to a wide range of badly exploited Chinese laborers—from the workers in the automobile industry on the eastern coast to the freelance Bangbang porters in the interior city of Chongqing.

As this issue goes to press, it is reported in the Chinese media that companies in different provinces are trying various schemes to avoid providing long-term contracts to workers who have worked for the same company for more than ten years as required by the new Labor Contract Law, which went into effect on January 1, 2008. In some places the State-controlled trade unions have intervened to persuade those companies to abandon such attempts. Some legal experts and commentators have suggested that the companies misunderstand the Labor Contract Law. Advocates of business efficiency criticized the long-term contract provision for restoring the old "iron rice bowl" system of lifetime employment and therefore weakening companies' competitiveness. All these reports and debates suggest that there seems to be a general expectation of an effective enforcement of the new Labor Contract Law, as observed by Kinglun Ngok in his article completed in the summer of 2007. This expectation of enforcement or the resistance to the law or the contestation around it may greatly affect the Chinese labor relations and labor politics in the years to come.

NOTES

1. Richard Appelbaum and Nelson Lichtenstein, "A New World of Retail Supremacy: Supply Chains and Workers' Chains in the Age of Wal-Mart," *ILWCH* 70 (Fall 2006): 106–25.

2. Michael Burawoy, *The Politics of Production* (London, 1985); Ching Kwan Lee, *Gender and the South China Miracle* (Berkeley, 1998) and *Against the Law: Labor Protests in China's Rustbelt and Sunbelt* (Berkeley, 2007); Pun Ngai, *Made in China: Women Factory Workers in a Global Workplace* (Hong Kong, 2005); Anita Chan, *China's Workers Under Assault: The Exploitation of Labor in a Globalizing Economy* (New York, 2001).

3. Kenneth Lieberthal, *Governing China: From Revolution to Reform* (New York, 2004), 204.

4. Huang Ping, Yao Yang, and Han Yuhai, *Women de Shidai* (*Our Times*) (Beijing, 2006), 317.

5. For example, see Li Qiang, *Nongmingong yu Zhongguo Shehui Fenceng* (Urban Migrant Workers and Social Stratification in China) (Beijing, 2004); Lu Xueyi, *Sannong xinlun* (On Farmers, Agriculture, and Countryside, II) (Beijing, 2005); Zou Xinshu, *Zhongguo Chengshi Nongmingong wenti* (Issues Concerning Chinese Urban Migrant Workers) (Beijing, 2007). The Chinese farmers own the land use right in their villages even when they migrate to work as workers in the cities. When the migrant workers become sick or unemployed, they return to their villages and their land provides them the ultimate security. See, Li Qiang, *Nongmingong yu Zhongguo Shehui Fenceng,* 278. For a brief discussion of the recent developments in the rural land markets, see Barry Naughton, *The Chinese Economy: Transitions and Growth* (Boston, 2007), 246–48.

6. For example, see Richard Belsky, *Localities at the Center: Native Place, Space, and Power in Late Imperial Beijing* (Boston, 2006).

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