

The material cannot be used for any other purpose without further permission of the publisher, and is for private use only.

Jenny Chan. 2020. “Employee Voice in China.” Pp. 524-38 in *Handbook of Research on Employee Voice: Participation and Involvement in the Workplace*, edited by Adrian Wilkinson, Jimmy Donaghey, Tony Dundon, and Richard B. Freeman. 2<sup>nd</sup> Edition. Cheltenham, UK: Edward Elgar Publishing.

<new page>

<cn>30.<en><ct>Employee voice in China\*

<au>Jenny Chan

<a>INTRODUCTION

China’s state-guided globalization has impacted the voice structures and the opportunities of employees to influence work, employment and society. This chapter examines the changing voice regimes in both state-owned and non-state industrial enterprises since the late 1970s. It considers the role played by multiple actors in shaping employee engagement and participation at the workplace level. These key actors include the Chinese state (in which the trade union bureaucracy and the national legislative body are an integral part), employers, employees and non-governmental organizations (NGOs). The aim is to analyze both voices and silence of workers in China’s rapid economic and socio-political transformation.

Wilkinson et al. (Chapter 1 in this volume) define employee voice as: “the ways and means through which employees attempt to have a say, formally and/or informally, collectively and/or individually, potentially to influence organizational affairs relating to issues that affect their work, their interests, and the interests of managers and owners.” In Western democratic countries, independent trade unions, works councils and other employee representative mechanisms have long served as the collective platforms where employees could effectively make their voices over employment contracts, salaries and benefits, occupational health and safety, and pension protections. As governments and companies were increasingly compelled to make their labor relations more flexible in a globalized economy, however, trade unions in most parts of the world encountered strong resistance to protect their members from lay-offs or other assaults (van der Linden, 2016).

For governance legitimacy and political stability, the Chinese state has expanded the labor disputes arbitration mechanisms to manage growing labor discontents over the past few decades (Gallagher, 2017). Moreover, officials began to reach out to newly invested domestic private firms and foreign-funded enterprises to boost trade union membership precisely when the state-owned industrial sector was diminishing in successive waves of privatization and bankruptcies. With managerial control over the day-to-day operations of the enterprise-level unions, employees are in actuality deprived of a formal means to bargain collectively. Whether workers choose to “remain silent” as a strategy to protest against management is open to debate (Wilkinson et al., 2014: 13). Apparently, top-level and frontline management have dominated the unions and closed off other meaningful ways for employees to engage in genuine dialogue. These practices have drawn much concerns from scholars and practitioners about workers’ rights and their well-being (Donaghey et al., 2019).

Wilkinson et al. encourage researchers to “keep seeking voices that remain unheard” (Wilkinson et al., 2018: 721). Migrant laborers and other precarious workers, who fear retaliation or outright dismissal for speaking up, are often under constraint not to complain, let alone to press for improvements of the working conditions (Donaghey et al. 2019). The core issue, from the perspective of legal scholar Brishen Rogers (2019), is “to build and exert real forms of worker power inside the workplace.” How, then, to strengthen workers’ capacity to express their grievances and contribute to solutions?

From the bottom up, worker activists and their supporters have mobilized resources through strikes and other direct actions, thus enriching important discussions on “non-union voice” in contemporary China and other countries (Mowbray et al., 2019; Wilkinson et al., 2014). This chapter shows Chinese employees’ contest for industrial citizenship, which encompasses both economic rights (such as higher wages and benefits) and political rights (such as union elections through direct participation). In the next section, it discusses state workers’ limited voices in overturning the tides of corporate reorganizations. Then, it follows the world’s largest rural–urban migration to examine internal migrant workers’ repressed voices in the course of China’s opening to the world. As employers use coercion to enforce productivity requirements, and “flexible employment” policies to maximize profits at the cost of labor security, the later sections shed light on the government’s remedial measures to listen to workers’ voices, however modest the series of new legal reforms. In conclusion, the author reconsiders the intertwined nature of the Chinese state, capital and civil society by reflecting on the Xi administration’s tightening grip over labor activism, and outlining the implications for voices practices by employees.

<a>MANAGING CHINESE STATE WORKERS’ VOICES

Reform-minded Beijing leaders and local governments have taken an active role to boost economic growth. In urban state-owned factories, managers were delegated more autonomy to enhance production efficiency and labor productivity. By contrast, rank-and-file workers were increasingly subjected to speed-ups, demanding output quotas and rigorous performance ratings. In this state-led macro process of social transformation, the power dynamics between workers and managers have greatly shifted, resulting in the ultimate loss of workers' job tenure in the subsequent rounds of corporate restructuring, privatization and bankruptcies (Hung, 2009). Despite fierce protests, the calls by older cohorts of urban workers for job reinstatement and employment protections were not effectively responded to.

In official discourse, the People's Republic of China (PRC) is a socialist state under the people's democratic dictatorship, led by the working class and based on the alliance of workers and peasants, as clearly stated in the Constitution. The new state elevated the status of the proletariat in the terminologies of Marx, Lenin and Mao. During the 1950s and 1970s under the planned economy, industrial workers became the masters of the nation and the advanced elements of production. Large state units provide workers with stable incomes, job security, and comprehensive welfare including housing, healthcare, pensions, and children's education. Importantly, in political study sessions and regular staff meetings – the formal voice structures – the worker masses often commented openly on some cadres for their poor work attitude and performance, or for practicing bureaucratism, without the fear of disciplinary actions (Phillion, 2009; Andreas and Dong, 2018).

The voice opportunities were made largely transparent and open to inputs from ordinary workers, even when the more senior members could exert greater influence over the distribution of welfare benefits through cultivating a patron–client network to their own advantage (Walder, 1986). In other words, both formal and informal involvement of state workers was prevalent in the working lives of Mao's China (Andreas, 2019). From the 1980s in a marketizing economy, however, urban industrial workers' status was diminishing when managers had more say to run the enterprises.

#### **<b>Workers' Struggle for Freedom of Association**

With the reintroduction of capitalist principles of production, coupled with an intensification of work and an emphasis on reducing costs, grievances over unequal pay and bonuses had accumulated. In 1987, the government laid down a three-stage process of mediation, arbitration and litigation to give urban state workers and employers “an avenue to enforce legal rights directly through formal proceedings” (Ho, 2003: 3). In a sense, “statutory provisions for employee voice” could be a crucial tool for employees to redress their grievances (Wilkinson et al., 2014: 12). But enterprise-based mediation sessions were not effective in settling critical labor disputes, where unions did not lead workers to strike or bargain on their behalf.

In China, as early as 1975, the provision for the “right to strike” was incorporated into the Constitution. The amended Constitution enacted in 1978 also stipulates that citizens have “freedom of strike” and other civil rights. The “freedom of strike” stipulation, however, was removed from the 1982 Constitution, showing the tightening of the party-state over its rule in the wake of a wave of democratic movement in Beijing, and former Eastern Europe, in the late 1970s (Chang and Cooke, 2015). As discussed below, the revocation of the right to strike did not stop workers' strikes from happening.

Disgruntled workers' discontents over deepening workplace inequality reached a boiling point. In the spring of 1989, emboldened by the university students' call for political reforms, democracy and liberty, workers likewise demanded that their dictator-like directors step down. The Beijing Workers' Autonomous Federation, the independent worker organization, called for price stabilization and opposition to political oligarchy and, above all, for freedom of association (Walder and Xiaoxia, 1993: 12, 17). It was illuminating when sympathetic members of the only official trade union federation – the All-China Federation of Trade Unions (ACFTU) – also took to the streets to support the self-organized workers and the protesting students. This was the moment when the state–society boundaries were transgressed.

Chinese state workers, including notably Han Dongfang, called for more civil and political rights by making open speeches and sharing their visions for change through large-scale, multi-city demonstrations. In the eyes of the government, the “political turmoil” of June 1989 was the greatest to date since the birth of the PRC in 1949 (Saich, 1990: 199). It ended in the bloody crackdown of the June Fourth Movement in Tiananmen Square, Beijing, the capital of China, in 1989.

#### **<b>Smashing the Iron Rice Bowl**

In the 1990s and 2000s, the lifetime job tenure system was gradually replaced with fixed-term contracts to increase human resources flexibility. Many small and medium-sized state firms were bankrupted or privatized, while the larger and more profitable ones were transformed and consolidated to maximize capital accumulation. By 2002, with China's accession to the World Trade Organization (WTO) and further liberalization, over 60 million urban workers had been laid off; that is, there was “a 44 percent reduction of the 1993 state sector workforce within a 10-year

period” (Hurst, 2009: 16). State sector jobs as a share of urban employment fell sharply, from “76 percent in 1995 to 41 percent in 2000 to only 27 percent in 2005” (Park and Cai, 2011: 17). William Hurst, author of *The Chinese Worker after Socialism*, sharply observes that, “state firms became more, rather than less, politicized through reform” (Hurst, 2009: 53).

Instead of staying silent, the hardest-hit retirees and pensioners took to the streets to make desperate claims for health and retirement benefits, while laid-off workers fought for economic compensation or reinstatement (Solinger, 2009). Arrests, detention and imprisonment of worker leaders were frequent in the “rust belt” in the north-eastern industrial regions (Lee, 2007). At the same time, the state offered subsidies and special assistance to the most vulnerable worker groups and their families, thus co-opting and fragmenting activists from the accelerating protests (X. Chen, 2019). By using a carrot-and-stick approach, the central and local governments joined hands to contain labor resistance within firms, across firms, and even across cities.

In fact, with only a few exceptions, the day had come for many state employees when “there was ‘no work to strike against!’” (Pringle, 2013: 195). Wu Jingtang, a Maoist and highly respected worker activist, led the protracted anti-privatization campaign at a state-owned steel plant in China’s Jilin province. The provincial government was “shocked by the workers’ mobilization” and finally abandoned the privatization scheme in 2009 (Li, 2016: 31–2). But it was a rare successful case.

#### **<b>Dual Suppression of State Workers’ Voices**

Chinese state workers not only faced managerial dominance through “agenda-setting and institutional structures” (Donaghey et al., 2019: 113), but they also encountered brutal intervention from entrepreneurial local state officials, who prioritized so-called development, economic growth and new investment under their jurisdiction. In numerous cases of illicit sale of state assets, the labor size of the state sector has been drastically reduced, even while the public sector in telecommunications, aviation, energy, railway and other strategic industries remain important. By the end of 2015, around 30 million employees were employed by 150 000 large and thriving state-owned enterprises nationwide (*Xinhua*, 2015).

Under fierce market competition, the conditions in poorly managed coal mines, on construction sites and in steel-producing factories were degrading. These “unskilled” workers’ voices over wages and benefits, occupational health and safety, as well as employment security, and dignity of labor, were mostly neglected or unheard. Government leaders and economists are alert to the risks of debt build-ups and they have set annual targets to cut excess industrial capacity, with older workers bearing the brunt of the shifting economic policies.

#### **<a>NEW LABOR VOICES? CHINESE RURAL MIGRANTS’ PLIGHTS**

Rural-to-urban migration, coupled with the opening of the domestic market to the world, has seen new workers – including nearly 300 million internal migrants – drawn into export-oriented manufacturing and services. In this fast-growing non-state sector, where rural migrants were hired in large numbers, employers maximized profits by suppressing wages and cutting benefits in a “race to the bottom” (A. Chan, 2001). The plight of rural migrant workers, and their desperation to amplify individual as well as collective voices, are important themes in contemporary Chinese labor studies (Chan, Selden and Pun, 2020).

Many migrant workers, in contrast to their urban counterparts, live in collective dormitories or other low-cost rental rooms to save money, where the living conditions are poor (Pun and Chan, 2013). They work overtime in 12-hour work shifts, 6–7 days a week, to make more money, often withholding complaints or swallowing injustices in order to survive (An and Bramble, 2018). A 2019 policy brief reveals that in the electronics industry, “the norm for social auditors is 10-minute interviews with workers selected by the auditor and conducted on the shop floor, though it could also include informal interaction with workers in other factory areas, such as dormitories and canteens” (Electronics Watch, 2019: 3). Coaching, or drilling for model answers, could happen when employees were instructed to not to tell the truth in order to help securing the business orders. Many others were afraid of getting fired and therefore involuntarily complied with the supply-chain monitoring exercise. Under these circumstances, the employee voices were distorted and information flawed.

#### **<b>Absorbing Protests and Managing Voices**

Through legal pathways and extra-legal means, however, aggrieved workers were forcing management and the government to respond to their demands. In China the total number of “mass incidents” – including strikes, protests, riots, demonstrations, collective petitions and other forms of civil unrest – stood at 8700 in 1993, the first year for which official data were publicly available. It increased to 32 000 in 1999, and surpassed 58 000 in 2003, indicating widespread social and class cleavages in the accelerated market transition, coupled with a lack of effective mechanisms for conflict resolution (Tanner, 2005: 2). The documented mass incidents ranged widely from unpaid wages to land seizures, involving workers, farmers and other victims who demonstrated resistance to rights encroachment by the targeting authorities, employers or other groups. In 2005, the number increased by 6.6 percent

over 2004, to 87 000 (*Xinhua*, 2006). And the Ministry of Public Security has since ceased to release annual data relating to mass protests around the country.

Beginning around 2006, Beijing leaders sought to revive labor dispute mediation at the firm level in order to minimize open confrontations of adversaries in the streets. Wenjia Zhuang and Feng Chen (2015) detail state efforts to defuse mass incidents to restore social stability. The “success rate of mediation” became an important factor in the annual performance assessment of local labor officials, directly linked to bonuses and promotion. Before arbitration, arbitrators visited the workplace to conduct mediation. If pre-arbitration intervention failed, arbitrators pressured disputants to reconcile in the case handling process. Failing this, a mediation procedure following arbitration would be set up to prevent an appeal to the court. At every stage, extrajudicial methods were widely adopted to settle cases promptly, with arbitrators and judges working to persuade workers that “the mediated outcome is the best possible result,” even when the “conciliated compensation” amount was far lower than what might be ruled by the courts (Zhuang and Chen, 2015: 399).

To prevent labor conflicts from escalating, the party-state called for cross-departmental efforts to resolve collective problems through a wide range of strategies. Mediators were joined by trade union cadres and other government representatives. In the event of non-payment of severance pay, work teams fast-tracked the sale of enterprise assets to clear the owed wages to disgruntled workers, rather than waiting for court outcomes. The overarching goal for the government was to bargain with worker leaders to reach extralegal resolution as quickly as possible. In “buying stability” by “dishing out cash payments or other material benefits in exchange for compliance,” the officials undercut wider reform and the growth of labor mobilization seeking to influence government policy (Lee and Zhang, 2013: 1486).

At the same time, significant coercion was involved in state efforts to settle labor disputes. By pressuring families and relatives, friends and colleagues of target protesters, the authorities manipulate “social ties” and “feelings of affection” to defuse collective protests. This labor-intensive mode of “relational repression” involves an irreducible amount of psychological pressure inflicted on those who are seeking justice (O’Brien and Deng, 2017). Migrant workers deemed troublemakers might have no choice but to return home, or find jobs in other places, perpetuating the silence of their legitimate voice as worker-citizens (Wilkinson et al., 2018; Donaghey et al., 2019).

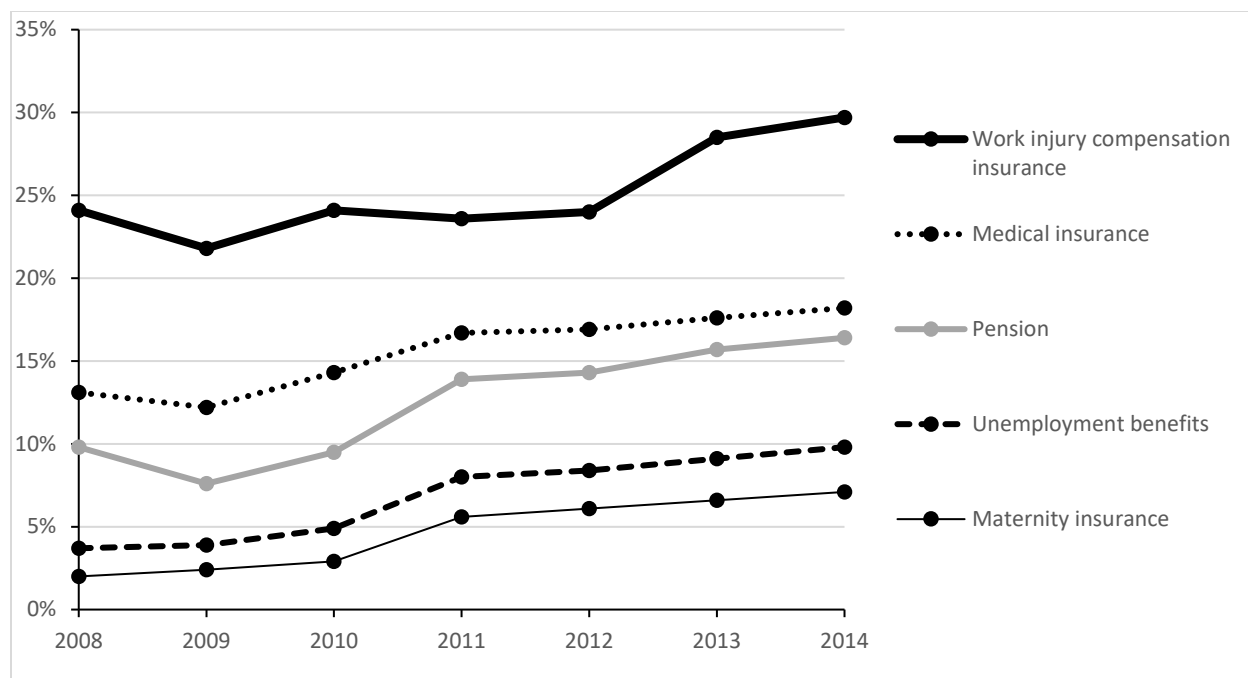
#### **<b>Workers’ Battles for Legal Rights**

Not all rural migrant workers exited and quit. Under the Chinese law, workers (including rural migrants and local employees) could go to local arbitration committees to file complaints within a valid statutory time frame. In 1996, 48 121 labor disputes<sup>1</sup> involving 189 120 persons nationwide were accepted for arbitration, up 45 percent from a year ago (Sun, 2000: 168). The incidence of arbitrated labor disputes, along with massive protests and strikes, has been growing rapidly. In the global economic crisis of 2008, the number of cases skyrocketed to 693 465 – nearly double from one year previously – involving more than 1.2 million laborers across the country. Following a brief decline, since 2011, labor dispute cases have shot up annually, reaching an unprecedented 828 410 cases in 2016 (*2017 China Labour Statistical Yearbook*, 2018: 348–9). Cases concerning unpaid wages (basic wages and overtime premiums) and non-provision of social insurance benefits were most prevalent, followed by disputes about termination of employment contracts and other issues (such as unpaid compensation for occupational injuries and diseases).

For low-wage employees, the requirements of time and money to go through the legal processes can be burdensome. Still, without better alternatives, “many continue working through and around the law and its related trappings in the state apparatus,” as sharply observed by Ching Kwan Lee (2007: 260). Local governments are increasingly pressured from above and below to improve labor stability by extending social security rights to the massive internal migrant population, whose basic needs have long been neglected.

The government-administered insurance program consists of five parts: work-related injury benefits, medical benefits, old age pensions, unemployment benefits and maternity benefits. Official national surveys showed a general increase of social insurance coverage among rural migrant workers since the 2008–09 economic recession (see Figure 30.1). Despite modest gains, in 2014, for example, less than 30 percent of rural migrant workers had work injury insurance, 18 percent had medical insurance, 16 percent had a pension, 10 percent had unemployment benefits, and a mere 7 percent had maternity insurance. Not surprisingly, disputes over employment terms in relation to social insurance benefits have exploded in number.

<Figure 30.1 near here>



Note: Since 2015, the Chinese government has not given figures on proportions of rural migrant workers with these five kinds of social insurance in its annual online survey.

Sources: National Bureau of Statistics of the People's Republic of China (2014: table 11; 2015: table 14).

Figure 30.1 Social insurance coverage among Chinese rural migrant workers, 2008–14

Clearly, enforcement of the labor law is lax, and punishment is mild; as a result, employers are incentivized to ignore the letter and spirit of the law. In her book *Authoritarian Legality in China*, Mary Gallagher (2017) aptly analyzes the “high standards, self enforcement” model. The state sets high standards for workers’ rights, but rights-claiming workers must act as “firefighters” who self-enforce their rights by sounding the “fire alarm” at labor bureaus, petition offices and courts, to alert higher-up officials to uphold high labor standards. If workers sound the alarm by filing cases, and the government consistently enforces worker protections, employers may anticipate the risk of a dispute and avoid the problem. A persistent pattern is that desperate workers sound the fire alarm, yet serious problems such as non-payment or underpayment of wages and benefits remain unresolved.

#### **Atomizing and Breaking Up Workers’ Power**

For working people, particularly the temps and rural migrants, access to affordable and effective legal representation is still hard to come by (Halegua, 2016). Moreover, the government intends to restrict legal mobilization by workers in a collectivity. In handling collective lawsuits stemming from labor disputes, judges often insist that cases be filed individually. Feng Chen and Xin Xu have shown how this individualization of collective labor actions fragments and isolates plaintiffs, thereby robbing workers of their strength of unity. For example, in 2009, a court in Dongguan city of Guangdong province turned 39 collective disputes, involving groups ranging from ten to 988 people, into 4167 individual cases (Chen and Xu, 2012: 94). This judicial intervention weakened organized labor forces at the door of the court. Patricia Chen and Mary Gallagher (2018: 1033) also argue that “the atomizing effects of court procedures and legislation” has partially restrained “the development of a labor movement” in China.

As competition has intensified, and firings and redundancies have become more frequent, local workers and rural migrants across the state and non-state industries are increasingly pitted against each other to enhance flexible production and services. The government needs to regulate increasingly complex labor relations to preserve social stability and political legitimacy. Law has become a pivotal site of state–society conflict in which workers, employers and the government contest rights and interests (Lee, 2007; Gallagher, 2017; Chan and Selden, 2019).

#### **STRENGTHENING CHINESE LABOR LAW TO ENCOURAGE EMPLOYEE VOICE**

Workers’ individual rights have nevertheless been strengthened to allow some expressions of concern about work issues. Effective March 1, 2004, the Provision on Minimum Wages required that local governments review statutory

minimum wage levels under their jurisdiction at least once every two years. The younger cohort's frequent job-hopping, in the context of a tighter labor market (following the reduction of birth rates due to the combined factors of the implementation of the national birth control policy and the pressure associated with the rising cost of living), further pushed employers to increase wages and improve conditions to recruit and retain workers.

Between 2003 and 2012 (even when the 2008 world recession briefly led to reduced exports), China's national economy sustained average growth of 10.4 percent per annum, and real wages for rural migrant workers rose 2.5 times (Naughton, 2014: 14, 21). Cai and Wang (2011) aptly summarize that "a younger overall demographic, stronger trade union involvement and the gradual approach towards the Lewis turning point in economic development (when abundant low cost supplies of labor begin to run out) have all contributed to wage rises in China." Still, the level of rural migrant workers' wage rates remains consistently below the average in the urban labor market (Selden and Wu, 2011).

Beside wages, the central government seeks to formalize employment contracts to increase employee engagement in the workplace. Starting in 2005, political authorities drafted the Labor Contract Law to enforce higher labor standards for workers, including dispatch laborers. In March 2006, during the 30-day public consultation of the draft law, over 191 000 comments were received from legal scholars, academics, business associations, labor rights organizations and other stakeholders. "This number," highlighted by Mary Gallagher and Baohua Dong (2011: 36), "far exceeded the comments received about other important and controversial laws." On June 29, 2007, the Labor Contract Law was promulgated after successive amendments to accommodate competing demands from various interest groups. Legal scholars widely agree that the law, coming into force on January 1, 2008, is the most significant piece of Chinese labor law reform in more than a decade.

An employment contract is significant proof of the establishment of the labor relationship, the legal basis for making wage and social insurance claims. And a longer-term contract serves to provide more stable conditions for employees to participate in voice systems, to make suggestions for organizational improvements, and to achieve economic gains or social empowerment. Specifically, the Labor Contract Law restricts the widespread use of short contracts, which are frequently used by employers to evade their responsibility. It further seeks to protect employees' right to an open-ended contract after signing two consecutive fixed-term contracts, or following ten years of service. This is to enhance job security and work stability for employees.

Under the law, a written contract is to be concluded within the first month of employment. A copy of the signed contract is to be given to the employee. Employers that fail to do so are required to pay double wages for the term of employment completed without a written labor contract. Workers can terminate their labor contracts and still receive severance pay (one month's wages for every year worked) if they resign because of employer violations. From the perspective of employee voice and collective bargaining, Sarah Swider (2017: 33) highlights the key point that temporary workers often experience precariousness because "their short-term contracts create job and income instability and diminish their power, which makes it difficult for them to pressure employers to follow the laws."

#### <a>STRIKES AND PROTESTS

In China as in other major economies, new generations of younger and better-educated workers, who arguably possess a stronger organizing capacity with a mastery of mobile communications technologies than their predecessors, have nevertheless stood up to demand higher wages, better conditions and dignity of labor. Scholars (Elfstrom and Kuruvilla, 2014; Elfstrom, 2019) differentiate two types of labor actions. "Defensive actions" refer to workers' demand for the basic provisions stipulated in the labor laws and regulations, such as minimum wages and overtime premiums, social insurance benefits and severance pay. "Offensive actions" characterize workers' call for better pay and benefits above the legal standards. Hong Kong-based China Labour Bulletin's Strike Map, with reference to reports of labor strikes collected from online news archives and other digital sources, recorded a total of 10 948 collective protests from January 2011 to December 2018 (and the documentation of the online data has carried on through the present). Both defensive and offensive labor actions were covered in analysis. Still, the available data captured only a small subset of the population in light of the state's ubiquitous censorship.<sup>2</sup>

Taiwanese-owned Foxconn Technology Group, the world's largest electronics supplier with more than 1 million employees in China alone, has reported employee suicides, strikes, protests and riots at its mega-factories in coastal and interior China since 2010 (Chan et al., 2013, 2016, 2020). In response, managers increased the base pay, while canceling some bonuses and subsidies, thus partially offsetting the higher labor costs. New opinion boxes, mobile communications channels and weekly free newspapers were introduced to disseminate company information and to elicit workers' views concerning working and living conditions, such as the quality of canteen food. In this way, management took some steps to listen to workers in their post-suicide crisis intervention. However, the promises of enterprise-level union reforms were not warranted. In February 2019, one interviewee elaborated that the Foxconn trade union elections were corrupt: "Workers were forced to vote for an assigned candidate with open

ballot. All the winners were handpicked by the senior management.”<sup>3</sup> Ten years on, the Foxconn trade union – the largest in China – is still far from democratic or responsive to workers’ needs.

Some workers are emboldened to bypass state-controlled and management-dominated unions to fight on their own. In 2010, 1800 young employees, including student trainees at the Honda autoparts assembly plant in Foshan city of Guangdong province, went on strike to demand higher wages. They also called for trade union reorganization (Hui and Chan, 2015). They were disappointed, however, that the discredited factory union chair remained head of a partially reformed union, and the two “elected” vice-chairs were top-level managers, reflecting continued managerial control. In other workplaces, workers’ participation in unions remains severely restricted, even when brand-buyers and suppliers have succumbed to global civil society pressure (such as international anti-sweatshop campaigns) to improve labor conditions (A. Chan, 2009; J. Chan, 2012).

Interestingly, the Yantian International Container Terminal trade union has “developed a system of annual collective bargaining” after the 2007 strike (Pringle and Meng, 2018: 1053). The elected union representatives serve dockworkers’ interests to negotiate with management on a regular, not one-off, basis. One critical factor is the militancy of crane operators, who are middle-aged male rural migrants with low employee turnover, displaying a high degree of bargaining power at one of the busiest ports in the capital-intensive sector in South China. But a representative and well-functioning workers’ union remains very rare, because both the ruling party and the employers perceive it as threatening (Friedman, 2014).

Chinese union officials are generally reactive rather than proactive towards worker insurgency (Chang and Cooke, 2015; Chen and Gallagher, 2018). The party-state supervises the centralized union federation and monopolizes worker representation across all levels. Independent unionism is not allowed; it is illegal. Without the leadership of a union, some agitating workers initiated high-profile strikes, gaining wide public sympathy. In April 2014, at the world’s largest footwear contractor, Yue Yuen, a factory-wide strike involving over 40 000 workers in Dongguan city of Guangdong province drew the urgent attention of Nike, Adidas and Timberland, as well as local governments including the provincial trade union federation (Schmalz et al., 2017). Led by Yue Yuen’s older workers, rather than the new recruits or young migrants, the major grievance was about unpaid social insurance and housing fund contributions. The Yue Yuen struggle for rightful entitlement to work-related welfare benefits (to stay and retire for good in the city) has inspired other workers into action (for a fascinating account of multiple strikes at the Lide shoe factory between 2014 and 2015, see Lin, 2015).

#### <a>CONTENTIOUS STATE–LABOR RELATIONS UNDER PRESIDENT XI

As the Chinese economy stalled, from around 2015, Beijing’s anxiety over worker unrest and social instability grew. Of greatest concern is the suppression and silencing of employee voice. The repressive approach of President Xi Jinping, who came to power in 2013, coupled with the coercive measures deployed by police and other security agencies, will deepen labor conflict and hamper the balanced development that the government seeks to achieve. The shutdown of “unregistered,” “illegal” labor groups in Guangdong province in 2015, and the heightened surveillance and massive arrests of worker activists, feminists and human rights lawyers in the following years, has greatly dampened the development of worker networks (Franceschini and Nesossi, 2018).<sup>4</sup>

In large industrial towns in the Pearl River Delta and Yangtze River Delta, workers had received some support from community-based organizations (Halegua, 2008; Xu, 2013; C. Chan, 2013). These non-government groups are resilient and they are serving workers’ diverse needs by adapting to the changing economic and political contexts. They often run workers’ centers to provide social and cultural services, legal consultations, leadership training and rights awareness workshops to the underprivileged groups, such as rural migrants, injured workers, and women and youth. Many of them are former (women) workers, university graduates, and/or cause lawyers. While the precise number of labor NGOs across China is not known, primarily due to the political sensitivity of their work in the eyes of the government, it was estimated at around 100 as of the early 2010s (Fu, 2017: 506; Howell and Pringle, 2019: 234).<sup>5</sup>

Broadly speaking, the programming of labor NGOs has supported key policy objective such as eradicating poverty and promoting people-centered development. Indeed, some NGOs have undertaken projects commissioned by local governments to offer specialized services for needy migrant workers and their children (Howell, 2015). Specifically, filling the “representation void,” labor organizations from cross-border Hong Kong and within the mainland have experimented with policy advocacy, workers’ surveys and, more recently, collective bargaining (Kuruville, 2018: 1020). Social movement-oriented NGOs seek to organize workers in collective contention and mobilization (Chen and Yang, 2017; Froissart, 2018; Franceschini and Lin, 2019). They strive to educate, serve and learn from workers, and to defend workers’ legal rights, thereby contributing to “a narrative of class-based collective solidarity that has yielded significant gains for workers” (Pringle, 2018: 661).

In the summer of 2018, workers’ demands to unionize at 1000-person Jasic Technology based in Shenzhen city drew the backing of left-wing students from more than two dozen universities across the country, along with

young and old Maoists and Marxists. The alliance between workers and students, who embraced and inherited the spirit of progressive political and cultural changes of the 1919 May Fourth Movement, marked a significant milestone in contemporary labor history of China (J. Chan, 2019, 2020). But the worker–student alliance was short-lived. In the fall of 2018 and the spring of 2019, Marxist student organizations at several Chinese universities including Peking University and Renmin University were either forcibly restructured or eventually shut down. In Au’s (2019: 91) sharp analysis, “though Xi Jinping continues to demand the people learn from Marxism-Leninism and Mao’s thought, that state continues to crack down on any independent and collective effort at seriously studying left classics – and to crack down even harder when these efforts carry an aspiration to sympathize with working people.”

#### <a>CONCLUSION

The sheer size of China’s national economy is undeniably huge, but its gross domestic product (GDP) growth was 6.6 percent in 2018, the lowest rate since 1990 (National Bureau of Statistics, 2019: Figure 1; Leung, 2019). The era of rapid growth, and a relatively “forward-looking political leadership” characterized by its “tolerance towards labor NGOs,” has gone (Howell and Pringle, 2019: 237). Even when China has sped up to upgrade from low-cost, low-tech industry to more advanced manufacturing and higher-valued-added services, the downward pressure on growth is strong. Amid the US–China trade war, more will suffer when employers, with the support of entrepreneurial local governments, further slash basic welfare benefits and social protections for the working poor. Many multinational corporations are reconsidering the opportunities and risks in global supply chains, particularly those based in China. How is “a range of voice choices” to be created, so that employees can weigh in on the work issues pertaining to their own interests and the improvement of organizational functioning (Wilkinson et al. 2018: 713)?

Civil rights organizations, including non-governmental labor groups, human rights lawyers, and concerned students and scholars, are joining hands to amplify workers’ voice through online and offline mobilizing strategies. Grassroots struggles of workers and their supporters are instrumental to building workplace democracy in the long run, and the appropriate framing of local worker activism as well as global consumer campaigns are important to win. However, labor unity and collective bargaining is undermined in fissured workplaces and segmented labor markets. Chinese rural migrants, local workers and student interns, for example, are constantly driven to compete for jobs, at times with labor agencies as intermediaries (Zhang, 2015; J. Chan, 2017). Such a divisive hiring system of direct and indirect labor is conducive to employee silence (Donaghey et al., 2019). While the most vocal workers are arbitrarily dismissed, some of them set up autonomous labor organizations to empower fellow workers, that is, “to exit with voice” (Chen and Yang, 2017: 160). These organizers have demonstrated a determination to take matters into their own hands. Strikes and protests, along with lawsuits, are overt forms of expressing shared discontents. Labor activists will inevitably confront a tactical mix of reconciliation and repression from all fronts, engendering new uncertainties and instabilities.<sup>6</sup>

#### <a>NOTES

<Please set notes \* and 1–6 here>

#### <a>REFERENCES

- 2017 *China Labour Statistical Yearbook*. 2018. “Labour Disputes Accepted and Settled.” Beijing: China Statistics Press.
- An, Fansuo and Tom Bramble. 2018. “Silence as a Survival Strategy: Will the Silent be Worse Off? A Study of Chinese Migrant Workers in Guangdong.” *International Journal of Human Resource Management* **29**(5): 915–40.
- Andreas, Joel. 2019. *Disenfranchised: The Rise and Fall of Industrial Citizenship in China*. Oxford: Oxford University Press.
- Andreas, Joel and Yige Dong. 2018. “The Brief, Tumultuous History of ‘Big Democracy’ in China’s Factories.” *Modern China* **44**(5): 455–96.
- Au Loong Yu. 2019. “The Jasic Struggle in China’s Political Context.” *New Politics* **17**(2), Whole Number 66, Winter, 90–94.
- Cai Fang and Wang Meiyuan. 2011. “Chinese Wages and the Turning Point in the Chinese Economy.” *East Asia Forum* January 29. <http://www.eastasiaforum.org/2011/01/29/chinese-wages-and-the-turning-point-in-the-chinese-economy/#more-16892>.
- Chan, Anita. 2001. *China’s Workers under Assault: The Exploitation of Labor in a Globalizing Economy*. Armonk, NY: M.E. Sharpe.
- Chan, Anita. 2009. “Challenges and Possibilities for Democratic Grassroots Union Elections in China: A Case Study of Two Factory-Level Elections and Their Aftermath.” *Labour Studies Journal* **34**(3): 293–317.
- Chan, Chris King-Chi. 2013. “Contesting Class Organization: Migrant Workers’ Strikes in China’s Pearl River Delta, 1978–2010.” *International Labor and Working-Class History* **83**: 112–36.



- Chan, Jenny. 2012. "Labour Rights Training at HP Supplier Factories in China." Pp. 314–27 in *Industrial Democracy in China: With Additional Studies on Germany, South-Korea and Vietnam*, edited by Rudolf Traub-Merz and Kinglun Ngok. Beijing: China Social Sciences Press.
- Chan, Jenny. 2017. "Intern Labor in China." *Rural China: An International Journal of History and Social Science* **14**(1): 82–100.
- Chan, Jenny. 2019. "Jasic Workers Fight for Union Rights." *New Politics* **17**(2), Whole Number 66, Winter, 84–89.
- Chan, Jenny. 2020. "A Precarious Worker-Student Alliance in Xi's China." *China Review* **20**(1): 165–90.
- Chan, Jenny and Mark Selden. 2019. "Labor Legislation, Workers, and the Chinese State." Pp. 105–18 in *Handbook of Protest and Resistance in China*, edited by Teresa Wright. Cheltenham, UK and Northampton, MA, USA: Edward Elgar Publishing.
- Chan, Jenny, Mark Selden and Pun Ngai. 2020. *Dying for an iPhone: Apple, Foxconn, and the Lives of China's Workers*. Chicago: Haymarket Books and London: Pluto Press.
- Chan, Jenny, Pun Ngai and Mark Selden. 2013. "The Politics of Global Production: Apple, Foxconn, and China's New Working Class." *New Technology, Work and Employment* **28**(2): 100–115.
- Chan, Jenny, Pun Ngai and Mark Selden. 2016. "Chinese Labor Protest and Trade Unions." Pp. 290–302 in *The Routledge Companion to Labor and Media*, edited by Richard Maxwell. New York: Routledge.
- Chang, Kai and Fang Lee Cooke. 2015. "Legislating the Right to Strike in China: Historical Development and Prospects." *Journal of Industrial Relations* **57**(3): 44–55.
- Chen, Feng and Xin Xu. 2012. "'Active Judiciary': Judicial Dismantling of Workers' Collective Action in China." *China Journal* **67**(January): 87–107.
- Chen, Feng and Xuehui Yang. 2017. "Movement-Oriented Labour NGOs in South China: Exit with Voice and Displaced Unionism." *China Information* **31**(2): 155–75.
- Chen, Patricia and Mary Gallagher. 2018. "Mobilization without Movement: How the Chinese State 'Fixed' Labor Insurgency." *ILR Review* **71**(5): 1029–52.
- Chen, Xi. 2019. "The Logic of Fragmented Activism among Chinese State-Owned Enterprise Workers." *China Journal* **81**(January): 58–80.
- Donaghey, Jimmy, Tony Dundon, Niall Cullinane, Tony Dobbins and Eugene Hickland. 2019. "Managerial Silencing of Employee Voice." Pp. 113–28 in *Employee Voice at Work*, edited by Peter Holland, Julian Teicher and Jimmy Donaghey. Singapore: Springer Nature.
- Electronics Watch. 2019. "Worker Voices: From Talk to Action." Electronics Watch Policy Brief #2. 5 April. [http://electronicswatch.org/electronics-watch-policy-brief-2-worker-voices-from-talk-to-action\\_2557139.pdf](http://electronicswatch.org/electronics-watch-policy-brief-2-worker-voices-from-talk-to-action_2557139.pdf).
- Elfstrom, Manfred. 2019. "Two Steps Forward, One Step Back: Chinese State Reactions to Labour Unrest." *China Quarterly* **240**(December): 855–79.
- Elfstrom, Manfred and Sarosh Kuruvilla. 2014. "The Changing Nature of Labor Unrest in China." *ILR Review* **67**(2): 453–80.
- Franceschini, Ivan and Kevin Lin. 2019. "Labour NGOs in China: From Legal Mobilisation to Collective Struggle (and Back?)." *China Perspectives* **2019**(1): 75–84.
- Franceschini, Ivan and Elisa Nesossi. 2018. "State Repression of Chinese Labor NGOs: A Chilling Effect?" *China Journal* **80**(July): 111–29.
- Friedman, Eli. 2014. *Insurgency Trap: Labor Politics in Postsocialist China*. Ithaca, NY: Cornell University Press.
- Froissart, Chloe. 2018. "Negotiating Authoritarianism and Its Limits: Worker-Led Collective Bargaining in Guangdong Province." *China Information* **32**(1): 23–45.
- Fu, Diana. 2017. "Disguised Collective Action in China." *Comparative Political Studies* **50**(4): 499–527.
- Gallagher, Mary E. 2017. *Authoritarian Legality in China: Law, Workers, and the State*. New York: Cambridge University Press.
- Gallagher, Mary E. and Baohua Dong. 2011. "Legislating Harmony: Labor Law Reform in Contemporary China." Pp. 36–60 in *From Iron Rice Bowl to Informalization: Markets, Workers, and the State in a Changing China*, edited by Sarosh Kuruvilla, Ching Kwan Lee and Mary E. Gallagher. Ithaca, NY: Cornell University Press.
- Halegua, Aaron. 2008. "Getting Paid: Processing the Labor Disputes of China's Migrant Workers." *Berkeley Journal of International Law* **26**(1): 254–322.
- Halegua, Aaron. 2016. "Who Will Represent China's Workers? Lawyers, Legal Aid, and the Enforcement of Labor Rights." US-Asia Law Institute, New York University School of Law.

- Ho, Virginia Harper. 2003. *Labor Dispute Resolution in China: Implications for Labor Rights and Legal Reform*. China Research Monograph 59. Berkeley, CA: Institute of East Asian Studies, University of California – Berkeley.
- Howell, Jude. 2015. “Shall We Dance? Welfarist Incorporation and the Politics of State–Labour NGO Relations.” *China Quarterly* **223**(September): 702–23.
- Howell, Jude and Tim Pringle. 2019. “Shades of Authoritarianism and State–Labour Relations in China.” *British Journal of Industrial Relations* **57**(2): 223–46.
- Hui, Elaine Sio-ieng and Chris King-chi Chan. 2015. “Beyond the Union-Centred Approach: A Critical Evaluation of Recent Trade Union Elections in China.” *British Journal of Industrial Relations* **53**(3): 601–27.
- Hung, Ho-fung (ed.) 2009. *China and the Transformation of Global Capitalism*. Baltimore, MD: Johns Hopkins University Press.
- Hurst, William. 2009. *The Chinese Worker after Socialism*. Cambridge: Cambridge University Press.
- Kuruvilla, Sarosh. 2018. “Editorial Essay – From Cautious Optimism to Renewed Pessimism: Labor Voice and Labor Scholarship in China.” *ILR Review* **71**(5): 1013–28.
- Lee, Ching Kwan. 2007. *Against the Law: Labor Protests in China’s Rustbelt and Sunbelt*. Berkeley, CA: University of California Press.
- Lee, Ching Kwan and Yonghong Zhang. 2013. “The Power of Instability: Unraveling the Microfoundations of Bargained Authoritarianism in China.” *American Journal of Sociology* **118**(6): 1475–1508.
- Leung, Nick. 2019. “China Brief: The State of the Economy.” March. <https://www.mckinsey.com/featured-insights/china/china-brief-the-state-of-the-economy>.
- Li, Minqi. 2016. *China and the 21st Century Crisis*. London: Pluto Press.
- Lin, Kevin. 2015. “The Lide Strike.” *Made in China Newsletter*, May–June. <https://us6.campaign-archive.com/?u=90c7e2baed&id=0d0a5cd1b0>.
- Mowbray, Paula K., Adrian Wilkinson and Herman Tse. 2019. “Managerial Silencing of Employee Voice.” Pp. 3–21 in *Employee Voice at Work*, edited by Peter Holland, Julian Teicher and Jimmy Donaghey. Singapore: Springer Nature.
- National Bureau of Statistics of the People’s Republic of China. 2014. “Investigative Report on the Monitoring of Chinese Rural Migrant Workers in 2013.” (In Chinese). [http://www.stats.gov.cn/tjsj/zxfb/201405/t20140512\\_551585.html](http://www.stats.gov.cn/tjsj/zxfb/201405/t20140512_551585.html).
- National Bureau of Statistics of the People’s Republic of China. 2019. “Statistical Communiqué of the People’s Republic of China on the 2018 National Economic and Social Development.” 28 February. [http://www.stats.gov.cn/english/PressRelease/201902/t20190228\\_1651335.html](http://www.stats.gov.cn/english/PressRelease/201902/t20190228_1651335.html).
- Naughton, Barry. 2014. “China’s Economy: Complacency, Crisis and the Challenge of Reform.” *Daedalus: Journal of the American Academy of Arts and Sciences* **143**(2): 14–25.
- O’Brien, Kevin J. and Yanhua Deng. 2017. “Preventing Protest One Person at a Time: Psychological Coercion and Relational Repression in China.” *China Review* **17**(2): 179–201.
- Park, Albert and Fang Cai. 2011. “The Informalization of the Chinese Labor Market.” Pp. 17–35 in *From Iron Rice Bowl to Informalization: Markets, Workers, and the State in a Changing China*, edited by Sarosh Kuruvilla, Ching Kwan Lee and Mary E. Gallagher. Ithaca, NY: Cornell University Press.
- Phillion, Stephen E. 2009. *Workers’ Democracy in China’s Transition from State Socialism*. New York: Routledge.
- Pringle, Tim. 2013. “Reflections on Labor in China: From a Moment to a Movement.” *South Atlantic Quarterly* **112**(1): 191–202.
- Pringle, Tim. 2018. “A Solidarity Machine? Hong Kong Labour NGOs in Guangdong.” *Critical Sociology* **44**(4–5): 661–75.
- Pringle, Tim and Quan Meng. 2018. “Taming Labor: Workers’ Struggles, Workplace Unionism, and Collective Bargaining on a Chinese Waterfront.” *ILR Review* **71**(5): 1053–77.
- Pun, Ngai and Jenny Chan. 2013. “The Spatial Politics of Labor in China: Life, Labor, and a New Generation of Migrant Workers.” *South Atlantic Quarterly* **112**(1): 179–90.
- Rogers, Brishen. 2019. “Solidarity in Silicon Valley.” *Boston Review* May 14. <http://bostonreview.net/class-inequality-law-justice/brishen-rogers-solidarity-silicon-valley>.
- Saich, Tony. 1990. “The Rise and Fall of the Beijing People’s Movement.” *Australian Journal of Chinese Affairs* **24** (July): 181–208.
- Schmalz, Stefan, Brandon Sommer and Hui Xu. 2017. “The Yue Yuen Strike: Industrial Transformation and Labour Unrest in the Pearl River Delta.” *Globalizations* **14**(2): 285–97.

- Selden, Mark and Wu Jieh-min. 2011. "The Chinese State, Incomplete Proletarianization and Structures of Inequality in Two Epochs." *Asia-Pacific Journal* 9(5), No. 1, 24 January. <http://japanfocus.org/-Mark-Selden/3480#>.
- Solinger, Dorothy J. 2009. *States' Gains, Labor's Losses: China, France, and Mexico Choose Global Liaisons, 1980–2000*. Ithaca, NY: Cornell University Press.
- Sun, Wen-bin. 2000. "Labour Disputes in Shenzhen: The Origin, Pattern and Settlement of Workplace Conflicts." Pp. 167–90 in *Guangdong in the Twenty-first Century: Stagnation or Second Take-off?*, edited by Joseph Y. S. Cheng. Hong Kong: City University of Hong Kong Press.
- Swider, Sarah. 2017. "Informal and Precarious Work: The Precariat and China." *Rural China: An International Journal of History and Social Science* 14(1): 19–41.
- Tanner, Murray Scot. 2005. "Chinese Government Responses to Rising Social Unrest." RAND Corporation, Santa Monica, CA. [http://www.rand.org/content/dam/rand/pubs/testimonies/2005/RAND\\_CT240.pdf](http://www.rand.org/content/dam/rand/pubs/testimonies/2005/RAND_CT240.pdf).
- van der Linden, Marcel. 2016. "Global Labour: A Not-so-Grand Finale and Perhaps a New Beginning." *Global Labour Journal* 7(2): 201–10.
- Walder, Andrew G. 1986. *Communist Neo-Traditionalism: Work and Authority in Chinese Industry*. Berkeley, CA: University of California Press.
- Walder, Andrew G. and Gong Xiaoxia. 1993. "Workers in the Tiananmen Protests: The Politics of the Beijing Workers' Autonomous Federation." *Australian Journal of Chinese Affairs* 29(January): 1–29.
- Wilkinson, Adrian, Tony Dundon, Jimmy Donaghey and Richard B. Freeman. 2014. "Employee Voice: Charting New Terrain." Pp. 3–16 in *Handbook of Research on Employee Voice*, edited by Adrian Wilkinson, Jimmy Donaghey, Tony Dundon and Richard B. Freeman. Cheltenham, UK and Northampton, MA, USA: Edward Elgar Publishing.
- Wilkinson, Adrian, Paul J. Gollan, Senia Kalfa and Ying Xu. 2018. "Voices Unheard: Employee Voice in the New Century." *International Journal of Human Resource Management* 29(5): 711–24.
- Xinhua. 2006. "China Strives to Handle Mass Incidents." December 9. [http://www.chinadaily.com.cn/china/2006-12/09/content\\_754796.htm](http://www.chinadaily.com.cn/china/2006-12/09/content_754796.htm).
- Xinhua. 2015. "China to Launch 10 Pilot Reforms for SOEs in 2016." December 11. [http://english.gov.cn/news/top\\_news/2015/12/11/content\\_281475252308138.htm](http://english.gov.cn/news/top_news/2015/12/11/content_281475252308138.htm).
- Xu, Yi. 2013. "Labor Non-Governmental Organizations in China: Mobilizing Rural Migrant Workers." *Journal of Industrial Relations* 55(2): 243–59.
- Zhang, Lu. 2015. *Inside China's Automobile Factories: The Politics of Labor and Worker Resistance*. New York: Cambridge University Press.
- Zhuang, Wenjia and Feng Chen. 2015. "'Mediate First': The Revival of Mediation in Labour Dispute Resolution in China." *China Quarterly* 222(June): 380–402.

---

\*The author is very grateful to Tony Dundon, Adrian Wilkinson, Jimmy Donaghey and Richard Freeman for their intellectual support. She also thanks Mark Gawne for his helpful feedback on earlier drafts of this chapter. The work described in this chapter was fully supported by a grant from the Research Grants Council of the Hong Kong Special Administrative Region, China (Project No. PolyU 25602517).

1. Since 2009, "collective labor disputes" have been officially defined as disputes involving ten or more employees (previously, a collective dispute was defined by involvement of three or more employees). The total number of arbitrated labor disputes cited in this chapter included individual and collective cases (various years).
2. Geoffrey Crothall, Communications Director of China Labour Bulletin, distills the partially available government statistics to estimate that the Strike Map at best accounts for about 10 percent of all incidents of workers' collective action in China during the first five years of President Xi Jinping's rule from 2013 to 2017. See the online interactive Strike Map covering January 2011 to the present: <https://maps.clb.org.hk/strikes/en>
3. Interview with labor NGO, Shenzhen, February 2019.
4. In September 2016, three labor rights activists, namely Zeng Feiyang, Tang Huanxing and Zhu Xiaomei, were handed suspended prison terms, ranging from 18 months to four years (Panyu District People's Court, Guangzhou city, September 29, 2016). The sentence of a fourth labor organizer, Meng Han, was not suspended. He was imprisoned for 21 months (Panyu District People's Court, Guangzhou city, November 3, 2016).
5. Some social organizations have registered with the Ministry of Civil Affairs, the All-China Women's Federation, and other government units. In the uncertain and unfavorable political environment, labor rights

---

organizations have instead registered as business consultancy firms in order to survive. Effective from January 1, 2017, with the passage of the Law on the Management of Overseas Non-governmental Organizations' Activities within Mainland China (also known as "the Foreign NGO Law"), the oversight of Hong Kong and international NGOs by the Chinese authorities has strengthened. In fact, the Ministry of Public Security now reserves the right to "manage" foreign NGOs on the mainland.

6.<em> Between summer 2018 and early 2020, the government extended the repression to a number of labor NGOs and social service organizations in Shenzhen, Guangzhou and Beijing, regardless of whether they were involved in the Jasic struggle for union rights. The chilling effect on workers' voices and labor struggles is intimidating.