The State of Labor Resistance and Repression in China

written by Julie Liu, Roy Li | August 6, 2024

Julie Liu

Today, I will provide a broad and simplified summary of workers' resistance in China, especially labor resistance in the low-end manufacturing sector in the post-Covid era. But first I want to give a broad overview of the development of workers' struggles since China's market-driven reforms.

These market reforms, which started in 1978, have radically changed labor relations in the country, forming a new working class and new forms of workers' resistance. Before the reforms, state workers enjoyed lifetime guaranteed employment, as stable wages and other basic living standards were guaranteed by the state. However, because of the widespread privatization ushered in by the reforms, many state workers were laid off, and short-term contracts and informal employment replaced lifetime employment. State employees, many of whom were concentrated around northern China, eventually became among the most important components of workers' resistance in the early days of the reform period.

On the other hand, a new group of migrant workers has been forming in the southeastern part of China (around the Yangtze and Pearl river deltas), where many new factories have been created. Special economic zones were created along the southeast coast of China, with the government implementing policies to attract foreign investment. As a result low-end manufacturing industries shifted from the global North to China, and millions of workers migrated from the countryside to work in cities, making the southeast coast the main site of migrant workers' resistance. Before the market reforms, the strict household registration (hukou) system did not allow peasants to leave rural areas. After the reforms, the system was loosened, though not eliminated, enabling more flexibility for millions of rural citizens to move away to find work. However, even though peasants have been allowed to migrate to cities, they are still excluded from receiving public services and social welfare benefits there.

Next, I will explain the main avenues through which workers' resistance emerged over the past four decades, and why workers have adopted these strategies. Pressured by the competition of global production and the game of "race to the bottom," employers maximize the exploitation of workers with relatively low wages, undesirable working conditions, and extremely long working hours. Employers' control over workers' lives is reinforced by control over their daily reproduction by normalizing a culture of workers living in company-run dorms. The expansion of low-end manufacturing industries in China, which prioritizes low-cost production at the expense of workers' rights, has produced a brutal system of labor exploitation. In practice, there is little protection of workers' rights under the Chinese labor regime. The state often protects the capitalist sector for the benefit of the dominating class. The hukou system further legitimizes the exploitation of workers.

The only legal trade union federation, the All-China Federation of Trade Unions (ACFTU), works more like a bureaucratic arm of the state than a union protecting workers' rights. Generally, the lower-level unions are subjected to managerial control, and higher-level unions subjected to greater state manipulation. In either case, the power of the unions comes from the state, rather than from workers. Though it seems like labor laws in China establish high standards in securing workers' rights, in reality, these laws are very weakly enforced. Also, the promotion of lawsuits as a means to fight for workers' basic rights reduces labor issues to a problem of individuals, rather than something workers should collectively fight for. Without the freedom of association outside of a bureaucratic, top-down union federation, there are few ways for workers to practically advocate for their rights.

So, how have Chinese workers expressed their grievances and resistance? First, many of them simply leave and find another job, resulting in high turnover rates. Second, workers resort to individual lawsuits to protect their legal rights. But for workers, the lawsuits often mean higher time and monetary costs. Third, workers stage wildcat strikes.

Over the decades since the market-driven reforms, China has witnessed waves of strikes in the manufacturing sector. Building on the research of other scholars and activists, I would roughly divide these strikes into three phases:

> Before 2010, many workers were demanding minimum wage and wage arrears
>
> Between 2010-15, more workers started making demands beyond what was covered in the law, like higher wages, more space to bargain, and reforms to ACFTU
>
> Since the 2010s, increasing labor costs and governments' industrial upgrading policies have pressured factories to move away from the coastal area toward the inner part of China or other countries for cheaper labor. The factory relocation resulted in a wave of strikes demanding severance payments and social insurance required by the law.

After 2015, strikes dramatically decreased. Strikes also began shifting from manufacturing around the Pearl River Delta region to service sectors in other parts of the country. In 2023, the number of strikes dramatically increased again (though still below 2016 levels), and we also saw a swing back to workers' militancy in manufacturing sectors again in the Guangdong region.

Based on my analysis of data from China Labor Bulletin—an organization that tracks workers' collective actions in China—over 50 percent of the strikes in the manufacturing sector were triggered by factory relocation or closure. There are a few reasons for this. First, this is a continuation of the wave of factory relocations that started at the end of the 2000s, promoted by the increased labor costs and the state's development strategy. Second, COVID-19 also significantly impacted small suppliers at the end of global supply chains. Companies shifted costs incurred by canceled orders to workers, and triggered mass lay-offs without severance pay again. Third, the overall slowdown of economic growth and restructuring of global supply chains resulted in more layoffs, compounded by "industry upgrading" initiatives launched by local governments, which saw intensified capital intervention and led to the closure of small workshops and factories.

In this wave of factory relocations, employers have a whole series of tactics to exploit the workers. Pressure from the pandemic-era economic slowdown, in particular, encourages bosses to displace costs on to workers: wage arrears, refusing to pay severance (n+1 month under Chinese law) and social security, and cutting wages. Some bosses simply flee and run away to evade accountability. There are also more subtle tactics. Some deny that they are relocating, but in fact they relocate large-scale machinery and significant parts of the factory. They also force workers to voluntarily

resign in a number of ways, like transferring them to other regions that the workers don't want, cutting wages, or putting them on extended "holidays." One common tactic that may seem counter-intuitive is to reduce workers' hours to five days and eight hours. This may sound good, but in China, this means that workers' wages would be driven down and they cannot support themselves.

So, how have Chinese workers resisted during this wave of factory relocations and closures in post-COVID China? Workers have adopted various strategies that they have accumulated over past waves of strikes. Workers performed work stoppages, organized protests and sit-ins, blocked factory entrances, and guarded machines. In some cases, workers have also threatened mass suicides from the top of factories to attract public attention, pressure employers to respond to their demands, and compel state labor agencies to intervene on their behalf. Workers have also mounted lawsuits and filed complaints against their employers, appealing to state agencies like the ACFTU, the Labor Bureau, the Social Security Bureau, and the municipal government.

In this wave of strikes, workers demonstrated resilience by using various strategies to pressure employers and governments to respond to their demands. However, due to the production contractions and strengthened authoritarianism in post-COVID China, workers' collective actions face new challenges:

> As more companies are forced to relocate inland, workers' actions are becoming smaller in scale with less power.
>
> Contracted production means that threats of work stoppages are becoming less effective
>
> There has been an unprecedented suppression of labor activism and lowering of labor standards since 2015. What has been noteworthy in recent labor struggles has been the absence of the participation of labor NGOs and activists, with little to no mainstream media coverage. Workers mainly rely on posting footage of strikes on platforms like TikTok, but those are often swiftly censored or taken down by the authorities.

Roy Li

I came from a working-class family in a southeastern coastal village, and my parents worked as peasants and fishers. My grandparents were also peasant workers. I got into labor organizing during my college years around 2010 and was active in organizing workers in the service and sanitation industry in southern China. I co-founded a labor group with other activists, which was eventually shut down. A few others and I spent some time in prison for our organizing. On that note, I begin my presentation today with photographs of many other Chinese labor activists who have faced repression for their organizing. Some are still in jail or awaiting their sentences, and others have been released.

Julie already covered how the market reforms in China led to the creation in recent years of a huge reserve army of workers composed of many laid-off state-owned enterprise workers and migrant workers. Just one more word about migrant labor: a majority of Chinese migrant workers are still unprotected by labor contracts. This means that many of them do not enjoy basic labor protections, and it is very challenging for them to resist labor abuses through legal mechanisms.

Poor labor protections, coupled with few legally protected means for organizing, mean that militant workers and labor activists have to think creatively about how to organize. Labor NGOs had been a key component of the organizing infrastructure from the 1990s until quite recently. Labor NGOs in China are non-membership-based labor organizations, equivalent to what one would call workers' centers in the US. They are also mainly founded by migrant worker activists. These emerged

because the only legal means for workers' organizing—the ACFTU—is highly dysfunctional and often pro-employer. Workers also find it difficult to raise legal complaints in courts, which are also often in favor of employers. Workers cannot organize independent unions in China. Any new unions must be registered with the ACFTU. The ACFTU is not very meaningful for most workers. In fact, most workers barely know what the ACFTU does, including ones who are registered members. When many workers first join a workplace, employers make them sign documents without explaining what they mean. Union dues are automatically deducted from many workers' wages, and the state union and the employers rarely explain this process. This is why workers 'remain' in the union even though they know that the union doesn't do much for them. At most, ACFTU provides some social welfare programs, especially during the holidays. However, during labor disputes, the ACFTU often does not take the side of the workers. Most workers view the union as part of the government, and during most bargaining sessions, ACFTU sides with the employers against the workers. All these challenges to labor organizing also emerge in the backdrop of intensified sweatshop working conditions and exploitation under globalization. The idea of labor NGOs was also influenced by discussions at the Fourth UN World Conference on Women in 1995. Since the repression of the Tiananmen student and workers' movement, the Chinese state has clamped down on most independent avenues for advocating for workers' interests. Labor NGOs have become a key informal way to mobilize and defend workers, in the absence of other legal means of organizing that are effective.

So, what organizing strategies have Chinese labor NGOs engaged in? Like workers' centers, they provide community services to help empower migrant workers and their families, such as equipping workers with legal knowledge to agitate and file complaints. Before 2015, labor NGOs tried to encourage collective bargaining and strikes among workers to pressure employers. Of course, the government is not happy about labor NGOs and more workers taking collective action, so there are frequent crackdowns on these organizations. Unfortunately, when workers do strike, usually it's either a difficult win or a terrible loss. If the workers win their demands, afterward the employers and state officials usually identify and fire the worker workplace leaders. And if the workers lose, especially with little support from civil society, the government can arrest and physically assault workers by imposing the police, without compromising on any demands and forcing the workers back to the assembly line.

There have been three rough phases of state crackdown on labor organizations. Since their emergence in the 1990s, many labor organizations have faced administrative and bureaucratic attempts by the state to make it difficult to exist and function. Many were not allowed to register even as non-profits, and some had to resort to registering as business organizations to exist. Similar things happen with other community organizations, especially ones dealing with feminist and other forms of gender advocacy. By the second phase around the late 2000s and early 2010s, labor organizers faced more harassment—both direct and indirect—from the local police. For example, the police might pressure landlords to cease renting spaces to labor organizations.

After 2015, labor organizations faced a new level of widespread criminalization. For example, in December 2015, a dozen labor organizers in southern China were arrested and four of them were given years-long sentences. In 2016, the government passed two laws that further intensified the crackdowns on civil society organizations, especially labor groups. One was the Charity Law that made labor organizations' domestic fundraising attempts even more challenging, as permission from the local government and affiliation with the state-run charity foundation was required to fundraise. Most labor organizers do not have good relationships with local officials for their organizing work, so the state rarely grants permission. Another law, the Foreign NGO Management Law, makes overseas organizations' funding of labor organizations more restrictive. So while all the legal means for workers to voice their grievances continue to be ineffective, the state is also making it harder and harder for labor organizers to persist. To give a sense of the crackdown since 2015, there were

about 100 labor NGOs in 2010; today there are probably fewer than ten left. Those organizations would also not identify as being labor NGOs for fear of repression, and the few that persist are transitioning back from agitational organizing to service-oriented efforts as a way to stay running. In 2018, over one hundred Maoist students who supported workers in the JASIC factory were detained and forcibly sent to "re-education centers." Other independent labor organizers, including myself, continue to face these threats.

I want to conclude with Meng Han's story to give a sense of the repression faced by Chinese labor organizers. Meng is a former worker for a state-owned enterprise (SOE) in the inner province of Hubei. Before the economic reforms in the 1980s, he had a stable job and social welfare. But he was laid off like many other SOE workers in the 1990s and became a migrant worker who moved to work in Guangdong Province. I first met him when he was a dispatch security officer at a public hospital in Guangzhou in 2013, when he and his co-workers did not have a job contract or social insurance and had experienced wage theft for a decade. Meng led a strike for nearly 90 days with two hundred other workers, including other (female) care workers, at the hospital. The administration still refused to bargain after 90 days and some workers collectively threatened suicide from the top of the building to build pressure. Thirteen workers were arrested, including Meng, who was sentenced to nine months in prison, the longest among workers.

After being released from jail in 2014, Meng became a labor organizer to support manufacturing workers. During 2014 and 2015, he supported a group of more than two thousand workers in a shoe factory in a militant action and led them to a big win, costing the local government and the company more than $17 million. This led to his second arrest in December 2015, and this time he was imprisoned for a year and nine months. From this point on, it became increasingly hard for Meng to keep organizing. Even after his release, every time he posted about labor issues on his social media, his account would be censored and deleted. Authorities would come to his house to pressure him to be quiet, and he was detained again for a few weeks in 2019. He continued to be regularly surveilled since then. A clip from 2017 showed that local authorities even sent masked thugs to his parent's house to intimidate them to pressure him to confess. It became too difficult for Meng to continue organizing, and he wanted to look for a normal job again, but was repeatedly denied by the local government and companies in fear of his influence on other workers. Today, Meng still remains unemployed and suffers from severe depression, feeling so terrible and frustrated that he can't be involved in the movement or find work.

I don't have many solutions for the future, but I'll end here with a few observations.

> Wildcat labor struggles during the pandemic have intensified, but continue to remain invisible and unsustainable because of increased censorship and crackdown.
>
> With the decline of traditional labor organizations, new labor activist trends are emerging in China. There are more forms of digital forms of resistance, like the tech workers' 996.ICU movement. Other sectors beyond manufacturing are engaging in workers' actions, from teachers to public servants. There are more and more people, especially youth, critical of capitalism.
>
> At the same time, government repression and surveillance have intensified to unprecedented levels. Younger activists are severely monitored, and many are shut out from further organizing quickly.

This Article is part of a special section on labor in China:
• Socialist Internationalism and the Chinese Working Class: An Introduction, Ruo Yan and Andrew Sebald
• The State of Labor Resistance and Repression in China, Julie Liu and Roy Li
• Gender and the Chinese Working Class, Zoe Zhao and Olia Shu
• Labor Solidarity Through Supply Chains: Foxconn and the U.S. Labor Movement, Zhang Mazi
• Between Chinese Surveillance and Israeli Settler Colonialism, Palestine Solidarity Action Network
• Activists on U.S.-China Labor Solidarity, Ellen David Friedman, Alex T. Tom, and Kevin Lin, moderated by Andrew Sebald