

Chapter 3

The making and re-making of the working class in South China

Parry Leung and Alvin Y So

In *Against the Law*, Ching Kwan Lee (2007) points out that the migrant working class in South China has followed a different trajectory from that of the veteran state workers in the North in terms of their grievances, actions taken, subjective identity and pattern of mobilization. Working mostly in private, joint-venture and foreign enterprises in South China, the hundred-million strong migrant workers account for around 60 per cent of China's industrial workforce. In the garment and textile industries, these migrant workers constitute 70–80 per cent of the total workforce (Lee 2007, p. 6). Since the 1990s, these young migrant workers have engaged in protests and strikes (or what the Chinese authorities vaguely refer to as 'spontaneous incidents').

In terms of *grievances*, the overwhelming majority of the conflicts for migrant workers in South China are about wages (such as unpaid wages, illegal wage deductions, substandard wage rates, or lack of injury compensation) and working conditions (extremely long working hours, arbitrary and unreasonable factory discipline). In contrast, the conflicts for state workers in North China are about collective consumption (such as housing, pensions, health care and other goods/services in the working class community that were previously given to workers that had been laid off). An official survey in 2003 showed that about 75 per cent of migrant workers had experienced wage non-payment over varying periods of time and for varying amounts (Kuhn 2004, p. 30).

In terms of *actions taken*, migrant workers resort first to legal activism, such as filing petitions and lawsuits for collective labour arbitration, mediation and litigation.

Many cases of labour disputes are characterized by migrant workers' self-consciously law-abiding principles of action. They stake their claims in the law, clamouring against violation of labour rights by employers and discrimination against them as 'outsiders' or second-class citizens by local state officials. Only when the legal and bureaucratic channels fail (which they often do) do migrant workers resort to direct action in the form of slowdowns, collective quitting, strikes, walkouts and other forms of public demonstration.

In terms of *subjective identity*, migrant workers have a muted class consciousness, for they rarely speak of themselves as the 'working class' (*gonggrenjieji*) and 'workers' (*gongren*) even though some of them have worked in urban factories for more than a decade. Instead migrant workers still typically identify themselves as peasants (*nongmin*), a place-based status marked by their household registration which defines their legal status. Many also identify themselves as 'non-state workers' (*mingong*), 'peasant workers' (*nongmingong*) or 'outside workers' (*wailaigong*). Lacking in urban household registration and working outside the state sector, migrant workers in South China do not see themselves as real workers, much less as the politically and ideologically privileged 'working class' in Maoist socialism.

Finally, in terms of patterns of *mobilization*, migrant workers' labour resistance can be characterized as 'cellular' activism, which has been bottled up at either the enterprise or the workshop level and seldom evolves into lateral, cross-locality rebellion. The migrant workers' political targets have remained the local government and the local companies rather than higher-level officials or the central government. This localized and fragmented mode of labour mobilization seldom demonstrates a tendency to become radicalized and politicized. Lee (2007, pp. 22–3) explains that the availability of land use rights in their birth villages and the subsistence economy they support act as a safety valve for migrant workers' city survival and dampens migrant workers' resilience in sustained labour struggles.

From a class perspective, Ching Kwan Lee's study (2007) presents a very depressing picture of the making of the migrant working class in South China (hereafter abbreviated to MWC). Lee's work suggests that the MWC is powerless to defend its

own interests. It is absorbed in taking *individual* action about personal gains and losses, but has seldom taken any *collective* action; that is, it has not taken any action to improve the working conditions of the entire working class in South China. In addition, the MWC is mostly focused on narrow *economic* issues (such as wage non-payment) and it generally fails to raise any *political* issues (such as challenging arbitrary factory discipline) in the factories. Although the MWC occasionally rises up in protest, its action tends to be directed through existing legal channels, thus it takes the existing institutions for granted rather than challenging their legitimacy. Although the MWC experiences brutal exploitation at work, it has a *-muted class consciousness* and identifies itself as peasant rather than as worker. In summary, the MWC still has not yet formed a 'class' in a Marxist sense, and the MWC is a merely a class-in-itself, but not a class-for-itself. As such, an interesting research question is: under what conditions could migrant workers in South China become a 'class' to protect its interests and become an agency in historical transformation?

Since class is not a structure but a set of dynamic processes of perpetual re-creation and constant change of form and composition (Wallerstein 1979), we need to trace the historical evolution of the MWC in order to say anything about its class potential and trajectory. In retrospect, the second half of the first decade of the 21st century (that is, 2005-10) seems to have provided a golden opportunity for the formation of the migrant working class in South China.

Historical development in the first decade of the 21st century

Ching Kwan Lee's study (2007) was mostly about the profound post-socialist transformations during the last two decades of the 20th century. Thus it may not be able to capture the four significant historical developments in the first decade of the 21st century, namely, the formation of a second generation of migrant workers, the passing of the new Labour Contract Law by the National People's Congress in June 2007, the global economic crisis since late 2008 and the waves of strikes and labour actions including the Honda strike and worker's suicides at Foxconn in 2010.

The first historical development was the formation of a new generation of Chinese migrant workers (Chan and Pun 2010). In June, 2010, the All China Federation of Trade Unions (ACFTU) reported that 'the post-80s generation' migrant workers were quite different from their parents and the older migrant workers with regard to their childhood experience, their social identity and their demands for decent working conditions (ACFTU 2010).

The new generation could be labelled as the 'second generation' because some of them were raised in urban settings having followed their migrant families during childhood, or were raised in villages while one or both parents worked in the cities. In fact, the great majority were 'left behind children', as their parents were migrant workers working far away during their childhood; these 'left behind children' find migrant work a natural (if not the only) choice as the great majority cannot get university admission. They leave their villages or towns immediately after finishing school to seek urban jobs. Waged employment in large towns and cities has become the primary means of making a living for these young migrants. The second generation has either never farmed the piece of land allocated to them (about 0.07 hectares per person), or has recognized that it is too small to make a living. Moreover, as this land is non-transferrable, many migrant workers choose to lease it (under their name) to their neighbours free of charge which means that they could not possibly return to their villages if they became unemployed in the cities.

Perhaps reflecting this change of childhood experience among the second generation, the ACFTU (2010) reported that there has been a transformation of social identity for migrant workers. The second generation identifies itself equally as 'peasants' (32.3 per cent) and 'workers' (32.3 per cent), whereas the first generation identifies itself more as 'peasants' (54.8 per cent) than as workers (22 per cent).

The second generation is also increasingly aware of its rights; second generation migrants have higher expectations of getting fair work opportunities, and labour and social welfare services. Furthermore, they have higher aspirations for career advancement than their older counterparts.

The second historical development that has helped shape a migrant working class is the passing of the Labour Contract Law by the National Peoples' Congress in June 2007. The new Labour Contract Law is aimed to protect workers' legitimate rights to wages, benefits, welfare and employment security. Many scholars have called the Labour Contract Law the most significant piece of Chinese labour legislation in more than a decade (Wang et al. 2009; J. Chan 2009; Becker & Elfstrom 2010). The Labour Contract Law has the following features:

- *A valid written labor contract* must be offered by the employer before a worker is asked to start working. If an employer has not given a worker a contract after 30 days, a contract is automatically assumed providing wages and working standards prevalent in the industry in which the worker is employed.
- *Open-ended contracts* for employment are required for those workers who have completed two fixed term contracts or with more than 10 years of service in a firm. That means a permanent contract of legally valid labor relationship is automatically formed from the date a worker begins to provide substantial labor service to the employer, and workers are protected from dismissal without a valid cause.
- *Severance Payment.* Employers are now obliged to give a severance payment which is about one month for every year one has worked in the firm. Previously, employers could offer fixed term contracts that automatically end without the need for termination or severance pay.
- *Contribution to Social Security and set labour standard.* The new labor law also requires employers to contribute to their employee's social security accounts and set wage standards for workers on probation and overtime (So 2010a).

The third historical development shaping the emergence of a migrant working class is the global economic crisis. The 2008 subprime mortgage crisis in the United

States has grown into the deepest economic crisis since the Great Depression. The crisis is no longer simply confined to the financial sector, but has spread to the larger global economy. The 2008 crisis not only marked the end of the golden era of unbridled free-market economics in the United States, but could also serve as a turning point of the capitalist world economy (So 2012).

At the onset of the economic crisis in late 2008, China's exports suffered a sharp slowdown, down more than 20 per cent from the previous year (Barboza 2009). In China's Pearl River Delta, many toy export-processing companies have closed or gone bankrupt because of order reductions from the United States and Europe ('Bankruptcies and closures ...' 2008). Roubini (2008) reports that China may be on its way to a hard landing, as the macro data from China all point toward a sharp deceleration of economic growth, with a sharp fall in spending on consumer durables, falling home sales, and a sharp fall in construction activities. The global economic crisis in 2008 clearly exposes the vulnerability of the Chinese mode of development, which is export-driven and heavily dependent on the subcontracts of transnational corporations.

Unemployment became a growing concern in China's urban areas in late 2008. China needs a growth rate of at least 5 per cent to absorb the 24 million people who join the labour force each year. The sharp decline of export trade has left millions without work and set off a wave of social instability. The *Sunday Times* reported on 1 February 2009 that social unrest among unemployed workers spread more widely in China than was officially reported (Sheridan 2009).

The fourth historical development in the argument about the emergence of a migrant working class is that 13 young migrant workers attempted or committed suicide at the two Foxconn production facilities in South China between January and May 2010. Jenny Chan and Ngai Pun (2010, p. 1) 'interpret their act as protest against a global labor regime that is widely practiced in China. Their defiant deaths demand that society reflect upon the costs of a state-promoted development model that sacrifices dignity for corporate profit in the name of corporate growth'. The Foxconn case is important because it appeared in the front pages of the global mass media in the spring of 2010. SACOM (Students and Scholars against Corporate Misbehavior), labour

unions and rights groups protested at the Foxconn General Meeting in Hong Kong on 8 June 2010 and declared the day as the Global Day of Remembrance for Foxconn suicide victims. There were protests against Foxconn in San Francisco and in other cities around the world (Chan and Pun 2010).

In addition, in the summer of 2010, four strike incidents were reported at Honda's production lines in China. The strike at Honda Auto Parts Manufacturing Co. Ltd. of Foshan, Guangdong started on 17 May 2010. It quickly expanded to 1900 workers, including permanent full-time workers and vocational school interns. The strike surprisingly lasted 19 days, until 4 June. In the end, the workers won, getting a 32.4 per cent increase in wages (from 1544 RMB to 2044 RMB), while the student interns got a 70 per cent increase (from 900 RMB to 1500 RMB).

However what is significant about the Honda strike is that workers not only raised the demand of forming an independent trade union during the strike, but the strikers were also reported to have had a physical confrontation with official union members on the 31 May 2010. At around 2 pm on 31 May, a Honda worker, who had been interviewed by Chris Chan the day before, sent him a mobile phone message saying that 'members from the district trade union started beating strikers in a chaotic situation!' Honda workers later told Chris Chan that the strikers were beaten up by about 200 people mobilized by the town- and district-level trade union. A few strikers were hurt and sent to a nearby hospital (Chan and Hui unpublished).

Given the above four historical developments in the first decade of the 21st century, what is the recent impact on the making or re-making of the migrant working class in South China? Before we answer this question, however, we need to point out that class is not a thing or a structure but a set of complex historical relationships with other classes and the state. Thus a class cannot be studied in isolation from other classes and the state (Thompson 1978). Therefore in order to examine the making or re-making of the working class, we need to broaden our scope to examine how the four historical developments in the 21st century have transformed class relations in ways that involve the state, the working class and the capitalist class.

The realignment of class relations in the 21st century

In the 1980s, when China first started to re-enter the capitalist world economy, the communist party-state pursued the path of neo-liberalism, liberalizing the market, downsizing the state bureaucracy, loosening its regulations, cutting back its social welfare commitments and privatizing its state economy (though not yet embarking on layoffs in the state sector). However, since the Communist Party-state's survival has been threatened by the growing number of labour protests in the cities and the numerous peasant protests in the countryside at the turn of the 21st century, China has had second thoughts about pursuing the path of neoliberal capitalism in order to pre-empt the further intensification of class conflict (So 2010b). Under the policy of 'building a new socialist countryside' and a 'harmonious society', the regime, under the leadership of Hu Jintao and Wen Jiabao, tried to move in a more sustainable direction by balancing economic growth and social development. Not only has the agricultural tax been abolished to help relieve the burden on peasants, but the state has also increased its rural expenditure by 15 per cent (to USD 15 billion) to bankroll guaranteed minimum living allowances for peasants, and has funded an 87 per cent hike (to USD 4 billion) in the health-care budget (Liu 2007).

Before the arrival of the global economic crisis in 2008, China was already in the process of moving away from the model of neo-liberalism. China's strong developmental state enabled it to have a quick response to the global economic crisis. Beijing announced a massive stimulus program in early November 2008 – only seven weeks after the Lehman Brothers collapse. China's stimulus package was budgeted at 4 trillion RMB (USD 586 billion), which was equivalent to 13.3 per cent of China's 2008 GDP. It is one of the largest economic stimulus packages (both in spending levels and as a percentage of GDP) that has been announced by the world's major economies to date (Morrison 2009, p. 6).

Aside from promoting capital accumulation, the stimulus program aimed to soften the acute class conflict that emerged as a result of rapid development over the

past three decades. For example, in 2009 the state announced plans to spend an additional USD 124 billion over the next three years to create a universal health care system. The health plan would attempt to extend basic coverage to most of the population by 2011, and would invest in public hospitals and training for village and community doctors. Efforts have also been made to boost rural incomes and spending levels and to narrow the gap in living standards between rural and urban citizens. For example, since February 2009, an estimated 900 million Chinese rural residents have been eligible to receive a 13 per cent rebate for the purchase of home appliances; in addition public housing education and infrastructure projects are largely targeted at rural areas (Morrison 2009, p. 7).

In short, the stimulus program aims to encourage consumer spending in order to boost the domestic economy. The state wants to promote domestic consumption and to improve collective consumption and social insurance. The assumption is that unless the social safety net and social insurance are expanded, Chinese consumers will be more inclined to save than to spend, and the enlarged domestic market will not be able to absorb the slack in the export market caused by the global economic crisis of 2008–9.

Furthermore, the global economic crisis has led to a growing conflict between the Chinese state and the global capitalist class. In August 2009, the Chinese government arrested and prosecuted several executives of a foreign mining giant, the Anglo-Australian company Rio Tinto, accusing them of being spies who had stolen state secrets. Although the spy charges were later dropped, the Rio Tinto executives still faced lesser charges of bribery and theft of trade secrets. These espionage threats caused general unease amongst the transnational companies operating in China, who feared they could face persecution and closed-door trials for engaging in what much of the business world would regard as bare-knuckle business tactics. In late 2010, foreign businesses in China were voicing frustration over China's heavily regulated market – a bureaucratic maze which many transnational capitalists say is designed deliberately to hamstring non-Chinese players to the advantage of their local competitors. The European Union Chamber of Commerce in China also issued a position paper listing

hundreds of market-access problems of foreign companies across a range of industries (Ford 2010).

Foreign companies have also complained loudly that they are being shut out of the majority of the lucrative government procurement sector. For example not one of the 25 valuable contracts awarded to companies under the Chinese government's USD 586 billion stimulus program went to a foreign-owned company (Jiang 2010).

If the global economic crisis induced the state to take more aggressive actions to protect Chinese industries from the transnationals, the crisis also induced the state to take a stronger stand to protect the Chinese workers from exploitation in the export sector. The new labour contract law took effect in 2008 despite the transnational business community – as represented by the American Chamber of Commerce in Shanghai, the US-China Business Council and the European Union Chamber of Commerce in China – putting up a strong battle in opposition to the labour law (So 2010a).

In 2010 the Central Committee of the Communist Party and the State Council jointly issued the 'No. 1 Central Document' which called for better coordination of rural and urban reforms and highlighted the needs of the new generation of migrant workers (Chan and Pun 2010, p. 4). These rebalancing efforts across different government levels have had an impact on both rural incomes and migrant wages.

Subsequently, when a series of wildcat strikes broke out against Honda and Toyota in several cities in South and Central China in the summer of 2010, the central government allowed the Chinese mass media to cover the strikes in detail. This tacit approval of coverage of the strikes seems to reflect a genuine desire of the Chinese state to see higher wages for the workers so as to increase domestic consumption during the global economic crisis. The above speculation is confirmed by the fact that, soon after the strike wave in the summer of 2010, various local governments in Shenzhen, Nanhai and Beijing quickly announced that they would raise the minimum wage by 10–20 per cent in the following months ('Wildcat strikes ...' 2010).

In August 2010 during a high-level Japan-China meeting, Chinese Premier Wen

Jiabao further bluntly warned Japan 'that its companies operating in China should raise pay for the workers'. Wen told the Japanese officials that the cause of labour unrest was the relatively low level of pay at some foreign companies (Browne & Shirouzu 2010).

The Chinese economic miracle is built upon the model of export-led industrialization. Since the turn of the 21st century, China has become the global factory and the workshop of the world. China's exports grew from USD 18.1 billion in 1978 to USD 266 billion in 2001, reflecting an annual growth rate of 12 per cent. By 2001, manufacturing exports accounted for 90 per cent of total exports (Nolan 2004, p. 910).

In South China, most of the manufacturers are subcontractors or suppliers to such transnational giants as Apple, HP or Nokia, or provide products to Wal-Mart in the global commodity chain. It is well known that profit margins in these subcontractor factories are razor-thin. At the global level, producers from Vietnam, India, Cambodia, Bangladesh and other developing countries are pitted against China in a battle to become suppliers further down the global commodity chain. Thus, the Chinese suppliers are under constant pressure to cut the cost of production so as not to lose out to the lower-level players in the commodity chain.

To survive in this brutal and cut-throat market, Chinese manufacturers rely upon what Ching Kwan Lee (2007, p. 162) calls 'localistic despotism'. In South China, thanks to the patron-client relationship between foreign investors and local officials, the local state seldom intervenes in the factory to regulate labour relations. Thus the capitalists are free to do whatever they want in order to extract the labour power they purchased; they operate the factory like a 'satanic mill' which runs at such a nerve-racking pace that the physical limits and bodily strength of workers are put to the test on a daily basis. Extremely long hours of work, a highly intensive rate of work and substandard wage rates are common methods that those who subcontract South China factories use to deal with intensive competition and shrinking profit margins in the global commodity chain.

As such the contractors of South China factories are highly vulnerable to the increasing regulations imposed by the Chinese state and the fluctuation of orders during the global economic crisis.

In the jewellery industries, for instance, the 2008 global financial crisis caused a sudden shrinkage of international demand for luxury jewellery products, which resulted in the sudden drop of overseas orders. Also because of the credit crisis, foreign buyers delayed in paying their bills, which caused jewellery manufacturers difficulties in borrowing money from banks to finance their production. Parry Leung's (unpublished) study has found that, during the economic crisis, many jewellery factories carried out the following policies to deal with the new Labour Contract Law and the sudden drop of overseas orders.

First, they put up aggressive *retrenchment policies* to cut labour costs, such as cutting workers' overtime work drastically and requesting that they take leave as long as half a month without pay. Factory expenditure was also cut through wage reduction. Overall, *jewellery wages decreased by* around 50 per cent in spring 2009 compared with summer 2008 (before the global financial crisis).

Second, illegal dismissal was also found to be a common practice in jewellery factories during the global economic crisis. The Chinese Labour Contract Law, which took effect on 1 January 2008, guarantees worker severance payment (which is about one month for every year worked in the factory). In order to lay off workers while avoiding legal severance payments, many jewellery factory subcontractors used various schemes to dismiss workers. One way was to carry out unfair management practices to put workers under tremendous pressure, so workers would be forced to quit 'voluntarily'. Another way was to adopt harsh and unreasonable factory rules; workers found themselves easily subject to accusations of 'serious violation of factory rules' which led to their dismissal without legal compensation. Needless to say, the extensive use of the above unfair dismissal strategies has intensified the labour conflict in the jewellery industry and led to a lot of labour disputes in South China. Individual cases of resentful jewellery workers violently attacking factory management have also been reported.

Finally, jewellery factory subcontractors imposed a stricter factory discipline in order to extract more output or wages from the workers. Golden Manufacture Factory, for example, suddenly imposed an additional set of factory rules in October 2008. Workers were angry because they found the new rules were all related to ‘wage deductions’. The following table (3.1) compares the old rules with the new rules:

Table 3.1

The old rules that took effect in 2007:

- A total of 15 minutes late is allowed for a particular month. If workers arrive late beyond this limit, 2 RMB per minute shall be deducted from their wage and they will not receive a ‘Full Attendance Award’ for that month.
- No ‘Full Attendance Award’ shall be given to any worker who has arrived late three times or more within a month.
- For those who leave duty earlier than the agreed time, 2 RMB shall be deducted from their wages per minute.
- Standard working hours are 8 hours a day, 26 days a month (a total of 208 hours per month). For workers who fulfil this requirement, a ‘Full Attendance Award’ of 30 RMB will be offered for that month.
- Workers have to stay in their designated workplace during working hours. Those who need to leave to use the toilet or for other matters must get a ‘Leave Duty Permit’ from their supervisor before they leave. Workers who do not observe this requirement will have 50 RMB deducted from their wage each time they commit the offence.
- If a worker is found to be discussing wage information or labour contracts in the workplace, a written warning will be issued to him/her, and a wage deduction of 200 RMB shall be applied afterwards.

Additional factory rules that took effect on October 2008:

For workers that:

- Change their working position without approval, a wage deduction of 30 RMB shall be applied.
 - Sleep during working hours, a wage deduction of 10–50 RMB shall be applied.
 - Read a newspaper or a book during working hours, a wage deduction of 30 RMB shall be applied.
 - Eat food during working hours, a wage deduction of 10-50 RMB shall be applied.
 - Slack off or gossip during working hour, a wage deduction of 10-60 RMB shall be applied.
 - Do not show up in overtime hours, a wage deduction of 100 RMB or above shall be applied.
 - Smoke or read newspaper in the toilet for more than 10 minutes during working hours, a wage deduction of 50 RMB shall be applied.
 - Agitate strikes or organize worker assemblies, or conduct work stoppages on purpose, a wage deduction of 300 RMB and dismissal shall be applied.
 - Use bad language to insult colleagues, a wage deduction of 100 RMB or above shall be applied.
 - Use equipment of other workers without approval, a wage deduction of 50 RMB shall be applied.
 - Waste energy, a wage deduction of 50 RMB shall be applied.
 - Do not keep their work desk tidy after work, a wage deduction of 20 RMB shall be applied.
 - Do not put their chair under their desk after work, a wage deduction of 10 RMB shall be applied.
-

Since the Labour Contract Law was implemented more or less at the same time as the global economic crisis in 2008, the Law has made it very difficult for the subcontractors of South China factories to survive in a hostile environment of highly fluctuating orders from the transnational companies. The subcontractors' reactions in late 2008 and 2009 – such as retrenchment, unfair dismissals and stricter factory discipline – could be interpreted as the capitalists' desperate methods to hang on to their position in the highly competitive global commodity chain.

However, intensified capitalist control and exploitation and a more pro-worker state during the global economic crisis, coupled with the changing composition of the migrant working class, the new Labour Contract Law and the Honda Strike, should provide a golden opportunity for the re-making of the migrant working class in South China.

The re-making of the working class in South China

How has the historical development in the first decade of the 21st century and the realignment of class relations transformed the migrant working class? We look into three dimensions of the migrant working class, namely: its consciousness, its action, and its pattern of mobilization.

Although the previous generation of migrant workers tended to identify itself as 'peasants,' was focused on the problem of discrimination and had a muted class consciousness, the new generation of migrant workers seems to have shed its peasant identity. These workers are more ready to identify themselves as workers and, in the late 2010s, voiced collective class issues instead of individual discrimination issues. Their class consciousness is heightened when they are in conflict with the capitalist class. For example, many jewellery workers, when they knew that they had been blacklisted by the Jewelry Manufacturer's Association, sent the following message through the internet to enlist support from their fellow workers (Leung unpublished):

We were treated unjustly! For those jewelry workers who knew about the secret of the black list, please come forward to help us. We need you to stand in the position of justice and public interest! We need you to speak the truth for workers! At this moment, we need you to join your hands with us to eliminate the jewelry black list and to fight against those black-hearted employers. Solidarity of workers needed to be achieved. Together we join hands to reveal the dirty secret of the evil-minded trade association in the jewelry industry.

Rising class consciousness can also be seen during the Honda Strike in the summer of 2010. On 3 June, workers' representatives issued an open letter to all Honda workers and to the public. At the beginning of the letter it declared:

We urge the company to start serious negotiation with us and accede to our reasonable requests. The company earns over 1,000 million yuan every year and this is the fruit of our hard work. Honda workers should remain united and be aware of the divisive tactics of the management ... *Our struggle is not only for the sake of 1,800 workers in Honda, it is also for the wider interest of workers in our country. We want to be an exemplary case of workers safeguarding their rights* (italics added) (Chan and Hui unpublished, p. 15).

After the above letter was released on 3 June, workers' representatives received over 5000 mobile phone messages of support from people all over China. Below are three such support messages:

You are really on the side of Chinese *workers*. I am furious with what the district and township trade unions have done. *Workers all over the country will support you* (italics added).

You do not only represent Honda workers, but also the 100 million-strong working class under oppression in China ... All the people in the country are supporting you and paying great attention to your action. Your glorious action will be recorded as part of modern Chinese history (italics added).

I am a *manual worker* in another Honda factory. Your strike has *set a good example of Chinese workers* furthering their legitimate interests. You are fighting not only for your own interest, but also for the China people. As a manual worker, I fully support you (italics added) (Chan and Hui unpublished, p. 18).

Although the previous generation of migrant workers tended to focus on such economic concerns as wage non-payment, the new generation has raised new *political* claims that challenge the authority of the existing institutions. The Honda strike, for instance, included the democratic reform of the enterprise trade union in their demands on 3 June 2010. Later they further requested a democratic and formal election of 30 workers' representatives to represent them at the negotiation table.

In response to the demands of the Honda workers, the official Xinhua News Agency commented that it is of great urgency to push forward collective wage consultation in enterprises, so as to further safeguard workers' legal rights and to promote harmonious labour relations in China. Kong Xiang Hong, the vice president of the Guangdong Provincial Federation of Trade Unions (GDFTU), said that he would speed up the democratization of the trade union so his members could elect their own president. Kong also announced a pilot scheme of democratic elections for workplace trade unions and training in 10 factories, including the Honda factory that just had a strike in 2010. (Chan and Hui unpublished, p. 20; C. Chan forthcoming).

The mobilization capacity of the previous generation of migrant workers was highly limited, as it was confined to a particular enterprise and it could not spread from one workplace to another, from one industry to another, or from one locality to

another. However, the constraints of this cellular activism seem to have been broken in 2010, when a wave of strikes spread across factories, across industries and even across regions. Lau and Choi (2010) and Chris Chan (forthcoming) report that the following strikes took place during May and June, 2010 (Table 3.2)

Table 3.2

| | |
|-------------------------------|---|
| Dongguan (Pearl River Delta) | Strike at a shoe factory on 4 June 2010 |
| Foshan (Pearl River Delta) | Honda workers clash with riot police on 31 May 2010 |
| Foshan (Pearl River Delta) | 250 workers at Guangqi Honda strike on 7 June 2010 |
| Nansha (Pearl River Delta) | Strike in a Honda factory on 20 June 2010 |
| Zhongshan (Pearl River Delta) | Strike in a Honda factory on 25 June 2010 |
| Shenzhen (Pearl River Delta) | Workers at Merry Electronics Co. protest on 6 June 2010 |
| Huizhou (east of Guangzhou) | 2000 workers of Yacheng Electronic strike on 7 June 2010 |
| Kunshan (near Shanghai) | 2000 workers at KOK factory clash with riot police on 7 June 2010 |
| Beijing | Strike in a Hyundai factory on 23 June 2010 |
| Tianjin | Strikes in two Toyota factories on 23 June 2010 |

Although the previous generation of migrant workers occasionally rose up in protest, its action tended to be directed through existing legal channels. After years of disappointed legal struggles, however, the new generation of migrant workers seems to be more ready to defend its class interests through strikes or work stoppages rather than through legal disputes and lawsuits. A jewellery worker in South China remarked:

I know the [legal] path would not be easy. I had gone through such painful experiences. It will take years. We will be under big pressure, but we have no choice (Leung forthcoming).

In the jewellery industry, workers decided against the legal path at the very beginning. Instead, they found collective actions (such as strikes and work stoppages) more effective for achieving their goal. Only when such collective action failed to work did workers consider the option of litigation.

Many workers know that even when they win their lawsuit against their ex-employers, their ex-employers will make appeals until their case reaches the second court. They then have to wait another two years or more before the final verdict arrives. Even if the final verdict is in their favour, there is still no guarantee that workers will receive compensation because by then the ex-employers might have fled South China, or their company might have closed down.

Furthermore, workers do not have the financial resources to hire a lawyer, unless they have the connections to seek help from local labour NGOs. Without a lawyer, workers have to represent and defend themselves in court against the professional lawyers of their ex-employers. Making themselves knowledgeable about the legal terms is a very difficult task and presenting those legal terms in court is almost impossible.

Therefore, even though workers might be able to attain a verdict partially favourable to them in the end, they have already paid a high price, not to mention the threats and harassments they might receive during the long legal process. In 2008, after the introduction of the New Labour Contract Law, the environment in which workers pursued these legal struggles became even more difficult, as the total number of labour arbitration cases in 2008 was almost double the 2007 number and so, with the mounting number of cases that needed to be heard, these legal hearings would take years to complete. As they have limited savings with which to support themselves, migrant workers certainly cannot wait that long for the final verdict. Moreover, having

seen to the success of the Honda workers, who won a big wage increase after they went on strike in 2010, South China migrant workers must surely feel encouraged to pursue collective actions such as strikes and work stoppages even *before* they go through bureaucratic or legal channels.

In summary, migrant workers in South China seem to be drastically transformed in the first decade of the 21st century. Not only do they identify themselves as workers, but they also use the perspective of class to explain their experiences and sufferings. Their struggles have also moved beyond bread-and-butter economic issues; their mobilizations are no longer trapped by 'cellular activism', and they increasingly see the need to go beyond the legal channel to pursue strikes and work stoppages in order to protect their class interests.

Given that, in 2010, migrant workers in South China saw such empowering events as: 1) a wave of strikes which resulted in a dramatic increase in wages; 2) the Honda workers' permission to form an independent and democratically elected trade union following their strike; 3) a large increase in the minimum wage in many South China cities; and 4) the enforced repayment of back-pay, deposits and unreasonable fines to workers by factory subcontractors after they lost legal disputes; did 2010 signal a turning point in the class formation of the working class in China? Has the migrant working class become empowered to protect its class interests? And, in so doing, has it become an agency to shape the historical development of China?

In conclusion, it seems prudent to say that researchers should not be carried away by the above working class victories of 2010. Although they are indeed promising signs of the rise of the working class in South China, it is simply too early to tell whether class consciousness, independent trade unions, collective action and labour militancy will continue, and will lead to the formation of a conscious migrant working class in South China. Victories in 2010 may just be a small first step toward the long march of working class formation. Numerous barriers still have to be overcome, such as the lack of a clear vision, the formation of more independent trade unions and the collusion between local state and factory subcontractors in South China (which makes the local state uninterested in protecting working class interests if it goes against local

economic development).

Although it is still too early to tell whether the migrant workers have formed a 'class', this paper has shown that the migrant working class in South China has been re-made and transformed by four historical developments in the first decade of the 21st century. The migrant working class in South China is no longer passive and no longer takes the existing factory regime of 'localistic despotism' for granted, but has tried different means to transform it to a more humane institution. During its struggles for social transformation, the migrant working class will inevitably transform itself into a more militant, active agency to shape the development of China in the 21st century and beyond.