CHALLENGING THE
ATOMIZATION OF DISCONTENT

Patterns of Migrant-Worker Protest in China during the Series of Strikes in 2010

Florian Butollo and Tobias ten Brink

ABSTRACT: Based on a review of divergent interpretations of migrant-worker protests in China, this article analyzes strike patterns during labor struggles in the summer of 2010. The analysis reveals (1) a shift toward more offensive demands for wage increases and (2) a high level of strike contagion. While these elements were evident to some extent in earlier struggles, the authors see their specific combination in 2010 as an indicator of an ongoing process of "class formation." The strikes were centered on auto supplier factories, however, and this shows the limitations on cross-sector protest due to the fragmented conditions in China's heterogeneous industrial structure and a continuing ban on independent organization. Taking a broader perspective on the peculiarities of the strike movement, the authors discuss the impact on the government's comparably permissive stance toward the strike movement. This stance created favorable conditions for the proliferation of strikes. Attempts by state authorities to institutionalize worker conflict, while legitimizing the demand for higher wages, fail short of granting rights to organize independently and bargain collectively. Instead an opening has been created for worker militancy rather than integrating it into some authoritarian form of social compromise.

China's economy in the last decade has grown in historic proportions, but living standards have not, at least not for the migrant workers who constitute more than half of the urban workforce. One result of this disparity is that over the last decade protests from below have increasingly constituted a challenge to the government. A series of strikes in 2010, the culmination of worker unrest over
China's economy in the last decade has grown in historic proportions, but living standards have not, at least not for the migrant workers who constitute more than half of the urban workforce. (Credit: ILO/Crozet M.)

recent years, shows that government attempts to juridify and individuate industrial disputes and to establish efficient tripartite consultation mechanisms have failed to yield institutionalized solutions for settling social conflicts. The strikes in 2010, which lasted from May until July, were unprecedented in terms of their public profile, proliferating widely and having a marked contagious effect. In this article, we assess the structural characteristics of the strikes in detail in order to investigate whether there has been a change in the forms and the content of struggle. To this end, we inquire into the specifics of the strikes in 2010 against the background of earlier struggles and theoretical concepts of “class formation” in China. We argue that the strikes show some continuities with the past but differ from earlier patterns of labor unrest and thus constitute one step in an ongoing process of class formation of a hitherto rather fragmented and atomized working population. At the same time, the strikes still constituted a series of individual disputes at the factory level. They were not consciously coordinated and they remained concentrated in automotive supplier companies in Guangdong. Other sectors and regions did not experience the same level of conflict. This suggests that important barriers persist to a generalization of worker struggle.

While workers at car suppliers were particularly prone to protest, the peculiar political context in early 2010 created an opening for labor actions. From the start the Guangdong government showed a remarkably loose attitude to-
ward the strikes and local trade union branches in Guangdong, after an initial fiasco concerning union intervention at Honda in Nanhai, helped push through workers demands on several occasions. Since the stance of government institutions significantly influenced the course of events, we also try to untangle the complex relationship between state attempts at the institutionalization of class conflict and its impact on the strikes.

In the next sections, we review theories of emerging labor movements in the “workshop of the world” and provide background information on the development of the strike wave in the Guangdong Province, the southern hub of China’s export industry (sections 1 and 2). Thereafter, we present an in-depth analysis of the forms of protest actions during the 2010 strike wave and at Honda Nanhai in particular (section 3). Next, we interpret these observations as a step in a process in class formation, which is seen as an ongoing yet contradictory process (section 4). Finally, we discuss the impact of economic concessions and political reform on industrial action and conclude that the efforts to pacify and politically integrate economic struggles created an opening for worker demands (section 5).

1. Labor Movements in the “Workshop of the World”

Working-class protests in various forms have become recurrent since the Chinese government began its “opening up” policies in 1978 and since the 1990s have spread widely. The reasons for this heightened labor activism are rooted in a dual process of industrial restructuring during China’s transformation. Due to the privatization of many state-owned enterprises in the reform era, a large number of workers, who up until then had enjoyed job security and social benefits under the system of the “iron rice bowl,” have lost their jobs. At the same time, the Special Economic Zones in the coastal provinces have experienced a large influx of foreign capital and rapid growth of the export-oriented private sector. The growth of these industries has generated deep social contradictions. Most worthy of note, more than 200 million workers from rural provinces have migrated to China’s cities and urban areas. As they lack a household registration (bukou) in the cities they work in, these workers are deprived of essential citizens’ rights. Migrant workers have not been allowed to enjoy full social benefits such as social security and state-funded education, and, to a large degree, still cannot do so. The hukou system has thus led to a segmented labor market, to divisions within the workforce, and to patterns of residential segregation and ethnic stereotyping.

A large share of the rapid growth of the Chinese industry during the last two decades rests on the backs of this specific form of exploitation of these rural migrants.

2. Understood as a process in which a structurally disparate working class might obtain a common consciousness through its own struggles (as opposed to class identity understood as a precondition for struggle). See Thompson 1980.
3. See, inter alia, Cai 2010; Chan 2001; Lee and Friedman 2010; Perry and Selden 2003; Shen 2007.
Since about the middle of the 2000s, labor unrest has increased in a particularly rapid manner. Although only a vague indicator, the number of "mass incidents"—the term Chinese statisticians use—more than doubled from 40,000 in 2000 to 87,000 in 2005 and then to over 127,000 in 2008. The number of labor dispute cases submitted to mediation organizations soared to 406,000 in 2010, and about half of all petitions to higher government levels involve industrial disputes.

The growth and frequency of labor protests have led to a theoretical discussion about whether the as yet spontaneous and mostly atomized cases of labor unrest are about to galvanize into a more coherent collective “class” movement and might thus become a political challenge for the Chinese leadership. An important contribution toward a better understanding of the barriers regarding class formation can be found in the work of American sociologist Ching-Kwan Lee, who argues that many labor studies scholars tend to have an economistic perspective on the issue and “a tendency to make a leap of faith from the existence of exploitation to resistance.” While Lee acknowledges that “radicalization and pacification of labor struggles are both possible,” her research focuses on why workers’ struggles have been “bottled up at the local level.” In order to explain protest behavior Lee strives to replace analyses that focus solely on contradictions in the realm of production with a “concrete analysis of the institutional arrangements of the economy, the political regime, and legal development” as well as “workers’ lived experiences beyond the point of production.” With respect to rural migrant labor, Lee emphasizes how their origins in the countryside make migrant workers hesitant to protest. Lee explains: “Access to land and its associated functions for the social reproduction of migrants’ labor power helps reduce employers’ burden to pay adequately for workers’ survival and limits workers’ propensity to sustain labor strife in the cities.”

Regarding the coherence of labor unrest, Lee formulates a cautious perspective according to which contemporary labor struggles are limited in a double sense. First, the pattern of workers’ protest corresponds to the fragmentation of the political system in China, in which no “singular political economy” exists. Due to uneven local economic development and a tendency of workers to address their grievances vis-à-vis local state institutions, “cellular activism” of geographically limited, atomized protest is prevalent, not the formation of a generalized class interest. In an article in 2010, Ching-Kwan Lee and Eli Friedman argue that even though in some cases a strike has inspired protests at other

6. As strikes are not legal in China, there are no official strike statistics. Thus, the numbers for “collective incidents” provide the best available indicator of workers’ unrest.
11. Ibid., 14.
12. Ibid., 205.
13. Ibid., 15.
workplaces, "protest is still fundamentally cellular in nature in the sense that the 'cells' are not combining to form 'tissues'." 14

Second, Lee argues that migrant workers characteristically act only when their legal rights are being violated. Accordingly, they mostly direct their claims to the respective local governments, calling for the reinstatement of their rights. Thus, demands are not phrased in reference to a class identity, but to the identity of the workers as citizens. Furthermore, migrant workers in most cases protest in defense of their rights, not in support of better payment or working conditions. Their special class position as rural migrant workers who are settling temporarily in the cities to earn a base for their rural existence limits their protest to cases where the employers refuse to fulfill their promise to pay an often scarce wage. All in all, their perspective differs from the expectations of a growing living standard, which historically underpinned many episodes of offensive wage struggles by resident urban workers in industrial countries. 15

Lee's skepticism concerning class formation in China has raised objections. Recent literature has shown that labor strikes since the mid 2000s went beyond law-focused demands and pushed for wage increases. In several instances, collective action (e.g., by steel and dock workers, laborers in the gem stone and construction industries, and taxi drivers) progressively shifted from defensive to offensive demands. In some cases, workers even asked for the democratic election of workplace unions. 16 In a study on strike movements in the southern Chinese city of Shenzhen in 2004 and 2007, Chris Chan and Ngai Pun found "mostly interest-based [labor protests], purposively induced to improve working conditions and oppose capital, which may or may not resort to legal means either at the beginning or at the end of the dispute" and also "attempts to nurture workers' solidarity in a broader sense of a labor oppositional force moving beyond exclusive networks and ties, sometimes even involving cross-factory strike tactics." 17 Moreover, Chan argues that some scholars, including Lee, downplay the existence of class consciousness by misinterpreting the existence of nonclass identities like place, gender and skill. Proposing an approach that maintains the idea of class as an objective category, he contends that there is a historical tendency toward a more coherent class action, albeit so far largely confined to economic issues. 18

The strikes in 2010 provide ample opportunity to test the hypothesis of an evolution in strike patterns toward more coherent forms of protest. In discussing the peculiarities of these strikes, we try to identify changes in the form of struggle, that is, in the occurrence and coordination of cross-factory protest (the issue of "cellularity") and in the character of the key motivations and demands (the issue of law-centered struggle). While ethnographic data on workers' subjectivity might provide useful complementary insights, 19 our objec-

18. Chan 2010, 171-75. See also Silver and Zhang 2009.
19. See, for instance, the study by Pun and Lu (2010).
tive is not to analyze workers' self-conception, but rather to uncover the structural characteristics of the strikes regarding the two issues stated above, characteristics that can be inferred from the patterns of strike behavior and the core demands being made.

2. Socioeconomic Context of the Strikes

The prelude to the strike wave in the summer of 2010 was the fast growth of the Chinese automotive industry even in the midst of the global economic crisis in 2008/09, the quick resurgence of export growth in the first half of 2010, and public criticism of poor labor and living conditions of migrant workers. After the global economic crisis the Chinese government stimulated the fast growth of the automotive sector by offering tax rebates and taking similar measures to fuel domestic demand. This government action sent sales of automobiles soaring by 42.1 percent already in 2009. Almost simultaneously with the outbreak of the first strike at one of its factories, the management of Honda announced a plan to double investment on the Chinese mainland because the existing production capacities could not meet the growth in demand. The growing intensity of work was not accompanied by an increase in wages—a fact that may well have been one central reason for the concentration of strikes in the automotive sector.

From the beginning of 2010, the resurgence of export growth added to high growth in the auto industry.23 The output of China’s export-oriented industries, which was severely disrupted when foreign demand fell after the financial crisis, had already risen to a level of 10 percent above the precrisis level in June 2009.24 Due to the boom of the Chinese economy in 2010, the coastal provinces and especially the industrial manufacturing hub in Guangdong’s Pearl River Delta faced a situation much like the one before the economic crisis: local governments in many provinces had to increase the minimum wage (e.g., by 21.1 percent in Guangdong Province) in order to attract migrant workers. At the same time, labor-intensive manufacturing companies, not only the notorious sweatshops but also huge modern corporations like the electronic contract manufacturers Foxconn and Flextronics, announced that they would relocate substantial parts of their operations to the interior provinces, which offer cheaper labor costs and abundant government support.

This same configuration had already led to discussions before the financial crisis about the unsustainability of the labor-intensive production model in the coastal provinces. The crisis itself merely offset the dynamic of labor shortages, rising production costs, and relocations due to the temporary breakdown of segments of export production. Eventually, the renewed labor shortage strengthened workers’ bargaining power, which provided a good base for offensive wage demands.

The bitter incidents of spring and early summer of 2010 at the giant, 300,000 worker–strong factory complex of Foxconn, key supplier to brands like Apple, Hewlett Packard, Nintendo, and Sony—particularly the suicides of thirteen employees in the spring and early summer of 2010—intensified the feelings that workers deserved to be treated and paid better. International and domestic media reports focused extensively on the suicides, and Foxconn was once more exposed to public scrutiny for its peculiar labor regime. Unlike during a scandal over working conditions five years earlier, even the government publicly criticized Foxconn, citing “management problems” as a contributing reason for the suicides.25 In June 2010 Prime Minister Wen Jiabao added to calls for more humane treatment of migrant workers when he acknowledged that the new generation of migrant workers would barely accept the harsh conditions that those in previous generations had taken for granted. Addressing a group of young migrant workers, the prime minister said: “Migrant workers are the mainstay of China’s industrial workforce. Our society’s wealth and the skyscrapers are all distillations of your hard work and sweat. Your labor is glorious and should be respected by society at large.”26 Foxconn became a symbol in ongoing

23. Unlike many other industries in the Pearl River Delta, the automotive industry predominately produces for the domestic market. Therefore the growth of the automotive industry in 2009–2010 and the growth of the export industries are two different dynamics that added to the total growth in industries and, accordingly, the labor shortage.
public discussions about the limits of extreme exploitation in the export industry and in demands for a more balanced growth model of social reconciliation. Public criticism of Foxconn and the rise in the minimum wage in many provinces thus helped bolster demands for wage increases.

3. Old and New Forms of Protest

The series of strikes in mid 2010 began with a spontaneous strike by 1,800 workers at a Honda factory in the district of Nanshi in the industrial city of Foshan in Guangdong Province. The factory, which is fully owned by Honda, produces gearboxes for the Honda main assembly plant in Guangzhou, a joint venture between Honda and Guangzhou Automobile Industry Group, which is owned by the Guangzhou city government. The workforce at Honda Nanshi consists mainly of migrant workers whose base wage before the strikes roughly corresponded to the legal minimum wage of 700 to 900 RMB ($105 to 130) per month. Overtime hours in 2010 were often excessive, and flexible, mostly performance-based wage components made up about half of the regular monthly pay of 1,600 to 1,800 RMB ($235 to 265). Unlike at the Honda main assembly plant, wage levels at Honda Nanshi did not differ significantly from those in the notorious sweatshops of the region.

One peculiarity of employment in the Honda Nanshi gearbox factory is the large-scale employment of interns, who at the time of the strike constituted about 70 percent of the manual workers. Interns are placed in the factory as part of a three-year technical school education program. According to a survey by researchers of Sun Yat-sen University, work at Honda Nanshi, as in many comparable workplaces, is monotonous and foremen offer little in the way of instruction despite the fact that the work at the factory is considered to be a part of the interns' education. This gave the strikes in 2010 a special dimension: interns were protesting their position as a pool of cheap labor, receiving wages substantially below those paid to their fellow migrant workers.

The trigger for the strike that began on 17 May was the realization that the rise in the local minimum wage was not being passed on adequately to the workers. Although the base wage was raised to the legal minimum, flexible com-

27. All multinational car factories are organized as joint ventures in China. It is a curious feature of the strikes in the automotive enterprises that the local government owned half of the Honda and Toyota main factories and, accordingly, had a very close relationship with the Japanese owners of the supplier factories.


29. The workforce at the Honda main assembly plant in Guangzhou consists predominantly of resident workers who belong to the highest paid industrial workers in the region. While demands for higher wages were raised during the series of strikes in the area, management and trade union representatives had talked the workers out of their plan to strike. This indicates that the division between resident workers with a local hukou and migrant workers constitutes an obstacle for the proliferation of struggle. See Luethje 2011, interview data.

30. Liang et al. 2010. The student interns earned a lower total wage of 900 to 1,200 RMB (US$130 to 175). Contracts with technical schools to guarantee the supply of intern workers are widespread in the Pearl River Delta. According to one expert, this is one way to circumvent the strict provisions of the Labor Contract Law, which lays down stringent rules regarding temporary employment. Intern workers thus have the function of a flexible pool of labor that can be paid below the local minimum wages (field research data 2010).
ponents of the wage such as overtime premiums were reduced. As a result the total wage increased only insignificantly. The workers were furious at this deceitful attempt to deprive them of their share in the regional wage increases. The strike at Honda Nanhai began as a protest against this practice but demands soon escalated to include a substantial increase in the base wage by 800 RMB (about $120).

On 17 May two production line workers in the Honda Nanhai plant began the labor action by pressing a red button that was designed to shut down production in the event of quality problems. Weeks before the strike, the workers had secretly begun rallying workers to support the action they intended to take. On the first day of the strike, only fifty workers out of a total workforce of 1,800 followed the call. But these workers occupied positions in the vital gearbox assembly line and this sufficed to bring production throughout the Nanhai factory to a halt. Once the strike became indefinite, Honda’s main factories in Guangzhou and Wuhan quickly felt the impact because Honda’s just-in-time production system depended on regular deliveries of parts. Honda suffered an estimated 240 million RMB ($35.3 million) per day. The chain reaction, which immediately inflicted heavy losses on the company, is strong evidence of the tremendous structural power workers possess in factories that use just-in-time production systems.31

Reports in the Chinese and international media documented the rapid spread of the strike to about twenty-five factories. Japanese automotive suppliers in the region were affected most. Officially reported strikes amounted to only the tip of the iceberg, however. According to the chairman of the Guangzhou Federation of Trade Unions, more than sixty strikes occurred in Guangzhou alone during the summer.32 In Nansha, a city district of Guangzhou, eight out of fourteen of Toyota’s core suppliers were affected by the strike. Strikes occurred in other sectors and regions as well. For instance, electronics producers such as the Taiwanese Merry Electronics and the Japanese Mitsumi Electric were affected as along with a brewery of the Carlsberg Group. The industrial zone in the city of Dalian in the northern Liaoning Province formed a second geographical cluster, with seventy-three strike actions occurring between the end of May and August.33 Other strike locations included Beijing, Tianjin, Jiangsu, Henan, Yunnan, and Chongqing, though strikes occurred less often there in comparison to Guangdong and Dalian.34

The 2010 strikes showed important differences with earlier patterns of labor unrest. The following aspects are the most relevant to our argument: offensive wage demands; geographical scope; collective bargaining; and high participation and bottom-up democracy.

32. Interview with Chen Weiguang, Guangzhou, 18 October 2010.
34. Chan and Hui 2010, 9; Reuters, 23 July 2010.
Offensive Wage Demands

The striking workers succeeded in gaining substantial wage increases. At Honda Nanhai, the strike resulted in an average monthly wage increase of 500 RMB ($75); at another Honda factory in Guangzhou’s Nansha district, the workers gained a general pay increase of 800 RMB ($120). In Dalian, the average wage increase across seventy-three involved factories was 300 RMB ($45), or 34.5 per cent.\(^{35}\) In the case of some Toyota and Honda suppliers, workers’ demands challenged the established performance-oriented wage systems and wage segmentation by demanding and winning substantial increases in the base wage for all workers, regardless of their residential status.\(^{36}\) While offensive wage demands were at the core of the demands in nearly all the strikes, specific demands were also added in many factories. At Honda Nanhai, striking workers presented management with a list of 108 demands. In at least three cases, the right to restructure the union branch in the factory—a demand that arose from discontent with the local ACFTU branch—formed part of the core demands.\(^{37}\)

High wage demands do not fit the pattern of defensive struggle focused on issues that can be dealt with via legal claims, as those Lee has described. Clearly, offensive demands for higher wages were the core of the workers’ demands in most of the cases. This is in line with developments in recent years. One comprehensive analysis of workers’ protests during the years 2008–2009 revealed that in one-third of the cases workers “did not simply seek redress for rights violations; they demanded higher wages, improved final severance packages from SOEs [state-owned enterprises], shorter working hours, improved welfare benefits and reductions in workload.”\(^{38}\) The strikes of 2010 vindicate this tendency as they were marked by particularly high demands by the workers and a great effectiveness in successfully pushing them through.

Geographical Scope

As Lee notes, demands by migrant workers in manufacturing industries in the past typically concerned specific conditions in a single factory and consequently could be settled at the factory level. In this respect, the strikes of 2010 are no different. Individual strikes were a sequence of events rather than simultaneous,

\(^{35}\) Luethje 2011.
\(^{36}\) Consequently, the share of the fixed base rate in relation to performance base wage components increased and the incremental increase for migrant workers with a lower base wage was higher thus challenging wage discrimination.
\(^{37}\) Chan and Hui 2010, 11; South China Morning Post, 11 June and 24 June 2010. Also in most other cases, there was a wide range of demands such as the re-election of factory trade unions, changes in occupational health and safety compliance and general working conditions, regular payment of overtime hours and in one case even a share in a company’s sales revenues. Both media reports and factory-level negotiations narrowly focused on the most pronounced demand for wage increases and mostly left qualitative demands for a change in working conditions or wages systems unaddressed. Contrary to some media reports, the workers did not demand the right to organize in fully independent unions, but they claimed their legal right to elect enterprise unions. At Honda Nanhai, Honda Lock, and Toyota in Tianjin, however, the workers actually organized themselves independently during the struggle. See Carter 2010; Freundinnen von gongchao 2010.
\(^{38}\) CLB 2009, 14.
coordinated actions, and thus they did not “form a tissue” of comprehensive demands at industry or regional levels. Nor were they consciously organized as a broad movement. While the strikes themselves were essentially “cellular” in character, spillover effects and contagion spread beyond the levels seen in prior phases of concentrated labor unrest by migrant workers in manufacturing industries. This is not a question of mere numbers. The proliferation of strikes may have had precedents, for example, in the protests following the shocks of the global economic crisis in 2008–2009. But copycat protests by migrant workers have to date been rather narrowly constrained geographically: A strike in one factory triggering protests at other sites in the same locality. By contrast, the 2010 strikes stretched beyond the boundaries of cities and even provinces. The most significant example of this new pattern was a spontaneous “pattern bargaining” in which workers at different factories adopted similar core demands for wage rises without formal coordination. The willingness of workers to pick up demands of their colleagues in other workplaces facilitated the strike contagion that was evident throughout the automotive industry. In the city of Zhongshan, for instance, local Honda workers demanded exactly the same nominal wage increase their colleagues in Nanhai had already won. In numerous other automotive factories in the southern region, demands echoed those of the Honda workers, suggesting a correlation between the different events. Reports in the national media may also have triggered strikes in other regions thousands of miles away.

Offensive wage demands appear to be a suitable base for conflict contagion because they reflect the common aspirations of workers across factory and even sectoral boundaries. Indeed, we maintain that proliferation of struggle is more likely on basis of offensive wage demands than in reactive, law-centered protests concerning specific grievances within a single factory, which had been the hallmark of many past outbreaks of migrant-worker protest.

**Collective Bargaining**

In the past, migrant-worker protests, which were usually ignited by a specific grievance within a single factory, tended to result in the local government becoming involved to restore legal order (when protesters blocked street crossings, for example). Authoritarian rule in factories, the ineffectiveness or nonexistence of factory trade unions, and the rights-based, legal framing of protests contributed to a tendency to try and resolve conflicts outside the factory. In the absence of formalized collective bargaining procedures fixing wages and

39. Trade union representatives from two major automotive assembly plants of the region expressed this point. At one of these companies, partly owned by a Japanese manufacturer, factory workers initially took up the same demands for a wage increase as a response to the demands by workers of supplier factories nearby. In both cases, however, the workers eventually did not go on strike, partially because the factory trade union convinced them not to do so. Interview data 21 October 2010.

40. At least this is stated by the chairman of the trade union in the industrial zone of Dalian, who said that the Honda strikes affected the behavior of the workers in the region.

working conditions at factory or industry level, industrial relations took on the character of what can be described as “tripartism with four parties”: workers often constitute an informal “fourth party” in labor relations alongside the official trade unions, the employers, and the state. Workers would typically direct their demands to local state institutions, which then intervened to settle the conflict. Thus, the official trade unions were effectively bypassed and sidelined. In other words, the Chinese system lacks an effective collective bargaining mechanism by which conflicts at the workplace can be effectively settled within a particular factory. When conflicts occurred, workers most often addressed local authorities, not the factory management. 42

The strikes in the automotive industry, on the contrary, followed a pattern of direct conflict with the factory management. In the seventeen-day strike at Honda Nanhai, for instance, workers’ representatives engaged in an intense informal bargaining process with the management in the course of which they rejected several offers for wage increases. The negotiations went on through several rounds before an agreement was reached. Government representatives and external advisors, among them a well-known labor law expert from Beijing, needed to be mobilized to help in the negotiations. 43 Since wage issues—not

any illegal behavior such as the nonpayment of wages—were at stake there was no reason to instigate litigation or petition the government to restore the legal rights of the workers. While workers bypassed the enterprise union due to its ineffectiveness, they engaged in an informal collective bargaining procedure and defended their demands according to their interests, not with reference to their legal rights.

Factory-based negotiations are not a complete novelty in migrant-worker protests. In 2007, for example, workers in a mobile phone supply factory voiced their demands to management in a handwritten document that called for wage increases and improvements in working conditions and social services. Rarely, however, did such actions involve the kind of intense negotiations evident in the Honda Nanhai strike that resulted in workers gaining substantial concessions. Still in the summer of 2010, the strike at Honda Nanhai was the exception to the rule. Apart from at least two other instances at Japanese-owned automotive suppliers in the region, Denso and Atsumitec, most strikes were short lived and settled within two or three days at most. Settlements in some cases were achieved quickly because the agreement at Honda Nanhai served as an informal benchmark. Unlike at Honda Nanhai, where the reluctance of the company representatives to grant concessions had fueled the workers’ anger, the management at most other factories gave in quickly to worker demands for pay increases and thus prevented a prolongation of conflict. At the Japanese automotive supplier Omron, for instance, a strike lasting only one day was enough to convince the management to increase wages by 40 percent.

**High Participation and Bottom-Up Democracy**

As workers bypassed local unions and organized strikes on their own, they relied completely on their own initiative and organizing capacities. This pattern in turn increased the pressure on local union branches. In 2010 a myriad of episodes reflected moments of migrant-worker empowerment. The key role that two young workers at Honda Nanhai played in launching and spreading the strike was one such episode. Another involved a nineteen-year-old woman and the leading role she played during the conflict. This is particularly significant because young women workers were generally considered more subordinate and willing to endure hardship and thus were preferably employed in the past. Furthermore, the strike at Honda Nanhai evolved from the protest of a minority of fifty workers through various stages until practically the whole workforce was involved. While workers could shut down all production lines quickly due to the specifics of the just-in-time production system, it was the political dynamic of the conflict that animated more and more workers to actively participate. Par-

44. Chan and Pun 2009, 298.
45. During the strikes, employers in the automotive industry of Guangdong met in order to discuss a common response to the strikes and ceilings for wage rises. See Luethje 2011.
47. Interview with Chen Weiguang, Guangzhou, 18 October 2010.

Butollo and ten Brink / Atomization of Discontent
ticipation in the strike and in the frequent demonstrations at the factory site increased each time the workers rejected another management offer, and especially after the two initiators of the strike were dismissed.\(^5\)

Various communication channels played a role in swelling the number of participants in the Honda Nanhai action. The regular bus ride to the factory gave workers opportunities to discuss their situation.\(^6\) Additionally, the workers made wide use of mobile phones and online communication tools: a group on the platform “qq” (similar to the Western “MSN Messenger”) connected around 600 workers who described their experiences during the strike. As a response to the Honda Nanhai strike and the subsequent struggles in other workplaces there was also civil society support for the workers, as over seventy Chinese and international scholars, mainly from Hong Kong but also from the mainland, signed a petition supporting the demands of the workers. This petition, which was issued one day before the final wage settlement at Honda Nanhai, was known to the workers, who expressed their satisfaction with the unexpected support from respectable individuals.\(^7\)

The election of strike committees at Honda Nanhai and Denso in Guangzhou reflects the significance of active worker involvement and their capacity to learn from past experience. In the case of Honda Nanhai, the election of the bottom-up strike committee grew out of a confrontation with the enterprise trade union, which had proven to be ineffective and even obstructive to the strike. The union even became the target of widespread public criticism when a group of thugs wearing trade union badges\(^8\) tried to disrupt the strike, leading to physical conflict. The responsible Shishan Federation of Trade Unions was forced to respond to this anger by issuing a statement in which it apologized for some of its actions.

The publicly reported fiasco of the trade union at Honda Nanhai provoked a shift of direction in some trade union branches. The chairman of the Guangzhou Federation of Trade Unions, for instance, sharply criticized the behavior of the factory trade union at Honda and insisted that the union should side with the workers:

As the [Honda Nanhai] strike went on, the union wavered between management and the workers, and it saw itself as a mediator. Standing between the two sides is the worst position.... In the labor conflicts at Honda’s suppliers...in the city of Guangzhou...our approach was very different and the trade union behaved proactively.... In the event of a strike, even very short ones, the trade unions have to be on the side of the workers and may not act as mediators.\(^9\)

---

51. Liang et al. 2010.
53. Ibid.; Liang et al. 2010. Apparently, these were not trade union members, but were mobilized by the local government. Still, the outcry about this incident backfired on the instigators and only served to highlight the completely inadequate role of the enterprise union at Honda Nanhai.
54. Interview with Chen Weiguang, Guangzhou, 18 October 2010. In past conflicts and also at
The factory trade union at a Toyota supplier in Guangzhou accordingly intervened on behalf of the workers and thus was able to bargain for an even higher wage settlement than the one at Honda Nanhai. The Guangdong Federation of Trade Unions in the aftermath of the strikes decided to organize elections of the factory trade union at Honda Nanhai as a pilot project and organized trainings in order to teach the local cadre how to act in behalf of the workers. While the Honda strike set in motion a debate about the role of the trade unions, the results of the concrete initiatives did not always signal a clear direction. At Honda Nanhai, for instance, trade union elections did lead to an increase in the number of workers’ delegates. However, the widely criticized union chairman—who also had been part of the management and earned an annual salary of 260,000 RMB—was allowed to keep his position until the end of his term in office.

4. Changing Pattern of Migrant-Worker Protests?

All in all, the strikes of the summer 2010 provide a mixed picture as to whether the limitations on migrant-worker protests that Ching-Kwan Lee has cited are in fact being overcome.

On the one hand, the peculiarities outlined above suggest a dynamic toward forms of protest that go beyond defensive, rights-based struggles. In this respect they seem to vindicate analyses that suggest a process toward more coherent and collective “class” action. Given that workers in 2010 were able to gain particularly high wage increases, the strikes go beyond past labor actions at least in quantitative terms.

The strikes in 2010 provided a fertile ground for the proliferation of struggle. Again, this echoes experiences of struggles in recent years, where one strike triggered protests in other workplaces. The strikes in the automotive sector were not unique in this respect. In 2010 strikes were widespread throughout the transport sector in various localities, for instance. The strikes in the automotive sector and the almost simultaneous strike action in Dalian confirm the tendency toward a regional and structural clustering of migrant-workers’ struggles. These industry- and region-specific strikes had near-identical demands and grievances: higher wages and improved working conditions. The protests

Honda Nanhai factory trade unions mostly had shied away from offensively backing workers demands. The aim of reconciling conflict in a peaceful way was given priority over the demands of workers.

55. The Guangzhou Federation of Trade Union is one of the most progressive local union federations in China in this respect. One substantial problem connected to changing the trade union’s function is that the union is still not allowed to initiate strikes. So union action is always reactive, and the question from the beginning is how to relate to the workers instead of being an organic part of the strike action.

56. Liang et al. 2010.

57. For a more skeptical view, see Chan 2011: 47–51, who argues that the concessions at Honda merely took into account past and expected rises in the minimum wage. While this analysis indeed helps to put the results into perspective, subsequent wage rises do show a change due to the 2010 strikes. In April 2011, workers at Honda Nanhai, albeit only those of the highest pay category, received another wage increase by 30 percent thus pushing wage levels clearly beyond the rates of minimum wage increases.


Butollo and ten Brink / Atomization of Discontent
were likewise similar in nature, suggesting that while workers from different companies were not organizing protests in a coordinated and unified manner, they were at least learning from each other both in terms of tactics and demands.

On the other hand, while the strikes of 2010 show a particularly striking geographical and temporal coherence, they also clearly illustrated the limits of generalized class formation. First, as noted above, the formal coherence did not occur due to a conscious cross-factory organization of strikes. Each strike was fought and settled on its own. In particular, demands were “echoed,” not put forward in a coordinated manner. Workers voiced no common demands on the industry or regional levels.

Second, the strikes were concentrated within enterprises with very specific characteristics, that is, Japanese-owned suppliers of car manufacturers. Critically, they did not involve workers at the main Honda and Toyota assembly factories, where working conditions are better. While the spreading of the strikes to companies in the electronics and food industries showed some potential to overcome sector-wide divisions, tens of thousands of factories in the Pearl River Delta, particularly those in classic low-wage industries such as toys and garments were not affected at all. This shows the lack of any organization that can consciously bring together workers’ demands beyond the boundaries of the single factory, a role that regional ACFTU branches appear to be incapable of or unwilling to assume.

The ongoing insulation of workers’ unrest and the heterogeneity that continues to shape the pattern of strikes reflect both the fragmentation of the Chinese political system (as Lee indicates) and its industrial system. The nature of production regimes varies across industries and according to the form in which companies are integrated into global production networks. Market opening has not led to assimilation, but to a differentiation of production regimes with their specific features of ownership, management techniques, wage systems, and employment. Thus, the fundamental assumption of significant regional and structural differences that prevent an easy generalization of struggle still remains correct. But at the same time, as the events of 2010 demonstrated, protests may no longer remain “cellular” in a strict sense of being isolated on the level of a single factory. Shared aspirations for better workplace conditions, together with high-profile attention in the media, seem to be preparing the ground on which protest can easily spill over into factories with similar conditions.

59. As stated above, the better paid workers at these factories initially raised similar demands for wage increases as those of the supplier factories, but eventually did not go on strike. (Field research data 2010).

60. Not to mention other divisions within the workforce, and patterns of ethnic stereotyping created by the hukou system. Along with the rural-urban divide, another reason for why many instances of resistance remain largely unconnected still lies in the structure of the political system, which is constituted by a remarkable combination of central and decentralized power. This has so far helped to prevent a generalizing of dissent. It has often allowed the authorities in Beijing to distance themselves from lower-level “corruption” and thus helped to protect the legitimacy of the central government. See Cai 2010, chap. 3.

Still it needs to be explained why workers at Japanese car suppliers were particularly prone to protest. The Japanese model of production in the car industry implies that only a small number of regular workers in the main assembly factories enjoy comparably high wages, while a high percentage of manufacturing is outsourced to suppliers that employ migrant workers at wage rates that resemble those in low-end export-based industries. Employees in Honda and other auto manufacturing plants are generally very young migrant workers, not few of them students from technical schools that have served as a particularly cheap supply for manufacturing workers. These workers enjoyed quite a good education and many of them shared close ties from their school years. These ties helped in the organization of the strike. Most importantly, however, the high bargaining power of workers in the automotive industry contrasts to the position of their counterparts in low-end industries in the Pearl River Delta. While labor shortages and increases in the minimum wage in recent times had already improved the terrain for more confident claims across all sectors, labor action in the automotive industry had a particularly high impact due to the specifics of the just-in-time production systems. As we have seen, it took only a minority of workers to quickly paralyze production at Honda Nanhai and eventually in Honda’s main assembly factories. In 2010, the aspirations of migrant workers met conditions of structural power at the point of production that was extraordinarily high. These factors account for the explosiveness and the relative success of the 2010 strikes, since the employers were forced to concede to the workers’ demands as the strike carried on and cut into their profits.

While the conditions at Japanese car suppliers offered fertile ground for demands by the workers, the stance of the government created an opening for struggle. We therefore now examine the motivations behind the government’s somewhat permissive handling of the strikes in 2010 and its impacts on workers’ struggles.

5. Reform of Industrial Relations and Workers’ Struggle

In comparison with coverage of conflicts in the past, local and national media featured remarkably detailed and accurate articles on the Honda Nanhai strike. After the strike had spread, media coverage was banned, but still the local press in Guangdong continued its reporting. Moreover, signals from government officials implicitly acknowledged that wages should rise. Thus, they legitimized workers’ demands. Alongside declarations of leading government representatives that labor standards and wage levels needed to improve, the relatively open coverage of the Honda Nanhai strike was an important factor that helped spread the strikes.

While tacit approval, not repression, was the overriding feature of the response by state authorities toward the strikes, at least at the provincial and

63. For instance, a squad of nearly 3,000 police officers attempted to crush a strike in a state-owned cotton mill in Pingdingshan, Henan province, in June 2010. There was another police attack on a strike at a Toyota supplier in Tianjin. See CLB 2010 (Wage).
central state levels, this is not to say that there was no repression at all. The attack on the core of the strike activists at Honda Nanhai is evidence that in at least some cases state authorities intervened to disrupt the strikes. But despite this incident, which reflects differences in the stance of local political leaderships toward labor issues, there was no general crackdown on the strikes. This was especially the case in Guangdong where not a single worker was arrested, according to the chairman of the Guangzhou Federation of Trade Unions.

The willingness of the Guangdong government to tolerate the strikes reflected to some extent the increased power of workers to put pressure on state authorities. But it also reflects the government's determination to change the growth model in China's export hub. As costs of raw materials, infrastructure, and labor are rising, Guangdong cannot rely alone on the competitive advantage of cheap products. Furthermore, the global economic crisis has demonstrated the vulnerability of the Chinese economy, which is overly dependent on export demand. As the growth pattern of the past decades is no longer sustainable, the central and provincial governments are putting in place a combination of policies that are intended to boost domestic demand and upgrade the industrial structure. The latter involves a geographical dimension: low-end manufacturing is increasingly being relocated from the coastal to the less developed interior provinces or to remote areas of the coastal provinces, while the current industrial centers are to shift to higher value-added production or service industries. The head of the Chinese Communist Party in Guangdong, Wang Yang, described this strategy in a statement in which he proposed to "empty the bird cages for new birds to settle down." This by now notorious metaphor sparked some controversy, but it sums up very well the determination of a section of the national leadership to confront the interests of low-end entrepreneurs. This turnaround is significant, as government policies in Guangdong since the beginning of the reform period had aimed by and large to attract investment at any cost. Thus, from a reform perspective, rising wages may be seen as a contribution to a rebalancing of the economy from export demand to domestic consumption, while new regulations on "collective consultations" may introduce a mechanism for their peaceful, regular adjustment.

This is not the whole picture, however: ultimately, the motivation behind the reforms is to turn workers into consumers and not into an effective countervailing power. Governments still aim to pacify and individualize disputes, to maintain control of the party state, not to loosen it. After all, one reason the state urged concessions was to avoid an escalation. In the end despite all the rhetoric concerning industrial-relations reform and although the strikes have accentuated the failure of trade union reform and workplace consultation processes, no substantial institutional change has taken place. Most "collective con-

64. NDRC 2010. See especially paragraphs III.2-III.4 and III.8.
66. In the context of policies for industrial upgrading, some low-end industries are currently being encouraged by the Guangdong government to relocate their basic manufacturing operations to other provinces, see HKTDC 2007.
sultations" are still very far from Western-sense "collective-bargaining" mechanisms. 67

These considerations highlight the contradictions of the current reform policies, even in its most progressive versions. Rather than allowing for an independent representation of workers' interests, and therefore a democratization of Chinese industrial relations, the current fashion of collective negotiations tends to promote a reintegration of workers' unrest into a formal negotiating procedure and a reinstatement of the ACFTU that bypasses workers in their struggles. Although strong currents within the Guangdong Federation of Trade Unions, as expressed for example by the chairman of the federation in Guangzhou, advocate that the unions should represent workers' interests instead of reconciling opposing interests, the Federation as a whole is still an unreliable advocate of workers interests, as several analysts have noted. 68 Regardless of these reform forces in the ACFTU, Lee and Friedman contend that the trade unions still to a large degree "think of themselves as, and behave like, government agencies." 69 And most importantly, the power elites remain concerned about the protests. Some fear that the central government's verbal assurances on labor and social policy could transmute into all too "unrealistic" claims by workers. The one factor that is more capable than anything else of triggering "social upgrading" is therefore being contained and freedom of association, and a profound reform of the trade unions is being delayed. Lee and Friedman declare: "Granting workers the collective right of freedom of association is one measure that the central government appears constitutionally opposed to." 70 Tensions regarding the regulation of workplace conflicts came to the fore when the Guangdong government presented a draft version of "Regulations on the Democratic Management of Enterprises" 71 in the aftermath of the strikes. In the original draft, with explicit reference to the events at Foxconn and Honda, government officials proposed annual negotiations between elected union representatives and management on pay rises, bonuses, paid leave, working hours, insurance, workplace conditions, and safety standards at enterprise level. Significantly, the unions would be obliged to engage in negotiations if one-third of the workforce asked them to do so. 72 Due to resolute objections

67. As is remarked in a study by Luo (2011, 67): "Millions of collective contracts have been signed in the last few years, but in reality, wages and other labor standards remain low and unstable. Rather than being the result of effective bargaining, the majority of collective contracts are signed, either as a way for enterprise unions to fulfill the official quota of upper-level trade unions, or as a perfunctory effort of employers under the pressure of local labor administration. Accordingly, many collective contracts contain only general principles or legal terms, instead of any substantial statements or quantitative figures on labor standards.... In practice, workers are usually excluded from the process, enterprise unions are unwilling or unable to make any resistance, and consequently collective contracts are virtually in the hands of employers."

68. See Blecher 2008; Clarke and Pringle 2009; Shen 2007, 77–79.

69. Lee and Friedman 2010, 522.

70. Ibid., 530.


72. South China Morning Post, 15 January 2010; CLB 2010 (CLB's analysis). The original version of the Regulations, which prescribed collective negotiations in case one fifth of workers spoke out in favor of them, has been amended in favor of the interests of the employers.
from business associations and internal divisions within the government, these regulations were shelved and diluted in terms of workers’ participation in wage negotiations. The controversy about the regulations demonstrates the desire by government to find mechanisms to “peacefully” regulate workplace issues. While this involves some leeway for more effective workers’ representation, the intention is to confine struggle to economic issues and, in the end, for such representation to function as an early warning system.  

All in all, the tide of offensive economic struggles in 2010 not only displayed the current state of the Chinese workers’ movement but also demonstrated the limits of the current form of labor regulation. Still, there is no practice of collective negotiations in China which allow for effective participation of the workers and in general collective contracts do not contain details about wage levels and wage systems. At best, the current attempts to reform industrial relations are a double-edged sword. On one side, the government and most trade union representatives understand reforms as a means to channel and pacify labor unrest; at the same time they may create more effective bargaining mechanisms for settling economic issues in the future. While the long-term impact of attempts to reform industrial relations is unclear, the more permissive stance of the Guangdong government in 2010 did have a positive effect on workers’ bargaining power; it created an opening that allowed workers to effectively pursue their demands. By legitimizing bargaining through strikes, the government’s stance might encourage rather than contain or suppress offensive struggles by workers.

Short of facile generalization, we therefore think that the strikes of 2010 will not remain a solitary case. Rather they express a tendency toward further proliferation of struggle in the future. With increasing worker expectations for better standards of living and a growing sense of power amidst a widespread shortage of migrant labor, a peaceful integration of workers’ unrest in some authoritarian sort of social compromise is, we believe, unlikely.

73. For instance, the chairman of the Guangzhou Federation of Trade Unions says about the attitude of the political leaders in Guangdong: “They had a clear understanding that the nature of the dispute [at Honda Nanhai] was economic and the strikes should not be treated as destabilizing incidents. Mass activities such as collective resistance, road blockages, protest marches and mass petitioning are considered as being in this category. But in this case, the workers did not leave the factory, everything remained peaceful, there was no yelling and shouting, and it was more like silent resistance. Our provincial party committee noted that these were not destabilizing incidents and that police force should not be used. The government should act as a mediator, and the trade union should bargain with the employer” (interview with Chen Weiguang, Guangzhou, 18 October 2010). In this description the separation between economic and political demands is as evident as the endorsement of a politically integrative function of collective bargaining.

74. The stress for a peaceful and non-political way of settling labor issues has been pointed out time and again by government and trade union representatives alike. This also becomes obvious from some passages in the Regulations. For instance, Article 42 now includes provisions that oblige workers to keep on regular production discipline while consultations are ongoing. However, the recent strike wave gained its momentum precisely during the struggle in which workers gained the confidence to progress from immediate complaints to offensive demands for higher wages. A confinement of conflict to strictly regulated forms of negotiation might therefore limit workers’ self-activity and therefore also the scope of their demands.
ACKNOWLEDGMENTS: This account draws on data and observations from field trips to the Pearl River Delta in fall 2010 and 2011 as well as from a review of secondary sources on the strikes. We are very grateful to the many people who assisted us with generous support and advice: Boy Luethje, He Gaochao, Ellen Friedman from the newly founded International Center for Joint Labor Research at the Sun Yat-sen University in Guangzhou, and in particular Liang Guowei and his colleagues, who shared with us the results of their conversations with workers at Honda Nanhai. We also are grateful for comments from Tim Bartley, Eli Friedman, and Luo Siqi, as well as from five anonymous reviewers. These criticisms helped us to render our argument more precisely.

References

HKTDC (Hong Kong Trade Development Council). 2007. Guangdong’s new measures to facilitate industry relocation. Available at info.hktdc.com/alert/cba-e0701-1.htm; accessed 8 February 2011.
Lan, Fang. 2010. Dalian ting gongcha 7 wan ren shen yu boji 73 jia qi ye yilongzi zheng 34.5% gaozhong [Wave of Strikes in Dalian involves 70,000 workers and 75 companies; Ends in 34.5% wage increase], 19 September. Quoted in Caing.com, 19 September 2010. See finance.ifeng.com/news/special/cxcmzk/20100919/263 6845.shtml; accessed 15 June 2012.

Butollo and ten Brink / Atomization of Discontent

439
Global Economy: Mexico, China, and the United States." University of California, Los Angeles. 8-10 October 2009.


