



An Interpretative Framework of Grassroots Resistance in Chinese Urban Society -----A Case Study of Worker Collective Action

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Abstract

Since the 1990s, Chinese government has accelerated the legalization and standardization of labor relations in enterprises and has paid attention to the social stability. This paper analyzes two workers' protests of defending rights pursuant to the law which take place in a medium-sized Taiwan-funded manufacturing enterprise in Shanghai. The author focuses, on one hand, on the increase of urban worker's right consciousness, and workers' self-organization under the direction of worker elite in the background of "maintaining social stability". On the other hand, worker's law-abiding strategy developed according to the social governance means of local government is explored. The last part of this paper attempts to examine institutional origins, positive significance and limitations of this kind of collective protest.

Keywords: Right protection pursuant to law, Self-organization, Law-abiding strategy, Worker elite, Nonantagonistic, Nonpolitical

1. Background of research and proposing of problems

In the process of Chinese legalization, a diversified view has been revealed in the resistance strategy of grassroots, such as, "everyday resistance" (Note 1), "rightful resistance" (Note 2) and "resistance pursuant to law" (Note 3). Defenders resort more and more to laws and policies to seek for the maximum interest for themselves.

In the above research, researchers mostly concentrate on rural areas, and give explanations to resistance modes, which, to a certain extent, can illustrate fundamental modes of Chinese grassroots resistance, but still have definite limitations. Compared with rural and central and west regions, in coastal urban areas in which social conflicts evolve into placidity and local government goes towards governance by law, law and policy are the significant evidence for defenders. However, the high cost of legal proceedings often daunts them in practice. Furthermore, demand of individuals is often difficult to gain attention from local government, so collective legal appeals gradually appear in grassroots.

In this article, the author investigates a medium-sized Taiwan-funded manufacturing enterprise in Shanghai and attempts to resort to the resistance modes of workers to illustrate how they launch a temperate collective action under the current social management system and what kind of strategies they adopt to acquire support from local government in disputes, to resolve the disputes quickly and to reduce cost for right protection.

2. Two right protection activities pursuant to the law in SNS Company

2.1 *From rightful protest to establishment of Trade Union --- the first contradiction between labor and capital in SNS (in 2003)*

SNS Company is a wholly-owned branch office established in suburbs of Shanghai in 1994 by a wire netting Co. Ltd. in Taiwan. There were altogether approximately 200 employees in the company, including over 80% workshop operators. The company mainly manufactured all sorts of industrial metal filter screens, with its major products exported overseas. With low costs of labor force, local preferential tax policies and advantages of differential rent, SNS Company become the primary contributor to profits of the Head Office in Taiwan.

In July 2003, standard for minimum wages in Shanghai was adjusted to 570 Yuan, but the company did not execute the standard in strict rotation, and, on the contrary, it reduced this standard to 540 Yuan (Note 4) with all excuses, which was the cause for the first dispute. Dissatisfaction with the wages was merely a cause for this dispute, and it was a more important reason that employees burst out their gradually accumulated dissatisfaction with the long-run irrational management method of the enterprise.

It also occurred to employees that if they negotiate with corporate manager personally to ask for the back salary, it

would be a great risk, so it would be an appropriate method to act in the collective name. However, the requirement for negotiation was refused by the manager with a strong hand. Having asked for opinions of workers, labor representatives wrote a letter to the local town Labor Union to apply for establishment of a Labor Union. At the same time, under the direction of labor representatives, workers launched a stand-down protest action in May 2003, which lasted for three days. The joint application also gained response from the superior Labor Union immediately, and, afterwards, election of Labor Union members within the enterprise proceeded in regular sequence under supervision of the town Labor Union leaders. After the election of Labor Union Chairman was finished and under requirement of the town Labor Union, the enterprise liquidated the back salary exactly the amount according to relevant stipulations. Employees of SNS Company gained the first victory.

2.2 Claim for reimbursement of overtime compensation --- the second contradiction between labor and capital in SNS Company (in 2007)

In the spring of 2007, controversy between employees and managers over calculation method of overtime compensation caused another dispute.

After participating a training of common law organized by the town Labor Union, several employees discovered that the calculation method of overtime compensation in the enterprise was not as it should be. According to the Fourteenth Article in "Measures of Shanghai Municipality for Payment of Wages by Enterprises" ("Measures") formulated by Shanghai Labour & Social Insurance Bureau on January 17, 2003, the daily salary of extra shifts or extra hours should be calculated by dividing basic salary with the number of days of 20.92, the average monthly working days. However, the company calculated the average working days as 30 days. Therefore, strong dissatisfaction was aroused among workers on the issue of calculating overtime compensation in the company.

The Labor Union Chairman held a temporary meeting for front-line workers, and after the meeting, disclosed to the manager on behalf of workers about existence of violating action within the enterprise according to will of workers. Furthermore, the Chairman required managerial personnel to immediately correct the wrong calculation method of overtime compensation. Simultaneously, Xiao Li went to the town Labor Union. Under pressure of the governmental Labor Union, the manager acquiesced to correct the calculation method of overtime compensation. With growth of overtime compensation, welfare of employees in the enterprise was also adjusted accordingly, which resulted in worse income of overtime compensation after adjustment than that before adjustment. Thus, the corporate Labor Union held another meeting for employees, and more than 80% of members were in support of the Labor Union to ask for defaulted overtime payment for employees.

The Labor Union Chairman and committee members went to the Labor Inspection Team for lodging a complaint, the enterprise directly under the authority of the Labor Inspection Team, and also presented relevant evidence about the enterprise defaulting overtime compensation. However, the Labor Inspection Team did not hold a positive attitude towards that. In face of the labor arbitration which wasted time and energy and possibly more complicated judicial procedures later, representatives of the Labor Union reported this situation several times to the District Labor Union. Since it was a collective dispute, the District Labor Union paid due attention to the infringement within the company. Leaders of the District Labor Union asked the subordinate Law Aid Center to resolve this issue in an adequate way and report the handling results in a written form. Under supervision of the Law Aid Center, the District Labor Inspection Team again made an investigation into the overtime compensation of the enterprise, and finally confirmed existence of illegal performance in the enterprise. Under coordination of the two parties, the employees obtained due compensation according to relevant provisions.

3. Self organization and law-abiding strategies

From the two collective disputes of labor and capital, it can be found that a strong consciousness of right was gradually generated among workers. In addition, they attempted to seek for self protection under the legal framework and to make it possible "minimization of risk" (Note 5). The consciousness of right among workers was far beyond that, and they also created competitive advantages for themselves and organized themselves by making full use of all sorts of rules in practice. Worker "elites" played a significant enlightening and leading role in the process and resolved problems together with workers by means of democratic participation mechanism.

In the process of appeal, on one hand, workers posed certain pressure to local government with effect of collective events by "nonantagonistic" and "nonpolitical" means, and, on the other hand, did not "overstep", but took the initiative to seek for cooperation with local government. They made use of the governmental administrative resources to resolve conflicts of labor and capital, and this sort of protest strategy is termed as "law-abiding logic".

3.1 "Elites" (Note 6), self organization of workers and consciousness of right

First of all, workers' interest being deprived of was the origin of self organization of workers. The initial stage of dissatisfaction of workers with management method in the enterprise had the characteristics of class struggle of "weapon of the weak". "Weapon of the weak" could only be an initial resistance of laborers, but common experiences

of the weak gave rise to collective dissatisfaction at the bottom of their heart.

Secondly, the relationship of fellow countrymen promoted self organization of workers. There were a large majority of workers in SNS with fellow countrymen relation. Even some workers were relatives or friends for several years, and quite a large number of workers entered this enterprise by means of being introduced. Forepast studies indicate that the relationship of fellow countrymen played an important role of internal contact in collective action and solidarity of workers (Note 7). The author of this article found out similar situation through his investigation into SNS Company. The solidarity consciousness, which originated from the relationship of fellow countrymen and was gradually accumulated in common working and living occasion, played a significant role in the collective labor dispute.

Thirdly, worker elites played an inspirational and leading role in self organization of workers. The Labor Union Chairman of the enterprise elected had always enjoyed high prestige among employees. Of course, he was also endowed with some important qualifications, such as, high school record, warmheartedness, love of learning and having fight in one. On one hand, he had a style of individual heroism, and often reported unfair issues and dissatisfaction on behalf of workers, regardless of his personal gains and losses; on the other hand, he also had flexible skills in terms of organizing employees. He never made a decision without authorization, or distorted will of workers. In addition, he also understood how to make a rational use of government resources to accelerate resolution on disputes by relevant departments and to make a legitimate decision as early as possible.

Fourthly, self organization of workers is strengthened by democratic procedures. In face of important events, a Labor Union would organize employees for an interim meeting. Collective decision by workers would determine further action. What's more, this may avoid dissatisfaction of a minority of employees in the future and provocation of an enterprise in secret.

However, "function and power of cooperation is limited", and "it can not always evade from the system, policy and any transitional 'systematic risk'" (Note 8). Ultimate efficiency of cooperation is still owing to governance level of local government.

3.2 Law-abiding strategies of workers

Successful self organization of workers in SNS Company was owing not only to sound labor law, upgrading employees' consciousness of law and successful organization of members, but also to workers' abiding by governance principles of local government, the outcome of "stepping over the line but not overstepping it". Of course, this sort of participation in collective defense is not unique to the SNS Company the author has observed, and She Xiaoye has also discovered similar phenomenon in rural migrants' resistance in relatively developed areas. According to her, this kind of collective action can avoid the danger of collectively direct and public resistance. On the contrary, this sort of action resorts to resultant force and legal framework of cooperative organizations to bring informal constraints into formal operation and to express their political participation attitude with a method of collective defense (Note 9). However, different from study by She Xiaoye, the author of this article escalates her "nonantagonistic resistance" onto "law-abiding strategies". In this article, "law-abiding strategies" refer to the nonantagonistic and nonpolitical action method of national law and policy of central government, which, here, includes both explicit policy provisions and macroscopical governance principle, as well as control and explanation on the principle by governments at all levels based on local conditions.

The workers not only regarded jurisdiction clause as resources and framework of their action, but also applied national governance rules to expand their action boundary. Therefore, we should allow for legal provisions and local governance rules to interact in action of workers in "law-abiding strategies"

4. Further discussion

If we put the collective action by labors in SNS under the background of macro-society for consideration, then we may find out that their action strategy has changed gradually. On the part of the subjects of the action, their consciousness of right is gradually raised; they begin to be familiar with tolerance boundary of local government and master skills to communicate and coordinate with local government; they wage an enthusiastic struggle within the framework of law and regard cooperative organization as legal foundation for action of workers, so as to protect themselves from great damages in the struggle. In the above case, workers in SNS organized themselves and waged an enthusiastic struggle according to governance logic of the government within the framework of law, which we can term as "law-abiding strategy for self organization".

On one hand, we should be aware that these protests kee the law, but not appealing to the law, and that protestors may not trust in lengthy and complicated legal procedures or any possible results in the future. Therefore, from their point of view, directly turning to governmental departments may reduce cost of right protection to a large extent. On the other hand, these protests are neither behaviors of individuals, nor collective protests by the public, but a collective pressure formed under direction of elites.

As a new action framework of cooperative resistance by grassroot citizens, law-abiding strategy of self organization has

emerged with the precondition of gradual perfection of social management mechanism, such as, “ruling by law, good governance by the government, and maintenance of social order”, etc.

Different from former studies, this article studies a collective action which is a continuous and gradual struggle occurring in the duration period of labor relationship. First of all, the struggle is launched by elites, who determine the subject of the struggle through joint negotiation. Then, the elites act in a personal capacity to mediate with local government to pose particular pressure upon it, and further obtain support from local government to resolve disputes as fast as possible pursuant to legal provisions. This sort of resistance is propitious to continuous struggle, but not to ultimate struggle. It would not be attributed as “creating a disturbance” and punished, but should give an alarm to local government for reminder of the existence of a crisis. Organizers of the action would not be prosecuted for “obligation” or suppressed. Although this kind of people was not popular to the government, they can assist the government to deal with a crisis in a rational and effective way.

It should be said, law-abiding strategy of self organization is a struggle model which emerges by taking advantage of legal and policy crack. It seems that a new weapon is added to the grassroot struggle, but as a matter of fact, it is a reluctant action by the public to resist against any unfair treatment. They can neither resort to the organizational power which represents the interest of the public to strive for their own legal interest, nor burden any losses in human resources, material resources and energy caused by legal proceedings unlikely to be predicted. Therefore, they can only launch a nonantagonistic and nonpolitical collective resistance within the scope of tolerance by local government. This is at least an expedient measure they can resort to before they take up the ultimate weapon --- legal proceedings.

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Notes

Note 1. Scott. (2007). *Weapon of the Weak --- Everyday Forms of Peasant Resistance*, translated by Zheng, Guanghuai, et al. Yinlin Press.

Note 2. Li, Lianjiang and Kevin J. O'Brien. (1996). Villagers and Popular Resistance in Contemporary China. *Modern*

China, 22.

Note 3. Yu, Jianrong. (2004). One Interpreting Framework of Rural Migrants' Right Protection Activities. *The Study of Sociology*, No. 2.

Note 4. In 2002, the minimal monthly standard of workers in enterprises in Shanghai was 535 Yuan. Thus, as a matter of fact, the minimal wage of workers in SNS only increased by 5 Yuan.

Note 5. She, Xiaoye. (2008). Cooperation and Nonantagonistic Resistance --- "Tough Weapon" of the Weak. *The Study of Sociology*. No. 3.

Note 6. Worker elite or worker leader is a term for leaders of worker movement in western discourse system of worker movement. Compared with the expression of employee representative with background of Chinese discourse, the expression of worker elite or worker leader can more obviously reflect the spirit of militancy and resistance. The author in this article prefers the former expression just in the hope of reflecting intelligence and courageousness of employee representatives in SNS.

Note 7. Lee, Ching Kwan. (2002). From the Spectre of Mao to the Spirit of Law: Labor Insurgency in China. *Theory and Society* (31); Pei, Yili. *Shanghai on Strike: The Politics of Chinese Labor*, translated by Liu, Ping. (2001). Jiangsu Renmin Press.

Note 8. She, Xiaoye. (2008). Cooperation and Nonantagonistic Resistance --- "Tough Weapon" of the Weak. *The Study of Sociology*. No. 3.

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