



Exploitation and Resistance: Comparative Analysis of the Chinese Cheap Labour Electronics and High-value Added IT Sectors

Chun-Yi Lee

School of Politics and International Relations

University of Nottingham, U.K.

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Exploitations and Resistances: A Comparative Analysis of the Chinese Cheap Labour Electronics and High-Value Added IT Sectors

Globalisation, Special Issue Chinese Labour in the Global Economy, Andreas Bieler and Chun-Yi Lee

Introduction

- Chinese economic success: impressive growth rates depend on super-exploitation;
- Purpose: to analyse the dynamics of resistance within the wider global economy.
- Comparison of cheap labour intensive PRD sectors with more highly value-added sectors of YRD.
- In what way condition different locations in global production the form of resistance?

Conceptual considerations

- Historical materialist approach to understand the historical specificity of capitalism: the economic and the political appear to be separate as a result of how production is organised around wage labour and the private ownership of the means of production;
 - the analysis starts through an investigation of the social relations of production;
 - civil society is the space where the struggle over hegemony takes place (Gramsci);

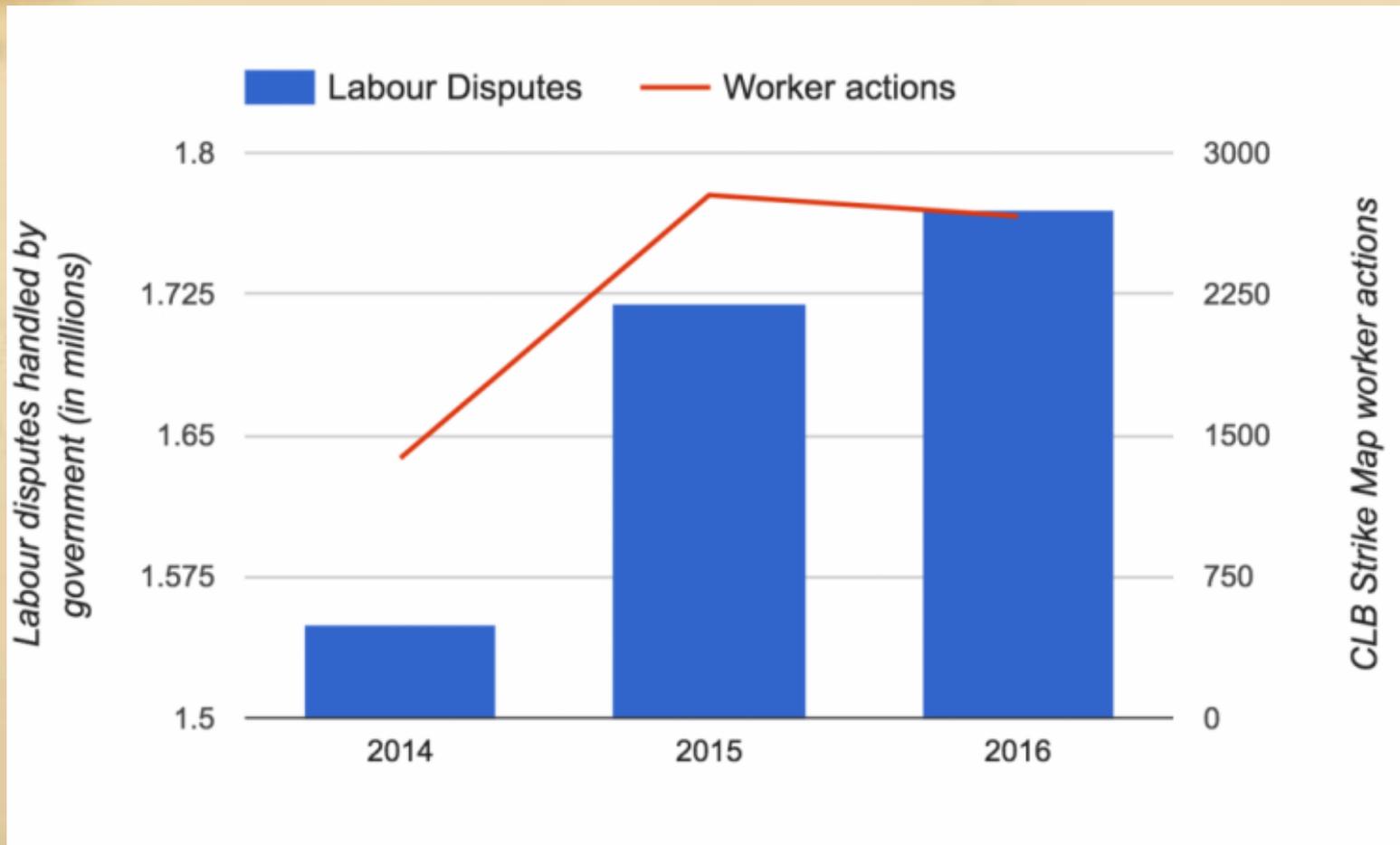
Chinese production in the global economy

- production mainly based on cheap labour assembling prefabricated parts for export;
- GDP figures hide the fact that most of value-added is captured by large, foreign TNCs;
- significant dependence on export markets;
- significant dependence on continuing availability of cheap labour;

Chinese production in the global economy

- specific importance of SOEs privatisation in mid-1990s;
- specific role of agriculture and migrant workforce;
- large inequality between countries and within China itself: 9 per cent of Chinese are estimated to have gained from development;
- The myth of the rising economic giant?

China's labour unrests cases in terms of number



Pearl River Delta (PRD) vs Yangtze River Delta (YRD)

source from google map



How do the strike organise?

- Role of the Trade Union (All China Federation of Trade Union, ACFTU): the biggest trade union in the world and the wealthiest one as well, however the ACFTU is not an independent trade union but more as government's tool to control workers.
- Role of the labour grass-root NGOs:
 - a. Legal consultancy
 - b. Collective bargaining
 - c. Entertain workers' after-work activities

Different Production types in the PRD and YRD

PRD as a manufacturing base

Electronics and IT products, and also household appliance products. The emphasis is on cheap labour, assembling prefabricated parts for export.

YRD as a heavy industrial base

YRD focuses more on heavy industries including machinery, chemical and other upstream industries. There is more potential for R&D development with the government organising industrial parks for hi-technology development.

Different Conditions for workers in the PRD and YRD

Working conditions in the PRD:

- Low value-added jobs; high turn-over rate;
- Long working hours and wage arrears, lack of social insurance, illegal firing and discrimination either based on gender or ethnic differences;

Working conditions in the YRD:

- Higher value-added sector jobs;
- Relatively stable and regulated working environment;
- Hi-technology industrial parks: Suzhou Industrial Park (SIP) and Suzhou New District (SND) for incubating human capital;

Labour NGOs in the PRD and YRD

•Different Funding sources:

PRD: mainly funded by foreign foundations (e.g. World Bank, Ford Foundation, Oxfam);

YRD: predominantly funded by the government.

•Different Activities:

PRD: focus on securing workers' individual rights; but also more militant having sense of workers' movement;

YRD: cooperation with the authorities on governmental projects; emphasis on self-development activities and cultural after-work entertainment;

Workers' conditions as well as the type and activities of labour NGOs clearly differ in the two areas. How can we explain this?

Traditional explanation of differences:

- the working conditions in YRD are better thanks to the different institutional industrial relations, in which labour NGOs, companies and government co-operate with each other;
- hence, solution to labour problems in PRD: we simply need to implement different industrial relations;

Conclusion

Our explanation: the way production sectors are integrated in the global economy shapes industrial relations as well as labour NGOs:

- PRD: cheap labour sector due to heavy competition with other cheap labour sectors in the global economy cannot afford regulated working environment; hence, NGOs emerge with the main goal of securing workers' individual rights;

- YRD: more highly value-added sectors depend on educated workforce and stable environment; hence, better working conditions and NGOs emphasising the improvement of workers' general well-being;

Next Step

Would it be possible to have transnational labour movement?

Yes and No

Yes: It is possible since the capital has the possibility to organise globally, why not labour force?

No: Needs stronger labour organisation, in China, there is no possibility with semi-official trade union and weak civic labour organisations.

However it is not impossible, and already happened in a small scale of regional labour coordination.



Thank you!

chun-yi.lee@nottingham.ac.uk