COLLECTIVE ACTION OF LAID-OFF WORKERS AND ITS IMPLICATION ON POLITICAL STABILITY: EVIDENCES FROM NORTHEAST CHINA

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Collective Action of Laid-off Workers and Its Implication on Political Stability:
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Abstract

Since the 1990s, China has accelerated its economic reform and heralded a transformation from a command economy into a market economy. One significant step in the economic-social transition was the reshaping of China’s outdated enterprise system. Enterprise restructuring intended to resolve the problem of inefficiency of enterprises mainly by cutting off governmental intervention and surplus urban labors, especially in state-owned enterprises. With enterprise restructuring proceeding throughout the country, Chinese urban laborers, once esteemed as “the master of the state,” were increasingly being turned into “laid-off workers,” the consequence of which included the collective actions by many laid-off workers.

The growing number of academic inquiries has led this study into probing the following questions: What was the prime mover of laid-off workers’ collective action? Why were some laid-off workers prone to take action while others still remained inactive given the same brunt of massive layoffs? What was the implication of the collective action of laid-off workers purported on political stability, which took precedence over anything else in Chinese top leadership’s thinking and planning of ongoing reform?

Quite divergent from earlier studies relating to the issue, this research adopts a moral economy theory to conduct and organize its analysis. Based on the data collected from fieldwork in Northeast China and an intensive case study, this research aims to figure out the configuration of Chinese laid-off workers’ collective action.

Findings from theoretical analysis aided by some statistical data indicate
that workers’ moral economy, which highlighted the worker’s subsistence right (ensured by a traditional socialism system), provided a source for workers’ action. As workers’ subsistence right had been infringed and their subsistence problems emerged, laid-off workers acted against their suffering. The nature of laid-off workers’ collective action could be understood as nothing more than a form of “struggle for subsistence right.” However, the shock of layoff was unequally echoed in different individuals. Those laid-off workers who were able to find or were provided by the local governments with “subsistence alternatives” to offset subsistence problems were less likely inclined to take collective action. The workers’ declining social-economic status and the infringed subsistence right partly exacerbated by managerial corruption gave rise to a strong feeling of nostalgia for Chairman Mao’s traditional socialism that protected proletarian workers. It also created a deep doubt on social justice. These are the two forms of resentment arising from the violation of workers’ moral economy that in turn pose a challenge to the Chinese Communist Party’s ruling legitimacy---the cardinal principle of political stability.
# Table of Contents

**Abstract**

**Acknowledgements**

**List of Tables and Charts**

1: **Introduction**

   1.1 Research Background
   1.2 Basic Concepts in This Study
   1.3 Literature Review
   1.4 Academic Inquiries in This Study
   1.5 Research Hypotheses
   1.6 Research Method
   1.7 Ways of Data Collection
   1.8 Organization of This Study

2: **Moral Economy Theory and Collective Action**

   2.1 Moral Economy Theory in Literature
   2.2 Moral Economy of Chinese Workers
   2.3 Chinese Workers’ Moral Economy and Their Collective Action

3: **Layoff in China: Dismantling Worker’s Moral Economy**

   3.1 Enterprise Restructuring in China
   3.2 Massive Layoffs in China
   3.3 Worker’s Moral Economy and the Nature of Layoff
   3.4 Layoff in Eastern Europe---A Comparative Perspective


   4.1 Termination of Worker’s Moral Economy and Workers’ Worries
   4.2 “Two Assurances, Threefold Guarantee lines” (liangge quebao santiao baozhangxian): Government Response
   4.3 Shortfalls of “Threefold Guarantee Lines”

5: **Subsistence Problem and Workers’ Potential Reactions**

   5.1 Aftermath of Layoff
   5.2 Subsistence Problem and the Prime Mover of Collective Action
   5.3 Potential Reactions of Laid-off Workers
   5.4 “Weapon of the Weak”---Collective Action by Laid-off Workers

6: **Collective Action by Laid-off Workers: A Case Study in Northeast**
China

6.1 Enterprise Restructuring and Layoff in HD Factory
6.2 “Subsistence Problem” --- Laid-off Workers’ Common Experience
6.3 Managerial Malfeasance and Corruption
6.4 Worker’s Moral Economy and Grievance Framing
6.5 Collective Action in HD Factory
6.6 Local Government’s Strategy to Deal With Collective Action
6.7 Characteristics of Laid-off Workers’ Collective Action

7: Subsistence Alternatives and Inactive Laid-off Workers
7.1 Interest Fragmentation and Subsistence Alternatives
7.2 Subsistence Alternatives and Regional Economic Strength
7.3 Regional Distribution of Collective Actions by Laid-off Workers

8: Implication of Collective Action on Political Stability in China
8.1 Political Stability in Chinese Context
8.2 Laid-off Workers’ Collective Action and Political stability
8.3 Building a Harmonious Society

9: Conclusion
9.1 Enterprise Restructuring and Massive Layoff
9.2 Worker’s Moral Economy and Their Collective Action
9.3 Subsistence Alternative and Inactive Laid-off Workers
9.4 Collective Action and Political Stability in China
9.5 Contribution and Limitation
9.6 Further Research in Future

Bibliography
Appendix 1
Appendix 2
List of Tables and Charts

Table 3-1: General profile of laid-off workers 81
Table 3-2: Regional distribution of laid-off workers 1998-2004 99
Table 4-1: Worries of laid-off workers 102
Table 5-1: Job opportunity of laid-off workers 131
Table 5-2: Experience of job hunting and re-employment 133
Chart 5-1: Income drop of laid-off workers in Fushun 136
Table 5-3: Social welfare shared by laid-off workers 138
Table 5-4: Logistic regression of laid-off workers’ participation in collective action on subsistence problem 147
Table 7-1: Reasons for no participation in collective action 197
Table 7-2: Logistic regression of laid-off workers’ participation in collective action on selected variables 204
Chart 7-1: Regional distribution of laid-off workers’ collective action 223
Table 7-3: Regional economic strength and financial burden in providing subsidy for laid-off workers 228