Issues & Studies: A Social Science Quarterly on China, Taiwan, and East Asian Affairs
Vol. 56, No. 4 (December 2020) 2050003 (22 pages)

DOI: 10.1142/S1013251120500034

Temporary Workers and Collective-Action Preferences in China

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Developed countries are becoming concerned with an increase in temporary workers, as it has undermined both their job security and the effects of collective action. China has experienced a surge of temporary work during the last three decades. Employing a cost and benefit analysis, this study identifies labor shortages and the weakness of job protection against arbitrary dismissal, both preconditions that have affected the collective-action preferences of temporary and permanent workers in China since 2010. Although the former has lowered the cost of collective action for temporary workers in China, the latter has increased the opportunity cost for permanent workers. Analyzing the Chinese General Social Survey in 2013, this study finds that temporary workers are twice as likely as permanent workers to actively join in collective action, suggesting that the prevalence of precarious work in China does not necessarily disempower Chinese workers.

KEYWORDS: Temporary workers; collective action; labor, politics; China.

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Collective action occurs "when a number of people work together to achieve some common objective" (Dowding, 2013). Collective action can take different forms, including collective negotiation and strikes. According to Klandermans (2002, p. 887), collective action is "not a very common response to injustice…Most people will continue to do what they are used to doing, that is, nothing." Collective-action preferences refer to the extent to which actors are willing to join in collective action in order to achieve certain goals. What determines collective-action preferences? Examining this question is important for understanding

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labor politics in contemporary China. Unlike democratic countries, labor unions in China do not organize collective action for workers. Thus, workers must initiate collective action by themselves. Leadership is a necessary but not a sufficient condition for collective action. Without joining with other workers, action is not *collective*. If a significant number of workers have a strong preference for collective action, leaders find it easy to mobilize them.

China has experienced a surge of temporary work during the last three decades (Kuruvilla, Lee, & Gallagher, 2011). What are the effects of the prevalence of temporary work on the collective action of Chinese workers? Some claim that precarious work tends to disempower them (Lee, 2016), but few empirical studies have been conducted to investigate this question. This paper aims to fill this gap. In developed countries, the increase of temporary workers has raised concerns because it has caused their job security to deteriorate and undermined their collective action (Gumbrell-McCormick, 2011). For instance, studies of developed countries find that temporary workers are less likely to join labor unions (Ebbinghaus, Göbel, & Koo, 2011; Shin & Ylä-Anttila, 2018).

By employing a cost and benefit analysis, this study identifies preconditions that have affected the collective-action preferences of temporary workers in China, which can be different from those of their counterparts in developed countries. In developed countries, labor unions are the major organizing agents in the collective action of workers. In these countries, labor unions had developed when most workers were permanent ones. Temporary workers were less attracted to labor unions since they tended to be passive in representing their interests (Ebbinghaus et al., 2011; Gumbrell-McCormick, 2011; Sánchez, 2007). In China on the other hand, labor unions do not function to mobilize workers for collective action. Second, more exit options came to be available to Chinese workers beginning in the 2010s as the country began to experience labor shortages. Some claim that labor shortages began to increase the structural power of Chinese workers in the 2010s (C. Chan, 2010; Elfstrom & Kuruvilla, 2014). Third, it is crucial to understand that joining in collective action can be costly for workers in China. As company rules often prohibit it, both temporary and permanent workers can be dismissed as a result (Wang & Cooke, 2017).

Although labor shortages have lowered the cost of collective action for temporary workers in China, the weakness of job protection against arbitrary dismissal increases the opportunity costs for permanent ones. When there are labor shortages, it is not difficult for temporary workers to find new jobs with equivalent conditions. Thus, temporary workers are more willing to risk collective action. On the other hand, permanent workers have vested interests in their current positions. Permanent workers

if dismissed are likely to find a job with inferior job security since most companies hire temporary workers. Thus, I hypothesize that temporary workers in China since the 2010s are more willing than permanent workers to join in collective action.

This study empirically tests this hypothesis by analyzing the Chinese General Social Survey in 2013. The survey data contain information about the preferences of workers to join in collective action in the hypothetical situation of receiving unfairly low wages. The survey asked whether workers would join in collective action by negotiating with leaders in the company. This type of collective action is less of a risk to workers than work stoppages. Workers who are unwilling to join in low-risk collective action are also disinclined to take collective action with a high risk. Although preferences for collective action do not necessarily result in actual participation, they are a prerequisite.

This paper is divided into six sections. Following the introduction, in the second section, theoretical approaches examine the collective-action preferences. The third section investigates preconditions affecting the collective-action preferences of temporary workers in China. The fourth section addresses how temporary work has become prevalent there. The fifth section analyzes the survey data, finding that temporary workers are twice as likely as permanent ones to actively join in collective action. The sixth section draws a conclusion.

Theoretical Approaches

Many micro-level studies take two approaches in explaining the choice of workers to engage in collective action. The first approach explains the choice by examining the grievances of workers. Critiques of this approach, however, point out that it does not explain why people with grievances choose collective action over other forms (Klandermans, 1986). Klandermans (1986, p. 199) claims that "Dissatisfaction is neither a necessary nor a sufficient condition for participation." The second approach focuses on costs (including opportunity costs) and benefits based on the premise that individuals are rational and maximize utility. Although these are competing explanations, they are not exclusive: both factors can drive workers to engage in collective action (Klandermans, 1986). As this study is mainly interested in the effects of temporary work on the collective-action preferences of Chinese workers, it relies on a cost and benefit analysis. Conducting an empirical study, I also include variables related to grievances.

Studies of collective action among Chinese workers in the 1990s and early 2000s tended to pay attention to their grievances, focusing on laid-off workers from

state-owned enterprises (SOEs) and migrant workers. Many laid-off workers from SOEs had grievances of unemployment and unpaid pensions (Cai, 2002; Gold, Hurst, Won, & Qiang, 2009). Many migrant workers had grievances of unpaid wages, low payment, long work hours and poor working conditions (A. Chan, 2001; Lee, 2007; Siu, 2015). Although some studies continued to investigate the grievances of workers in the 2000s (P. Pun, 2016; Swider, 2015), others began to claim that workers have been becoming increasingly empowered since the mid-2000s (C. Chan, 2010, 2013; C. Chan & Pun, 2009; Elfstrom & Kuruvilla, 2014; Lu, 2015; Tang & Yang, 2008). Various studies have argued that not only has the number of collective actions by workers increased, but also that the nature of the struggle has changed from being right-based (demanding what they should have by law, such as a minimum wage) to being interest-based (pursuing interests beyond what laws stipulate, such as wage increases) (C. Chan & Pun, 2009; Elfstrom & Kuruvilla, 2014; Lu, 2015). For instance, workers demanded a wage increase during the 2010 Foshan Honda strikes in Guangdong (C. Chan, 2013). It is impossible to know the exact number of strikes since the Chinese government does not publicize the information. Collecting data from traditional and social media, *Zhongguo Laogong Tongxun* (the China Labor Bulletin) shows that the number of strikes in China increased from 185 in 2011 to 2,663 in 2016.[1]

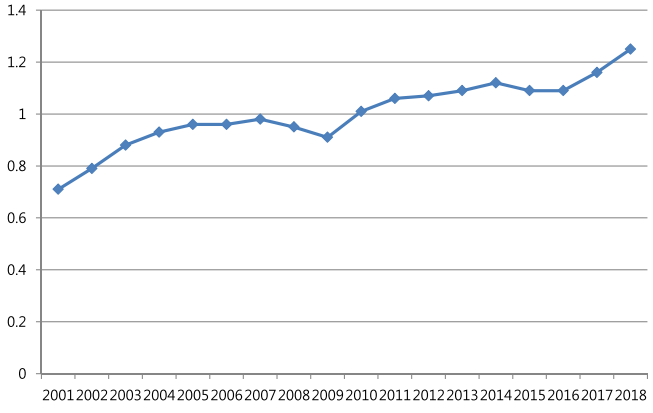
As to the causes of collective action by Chinese workers since the mid-2000s, some focus on structural factors, claiming that labor shortages increased the structural power of workers (C. Chan, 2010; Elfstrom & Kuruvilla, 2014; Tang & Yang, 2008). Others focus on agents, such as leaders of collective action and the role of labor non-governmental organizations (NGOs). Leung (2015) found that skilled workers and line supervisors rather than rank-and-file workers were more likely to take a leadership role in collective action by workers because the former tend to be more adept at organizing workers. Some studies point out that some labor NGOs in China have become more active in organizing collective action by workers since the 2000s (Chen & Yang, 2017; Li, 2016; Pringle, 2018). Li and Liu (2018) claimed that the involvement of labor NGOs lengthened the durability of collective action by workers. Building upon previous studies that emphasize how labor shortages increase their structural power, this study links the structural factor of labor shortages with the cost and benefit calculations of workers.

[1]The China Labor Bulletin, Strike map <http://maps.clb.org.hk/strikes/en> (accessed on November 12, 2018).

Preconditions Affecting Costs and Benefits of Collective Actions of Chinese Workers

An important background factor for understanding the collective-action preferences of Chinese workers in the early 2010s is that China experienced a labor shortage. In 2004, newspapers in China began to report the problem of labor shortages in developed coastal regions (Zheng, 2004). In a shortage of labor, demand exceeds supply. This is often indicated by the job vacancies to seekers ratio in which a ratio that exceeds one indicates a labor shortage. *Zhongguo renliziyuan shichang xinxi jiance zhongxin* (the Chinese Center for Monitoring Human Resources Market Information), which belongs to the Ministry of Human Resources and Social Security, has published the job vacancies to seekers ratio since 2001 (see Figure 1). This ratio was 0.7 in 2001, meaning that the number of job seekers outnumbered job vacancies. The ratio approached one in 2004, indicating that the supply of and demand for labor was in equilibrium. After 2011, the demand for labor began to exceed supply, meaning that China was facing a labor shortage.

Scholars disagree about the causes of the labor shortage in China since 2011. Some attribute it to a structural change in China's labor market, arguing that China has reached the Lewis turning point in which an unlimited supply of cheap rural labor is no longer available. As an evidence, these scholars point out rising wages for workers and



Source: *Zhongguo renliziyuan shichang xinxi jiance zhongxin* (the Chinese Center for Monitoring Human Resources Market Information) publishes these ratios quarterly. Data are available at the website of the Ministry of Human Resources and Social Security, <http://www.mohrss.gov.cn/>. From 2001 to 2011, data were retrieved from Zhongguo renliziyuan shichang xinxi jiance zhongxin (2012). From 2012 to 2018, the author calculated the average ratio of the year.

Figure 1. The job vacancies to seekers ratio in China, 2001–2018.

increasing income for rural residents (Kwan, Wu, & Zhuo, 2018; Zhang, Shao, & Dong, 2018). Others disagree, arguing that there is still abundant labor in rural areas and that the shortage of labor is a temporary phenomenon in China (Zhou, 2010). These scholars claim that some rural residents are now hesitant to move to urban areas for work, citing difficulties such as the household registration system and the improving living conditions of rural residents due to certain pro-rural policies of the Chinese state since the early 2000s (Knight, Deng, & Li, 2011; Zhan & Huang, 2013).

Regardless of the reasons for the labor shortage in China, some have noted its effect on labor politics, claiming that it has increased the structural power of workers since the late 2000s (C. Chan, 2010; Elfstrom & Kuruvilla, 2014). According to Wright (2000, p. 962), workers have two sources of power: associational and structural. Whereas associational power derives from collective organizations of workers such as labor unions, structural power is "power that results simply from the location of workers within the economic system." Silver (2003) discerns two types of structural power: marketplace bargaining power and workplace bargaining power. Whereas workplace bargaining power derives from strategic positions in key industries, marketplace bargaining power depends on the tightness of labor markets, the possession of scarce skills, and the presence of sources of income other than wages. C. Chan (2010) found that Chinese workers were usually not afraid of being dismissed from a company because it was relatively easy to find new jobs with equivalent conditions in the mid-2000s. Leung (2015) also found that while Chinese workers who led collective action often left the current company, voluntarily or involuntarily, they were still able to find new jobs quite easily in the late 2000s and the early 2010s.

Another important background factor is that collective action can be costly for workers in China. Since the right to engage in collective action is not legally guaranteed there, strikers are vulnerable to being charged with "disturbing social order" and put in prison (A. Chan, 2015; C. Feng, 2007). Many companies in China make rules prohibiting work stoppages and other forms of collective action. Thus, "employers are almost entirely free to dismiss workers based on their participation in a strike" (Estlund, 2017, p. 142). Analyzing court rulings on 897 strikes cases between 2008 and 2015, Wang and Cooke (2017) found that the majority of verdicts endorsed the dismissal of strikers because they violated work rules against work stoppages. Leung (2015) also found that most of the activists in the collective action of workers were dismissed by employers regardless of its success or failure. Even permanent workers are vulnerable to dismissal if they chose to take part. The Regulation on the Implementation of the Labor Contract Law of the People's Republic of China (2008, Article 39) allows for the dismissal of permanent workers for a broad range of reasons

that include violating company rules and regulations. Given the absence of a legal right to take collective action, participation can put Chinese workers at the risk of losing their jobs. Temporary workers are more willing to take collective action during a labor shortage because they have few vested interests in their current jobs. On the other hand, permanent workers have a high opportunity cost. If they are dismissed, it is likely they will only be able to find temporary work because most employers hire temporary workers.

Temporary Work in China

According to the Organisation for Economic Co-operation and Development (OECD, 2002, p. 132), "temporary jobs are those forms of dependent employment which, by their nature, do not offer workers the prospect of a long-lasting employment relationship." Temporary work includes fixed-term contracts, temporary-help agency workers, on-call workers, and seasonal workers. Fixed-term contracts which specify definite ending dates of employment are the most common type of temporary work (OECD, 2002). This study includes workers without labor contracts as temporary workers. Permanent workers are those who have open-ended contracts (OECD, 2013, p. 252). Temporary work is usually regarded as precarious. The concept of precarious workers entails a connotation of vulnerability in addition to job insecurity (Campbell & Price, 2016). Another neighboring concept is that of informal workers, which usually refers to workers without labor contracts and the self-employed (Kuruvilla et al., 2011).

What is striking in China is the prevalence of temporary workers since the 2000s. Analyzing data from the Chinese General Social Survey (CGSS) in 2013,[2] Table 1 reports the percentages of permanent and temporary workers in 2013 among workers employed in enterprises. Among workers who had urban household registrations, 33 percent of these were permanent and 67 temporary. Among those with rural household registrations on the other hand, only 15 percent were permanent and 85 percent temporary. In total, 26 percent of workers were permanent workers, and 74 percent were temporary ones. The prevalence of temporary workers in China contrasts sharply with the situation in OECD countries where the average share of temporary workers was 12 percent in 2012 (OECD, 2013, p. 252).

As Lee and Kofman (2012, p. 389) correctly pointed out, precarious employment in many developing countries is "a core part of the state's strategy of development."

[2]Data are available at the website of *Zhongguo guojia diaocha shujuku* (The Chinese National Survey Archive) <http://www.cnsda.org/index.php> (accessed on January 23, 2017).

Table 1.
Permanent and Temporary Workers with Urban and Rural Household Registration in the 2013 Survey

	Workers with urban household registrations		Workers with rural household registrations		Total	
	Frequency	Percent	Frequency	Percent	Frequency	Percent
Permanent workers	364	33	113	15	477	26
Temporary workers	750	67	619	85	1,369	74
Total	1,114	100	732	100	1,846	100

China stands out as such a case. Until the start of the open-door policy in 1978, workers in urban China enjoyed life-long employment. In order to break the "iron rice bowl," the Chinese state instituted the labor contract system in the 1995 Labor Law. The Labor Law of the People's Republic of China (1995), however, had serious limitations. Although it required employers to sign labor contracts with workers, it did not specify a penalty for violations. Thus, some employers easily shirked this responsibility. In addition, it gave employers a free hand to employ workers with fixed-term contracts. There was no limitation on the number of times a company could renew a fixed-term contract and no restriction on the type of work that could done under one. Moreover, employers did not have to provide severance for dismissed workers with fixed-term contracts. On the other hand, if employers dismissed workers with open-ended contracts, they had to specify legally grounded reasons for dismissal and pay severance. At the same time, the Labor Law (1995) imposed strict conditions on open-ended contracts. First, workers had to be employed by the same enterprise for more than 10 consecutive years. Second, workers and employers were required to agree to maintain labor contracts after 10 years of employment. Third, workers had to request open-ended contracts (The Labor Law, 1995, Article 20). If any of these conditions were not met, workers would not be able to sign open-ended contracts. In addition, there was no penalty for not signing one.

In order to address the problems of the 1995 Labor Law, the Chinese state promulgated the Labor Contract Law (LCL) in 2007 and implemented it in 2008. In order to increase the number of workers with labor contracts, the new law specified penalties for an employer who fails to sign a written labor contract with an employee (The Regulation on the Implementation of the Labor Contract Law, 2008, Articles 6 and 7). The LCL gave workers increased rights in open-ended contracts, trying to rectify the situation where a majority of workers had fixed-term contracts with a short

duration. Zhang Shicheng, vice chairman of the law committee in the National People's Congress, emphasized that open-ended contracts would be conducive to stable labor relations, which are good for individuals, enterprises, and the state (Zou & Liu, 2007). The LCL then loosened conditions on them. According to Article 14 of the LCL (2008), an open-ended contract shall be concluded if "the worker has been working for the employing unit for a consecutive period of ten or more years," or if "the worker intends to renew the labor contract after concluding fixed-term contract with the employing unit twice consecutively." The latter was a new addition to the LCL. According to the LCL (2008, Article 14), if employees agree to maintain labor contracts in either condition, open-ended contracts should be concluded except for legally permitted reasons. This is different from the 1995 Labor Law which required both employers and employees to agree to renew labor contracts after 10 years of employment. In addition, the LCL (2008, Article 46) stipulated that employers must pay severance compensation to workers who are dismissed upon the termination of a fixed-term contract. By doing so, the LCL tried to redress the problem that employers preferred fixed-term contracts in order to avoid having to pay severance compensation as stipulated in the 1995 Labor Law. Although the LCL loosened conditions on open-ended contracts, it fell short of ensuring that they became prevailing. The LCL required that employers sign open-ended contracts only with workers who have worked for the same company for a long time (i.e., long-service workers). There was still no restriction on the types of work for which fixed-term contracts could be used.

Business people strongly opposed the articles on open-ended contracts in the LCL, criticizing them as a returning to the "iron rice bowl" (Morris, 2008). A study demonstrated that one month after implementation of the LCL, 70 percent of employers wanted to have it revised in two areas: the clauses on open-ended contracts and those on economic compensation (Yu, 2008). Faced with complaints from businesses regarding open-ended contracts, the Chinese government issued the Regulation on the Implementation of the Labor Contract Law in 2008. A person in charge of Legislative Affairs Office of the State Council explained that one of the important reasons for promulgating the Regulation was to clarify that open-ended contracts do not mean an "iron rice bowl."[3] The Regulation specified 14 conditions for the revoking of labor contracts and applied them to workers with both fixed-term and open-ended contracts. These conditions include serious violations of rules and regulations of the employing unit, worker incompetence, and if the employer encounters serious

[3]See "Jiu 'Zhonghua renmin gongheguo laodongfa shishi tiaolie' guowuyuan fazhi bangongshi fuzeren da jizhe wen" (2008).

difficulties in production and business operations (The Regulation on the Implementation of the Labor Contract Law of the People's Republic of China, 2008, Article 19). In short, the LCL provided employers with flexibility in the dismissal of workers with open-ended contracts.

The Effects of Temporary Work on Collective-Action Preferences

Data, Variables and Descriptive Analysis

This section analyzes data from the CGSS in 2013.[4] The National Survey Research Center at Renmin University of China first conducted the CGSS in 2003 and repeated the survey every one or two years. The 2015 survey contains the most recent publicly available survey data. The survey questionnaires vary somewhat from year to year. Only the 2013 survey contains information on both the willingness of workers to join in collective action and the types of labor contracts. Although it has been six years since the 2013 survey was conducted, the preconditions that this study identified as affecting collective-action preferences of Chinese workers remain the same: labor shortages and the weakness of job protection against arbitrary dismissal. Thus, the findings of this study remain relevant.

The 2013 CGSS used a multistage stratified random sampling nationwide. The response rate was 72 percent. The total number of samples in the 2013 survey was 11,438.[5] I analyze a subsample that satisfies two conditions. First, the subsample selected those who were employed with fixed employers and dispatch workers. Those who were unemployed, self-employed, or without fixed employers were excluded. The number of cases meeting this condition was 2,981. Second, it selected those who were employed in enterprises, excluding those employed in other units such as public institutions. The number of cases satisfying both conditions is 1,855.

The independent variable in this study is the type of labor contracts as discussed in the previous section. The dependent variable of this study is the collective-action preferences of workers. The survey poses a question: "In an adjustment of wages or position, suppose a large number of workers including yourself were treated badly and unfairly. In this situation, if someone moves to talk and negotiate with leaders and they

[4]Data are available on the website of *Zhongguo guojia diaocha shujuku* (The Chinese National Survey Archive) <http://www.cnsda.org/index.php> (accessed on January 23, 2017).

[5]Details on sampling method are available at the website of *Zhongguo zonghe shehui diaochao* (Chinese General Social Survey) <http://www.chinagss.org/index.php?r=index/sample> (accessed on January 23, 2017).

ask you to go, what would you do?" Wages and position are great concerns for workers. In this hypothetical situation, the collective action of talking and negotiating with leaders collectively entails a lower risk than a strikes. Preferences for collective action among workers are measured in four scales: (4) Active involvement, (3) Active involvement but not leadership, (2) Waiting to see how the situation evolves before making a decision, and (1) Never joining.

Table 2 reports the preferences of workers for collective action. Preferences for collective action did not differ greatly between workers with urban household registrations and those with rural household registrations. Among workers with rural household registrations, 27 percent answered that they would be actively involved in collective action, which was four percentage points higher than that of urban workers. In total, 25 percent of workers answered that they would be actively involved in collective action. Thirty-four percent said they would be involved in collective action without taking a leadership role. Thirty percent of workers answered that they would see how the situation evolves before deciding. Eleven percent of workers answered that they would never join. In China where the right to collective action for workers is not legally guaranteed and labor unions do not organize it, it is important there is still a significant number of workers who participate. Without them, collective action is unlikely to take place. Thus, I collapse these four categories of answers into two, assigning one if a worker answered that they would be actively involved in collective action and zero for other answers.

I include several variables to assess whether low wages and discrimination increase the propensity of workers to take collective action. First, I include the variable *Income from Labor*, which is a logarithm of annual income from labor. The average of

Table 2.
Preferences of Workers for Collective Action in the 2013 Survey

	Workers with urban household registration		Workers with rural household registration		Total	
	Frequency	Percent	Frequency	Percent	Frequency	Percent
Active involvement	256	23	196	27	452	25
Involvement without leadership	393	36	229	32	622	34
Seeing how the situation evolves	328	30	226	31	554	30
Never joining	122	11	75	10	197	11
Total	1,099	100	726	100	1,825	100

annual income from labor in 2012 was RMB 40,992, and its standard deviation was RMB 42,560. Second, previous studies point out that migrant workers usually suffer from low wages and poor working conditions. I include the dummy variable *Rural Household Registration*, coding workers with rural household registrations as one and those with urban household registrations as zero. This variable assesses whether migrant workers who hold rural household registrations are more willing to join in collective action than urban workers. Existing studies point out that dispatch workers tend to receive low wages and take on harder work (Feng, 2019). Six percent of workers in the sample were dispatch workers. I include the dummy variable *Dispatch Workers* to examine whether they are more likely to join in collective action.

Some studies argue that the second generation of migrant workers have tended to be more likely to take collective action because, unlike the first generation of migrant workers, they have been less willing to go back to the countryside and felt it unfair that their conditions were inferior to those of urbanites (N. Pun & Lu, 2010). Lee (2016) disputed this claim, pointing out that many case studies on the collective action of workers identified active participants in collective action as skilled workers and line managers rather than the second generation of migrant workers (Leung, 2015). In order to assess the claim that the second generation of migrant workers are more likely to take collective action, this study includes the dummy variable *Second Generation of Migrants*, i.e., the young who were born after 1980 (八零後, "after-1980 generation") with rural household registrations. This comprises 16 percent of workers.

People's willingness to join collective action can depend on their individual assessments of the efficacy of their actions. Someone is more likely to join a collective action when he or she believes it can contribute to a desired outcome (Klandermans, 1984). Considering that this study deals with collective actions that have relatively low risks, members of the Chinese Communist Party (CCP) or the Chinese Communist Youth League (CCYL) may be more willing to join. The variable of CCP or CCYL indicates membership of the CCP or CCYL. Seventeen percent of workers had CCP or CCYL membership.

This study includes several demographic variables for control. I draw hypotheses from studies on the determinants of joining labor unions in developed countries. Joining labor unions reveals a propensity for collective action with low risks. These studies find that males are more willing to join labor unions than are females (Schnabel & Wagner, 2007). Scholars have attributed this difference to men's primary (or at least traditional) roles as breadwinners (Ebbinghaus et al., 2011). I include a variable of *Gender*, coding male as one and female as zero. Sixty percent of workers are male. Studies in developed countries find that age has inverted U-shaped effects on collective-action preferences: it tends to be lower for young and old workers than for

the middle-aged (Blanchflower, 2007; Ebbinghaus et al., 2011). I include the variable of *Age* and *Age Squared* to examine whether there is a curvilinear relationship between age and collective-action preferences. Existing studies also suggest that education has inverted U-shaped effects on collective-action preferences: workers with low or high education tend to have a weaker propensity for collective action (Ebbinghaus et al., 2011). I include the variables of *Education* (measured by years of formal education) and *Education Squared* to examine the possibility of a curvilinear relationship between the years of education and collective-action preferences. The average number of years of education is 11.7, and its standard deviation is 3.3.

Previous studies in developed countries suggest that workers in large companies are more willing to engage in collective action because their numbers give them a high probability of success (Ebbinghaus et al., 2011). On the other hand, Olson (1971) suggests that a small number of actors are more willing to take collective action because it is easier for them to resist a free-rider problem. I include the dummy variable *Small Companies* (i.e., companies with fewer than fifty employees) and *Large Companies* (i.e., companies with more than 500 employees) to control for firm size. I also include dummy variables of the types of ownership for control. Sixty percent of workers were employed in private enterprises, 26 percent in SOEs, 8 percent in collective enterprises, and 6 percent in foreign-owned enterprises. Finally, this study includes dummy variables of provinces to control for its impact.

Statistical Analysis

The dependent variable of this study is binary and defined as whether workers are willing to actively participate in collective action. I therefore conducted a logistic regression analysis. In Appendix Table A.2, I report the outcomes of multiple regressions using the original four-point scale of collective-action preferences of Chinese workers. The major findings of the multiple regression analysis are consistent with those of the logistic one. The variables of *Temporary Workers* and *Income from Labor* are correlated. Thus, the base models do not include the variable of *Temporary Workers* (Table 3). In order to test the effects of *Second Generation of Migrants* on collective-action preferences, I analyze another base model that includes this variable but excludes the variables of *Age*, *Age Squared*, and *Rural Household Registration* which correlated with the variable of *Second Generation of Migrants.* The variable of *Second Generation of Migrants* turns out to be insignificant (Base model 2 in Table 3). In these models, only *Gender* turns out to be significant. As expected, male workers were more willing than female ones to actively join in collective actions. Several

Table 3.
Base Models on Logistic Regression of Collective-Action Preferences of Chinese Workers

Variables	Base model 1 coefficient (Standard error)	Base model 2 coefficient (Standard error)
Gender	0.249 (0.132)*	0.251 (0.130)**
Age	0.007 (0.038)	
Age Squared	−0.000 (0.000)	
Education	0.011 (0.090)	−0.009 (0.088)
Education Squared	−0.001 (0.004)	−0.000 (0.004)
Rural Household Registration	0.233 (0.149)	
Second Generation of Migrants		0.162 (0.164)
Dispatch Workers	0.330 (0.278)	0.318 (0.278)
Income from Labor	0.018 (0.108)	0.027 (0.106)
CCP or CCYL	0.152 (0.168)	0.142 (0.166)
Small Companies	0.194 (0.145)	0.198 (0.144)
Large Companies	0.089 (0.153)	0.089 (0.153)
Collective Enterprises	0.175 (0.248)	0.193 (0.247)
Private Enterprises	0.110 (0.161)	0.133 (0.159)
Foreign Enterprises	−0.147 (0.319)	−0.145 (0.318)
Number of Cases	1,624	1,624
Pseudo *R*-Square	0.033	0.032

Note 1: Dummy variables of provinces are included in the model but not reported.
Note 2: *indicates $p < 0.1$, **indicates $p < 0.01$ and ***indicates $p < 0.001$.

objective conditions related to grievances turned out to be insignificant. *Income from Labor* does not affect the preferences of workers for collective action. *Rural Household Registration* is not significant, meaning that there is no statistically significant difference among the preferences for collective action between workers with urban household registrations and those with rural household registrations. *Dispatch Workers* is not significant, meaning that the preferences for collective action are not significantly different between dispatch workers and standard workers. In these models, other variables also turned out to be insignificant; for instance, the *CCP* and *CCYL* variable. Level of education also does not significantly affect the preferences of workers for collective action. The variable of *Age* is also insignificant. Neither education nor age has a curvilinear relationship with collective-action preferences. Company sizes do not affect the inclination toward collective action among workers. The preferences for collective action are not significantly different among workers employed in various ownership types.

In Table 4, the models include the variable of *Temporary Workers*, with permanent workers as the reference category. The variable of *Temporary Workers* is

Table 4.
Logistic Regression of Collective-Action Preferences of Temporary Workers in China

Variables	Model 1 coefficient (Standard error)	Model 2 coefficient (Standard error)
Temporary Workers	0.781 (0.161)***	0.770 (0.159)***
Gender	0.258 (0.134)**	0.263 (0.131)**
Age	0.233 (0.038)	
Age Squared	−0.000 (0.000)	
Education	0.043 (0.091)	0.022 (0.089)
Education Squared	−0.002 (0.004)	−0.002 (0.004)
Rural Household Registration	0.210 (0.150)	
Second Generation of Migrants		0.079 (0.166)
Dispatch Workers	0.339 (0.281)	0.316 (0.282)
Income from Labor	0.084 (0.110)	0.096 (0.107)
CCP or CCYL	0.245 (0.171)	0.227 (0.168)
Small Companies	0.181 (0.147)	0.175 (0.146)
Large Companies	0.101 (0.155)	0.092 (0.154)
Collective Enterprises	0.210 (0.251)	0.224 (0.250)
Private Enterprises	−0.000 (0.165)	0.007 (0.163)
Foreign Enterprises	−0.152 (0.322)	−0.165 (0.322)
Number of Cases	1,620	1,620
Pseudo *R*-Square	0.048	0.047

Note 1: Dummy variables of provinces are included in the model but not reported.
Note 2: *indicates $p < 0.1$, **indicates $p < 0.01$, ***indicates $p < 0.001$.

statistically significant: temporary workers are more likely to actively join in collective action than permanent ones. Due to the difficulties in interpreting the meaning of coefficients in the logistic analysis, coefficients are converted into odds ratios.[6] The odds ratio of *Temporary Workers* is 2.2, meaning that temporary workers are 2.2 times more likely to actively join in collective action than permanent workers. The odds ratio

[6]The odds of an event's occurrence are "the probability of the event divided by the probability of an event not occurring." For instance, if the odds of an event's occurrence are four, it means that an event is four times more likely to occur than to not occur. The odds ratio represents a ratio of two odds. The odds ratio for an independent variable is a ratio of the odds that an outcome would occur when the independent variable increases by one unit, compared with the odds that an outcome would occur without a one unit increase in the independent variable. Therefore, the odds ratio of one means that a one-unit increase in the independent variable does not influence the odds of the outcome. An odds ratio higher than one means that a one-unit increase in the independent variable is associated with higher odds of the outcome. On the other hand, an odds ratio lower than one means that a one-unit increase in the independent variable is associated with lower odds of the outcome. This was quoted from the website of SAS <http://www.stats.org/faq_odds_ratios.htm> (accessed on May 23, 2010).

of *Gender* is 1.3, meaning that male workers are 1.3 times as likely to actively join in collective action compared with female workers.

Conclusion

This study has found that temporary workers in China were more willing than permanent ones to actively participate in collective action in 2013. This stands in contrast with their counterparts in developed countries. The findings of this study suggest that the prevalence of precarious work in China does not necessarily disempower Chinese workers. As Perry (1995, p. 2) pointed out, "fragmentation does not mean passivity." Hirschman (1970, p. 30) mentioned that loyalty-promoting institutions could repress voice by increasing the price of exit. For permanent workers in China, their contracts increase the price of exit and thus oppress their voice.

This paper contributes to the existing studies on the collective action of workers in China. First, the existing literature pays little attention to the effects of temporary work on collective-action preferences. Considering that most workers in China are temporary ones, understanding their collective-action preferences is crucial for predicting labor activism in China. This study finds that temporary workers in China have a stronger inclination to join collective action than do permanent workers. Considering the predominance of temporary workers, the potential for labor activism appears to be strong in China.

Second, using a cost/benefit analysis, I argue that temporary workers are more willing to actively join collective action because they have an "exit" option when there are labor shortages. Some scholars argue that labor shortages empower workers in China (C. Chan, 2010; Elfstrom & Kuruvilla, 2014; Tang & Yang, 2008). This paper suggests that the effects of labor shortages on the collective action of workers are magnified because of the prevalence of temporary work in China. As shown in Figure 1, the problem of labor shortages has become more serious since the mid-2010s and provides fertile ground for temporary workers to participate in collective action.

Third, this study suggests that temporary workers are encouraged to join collective actions by low opportunity costs. If temporary workers had aspired to become permanent ones, it unlikely that they would risk participation.[7] From the perspective of the Chinese state, this finding has an important implication. If the Chinese state aims to mitigate labor unrest, it needs to lower hurdles for temporary workers that seek permanent work. Indeed, the Chinese state moved in this direction when it promulgated

[7]I thank an anonymous reviewer for pointing this out.

the 2008 Labor Contract Law, slightly loosening conditions on signing for open-ended contracts. Nonetheless, the threshold for becoming a permanent worker remains high in China, as discussed in the fourth section. Comparing the survey data on Chinese workers conducted by the All-China Federation of Trade Unions (Zhonghua quanguo zonggonghui yanjiushi, 2010, 2018), the percentage of workers with open-ended contracts increased slightly from 17 percent in 2007 (one year prior to the implementation of the LCL) to 25 percent in 2017. Although the LCL had a positive effect on increasing the number of workers with open-ended contracts, the effect was small. The majority of workers are still temporary workers.

This study has a few limitations. First, it only addresses the collective-action preferences of Chinese workers. Although the findings of this study are useful in understanding the main cleavages in these preferences, they fall short of understanding the dynamics of collective action. Second, this study deals with low-risk collective action. Thus, whether the findings of this study can be generalizable to collective action with high risks should be scrutinized. I would expect that permanent workers would be even more unwilling to join collective actions that entail high risks, considering their vested interests in their current positions. Testing this hypothesis remains a task for future research.

Appendix A

Table A.1.
Descriptive Statistics of Variables in Tables 3 and 4

Variable	Mean	Standard deviation	Minimum	Maximum
Temporary Workers	0.74	0.44	0	1
Gender	0.60	0.49	0	1
Age	38.49	11.00	17	80
Education	11.73	3.28	0	19
Rural Household Registration	0.40	0.49	0	1
Second Generation of Migrants	0.16	0.36	0	1
Dispatch Workers	0.06	0.24	0	1
Income from Labor (log)	10.37	0.74	6.91	13.12
CCP or CCYL	0.17	0.38	0	1
Small Companies	0.32	0.47	0	1
Large Companies	0.31	0.46	0	1
Collective Enterprises	0.81	0.27	0	1
Private Enterprises	0.61	0.49	0	1
Foreign Enterprises	0.06	0.23	0	1

Table A.2.
Multiple Regression Using a Four-Point-Scale Measurement of Collective-Action Preferences in China

Variables	Model 1 coefficient (Standard error)	Model 2 coefficient (Standard error)
Temporary Workers	0.214 (0.059)***	0.218 (0.058)***
Gender	0.061 (0.052)	0.054 (0.051)
Age	0.007 (0.015)	
Age Squared	−0.000 (0.000)	
Education	0.007 (0.035)	0.009 (0.035)
Education Squared	−0.000 (0.002)	−0.000 (0.002)
Rural Household Registration	0.014 (0.069)	
Second Generation of Migrants		0.005 (0.068)
Dispatch Workers	0.155 (0.112)	0.155 (0.111)
Income from Labor	0.050 (0.043)	0.055 (0.042)
CCP or CCYL	−0.024 (0.068)	−0.030 (0.067)
Small Companies	0.024 (0.058)	0.024 (0.058)
Large Companies	0.031 (0.061)	0.033 (0.061)
Collective Enterprises	0.075 (0.099)	0.077 (0.099)
Private Enterprises	0.068 (0.065)	0.073 (0.064)
Foreign Enterprises	0.015 (0.118)	0.020 (0.117)
Number of Cases	1,620	1,620
Adjusted *R*-Square	0.041	0.042

Note 1: Dummy variables of provinces are included in the model but not reported.
Note 2: *indicates $p < 0.1$, **indicates $p < 0.01$, ***indicates $p < 0.001$.

Acknowledgments

This work was supported by the Hankuk University of Foreign Studies Research Fund.

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