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The sight of China's President Xi Jinping seated next to Russian President Vladimir Putin at the military parade in Moscow two months ago to commemorate the 70th anniversary of the end of World War Two in Europe must make many people in the West uncomfortable. A strategic alliance between Russia and China would not be in the interests of the United States and its allies.

I do not believe China intends to create such an alliance. President Xi's presence at the Moscow parade has more to do with promoting his image as a military leader and his political standing inside China than with threatening other states. The same is true of his tough stance on Japan and the islands in the South China Sea; President Xi has to bend with the increasingly nationalistic wind in his own country and demonstrate that he is willing and able to defend China's territorial integrity.

#### THE INSECURITY OF THE CURRENT REGIME

The reason President Xi is so focused on building his support at home is simple: his position is not yet secure. Many overseas observers see President Xi as a Putin-like man, determined to get his way on everything, eradicate dissent and exert maximum control over the political, economic and social landscape. This view says more about our own fears than it does about the reality in China. The reality is that President Xi is a man who may not yet be in full control and whose political position is under constant threat due to the unprecedented anti-corruption campaign he has undertaken.

The current insecurity of the Chinese administration has sources other than the anti-corruption campaign. For one, they can no longer control China's economy despite their more sophisticated grasp of macro-economic tools. The economy is now dominated by the market and the interests of private capital and property, and the Chinese Communist Party (CCP) leadership has to listen to those interests rather than command them, as was the case in the days of the state-planned economy.

Society has also changed and become more pluralistic and vocal as more people speak out and even demonstrate on the street about environmental degradation, wages and working conditions, sexual harassment, discrimination, corruption and other socioeconomic problems. These issues are disseminated and discussed among millions of Chinese thanks to the rapid growth of new technologies, the internet and social media. These developments mean that the communist regime is much less able to suppress society compared to ten or even five years ago.

Indeed, China now faces its greatest domestic challenge since 1949. Its policies lack a strong ideological justification. It is still ruled by the biggest remaining Communist regime on earth but its economic, social and political policies have little to do with communism or socialism. In addition, even as China's economic power grows, the worsening corruption in daily economic activities such as the privatization of state-owned enterprises in major industrial cities and massive illegal land grabs in the countryside, and the fast growing gap between the rich and the poor, have dramatically reduced the regime's legitimacy.

President Xi was going in the right direction with his very important 3<sup>rd</sup> Plenum Decision in 2013. That Decision promised to carry out much needed economic, financial and social reforms. For the first time, a major policy document spoke about creating a system of social governance based on rule of law that would involve working together with other stakeholders in society, such as NGOs, to address China's governance challenges.

However, right now, we see precisely the opposite happening. China is in the middle of a massive crackdown on civil society activists and organizations. Lawyers, scholars, journalists, NGO leaders, and women's rights advocates have all been detained, beaten or harassed simply because they chose to exercise their rights to free speech and assembly. In addition, laws are being drafted on counterterrorism, national security and foreign NGO management, all of which will strengthen the powers of the security and police forces.

In terms of winning popular support, these developments make no sense at all. It is not in the CCP's interests to crack down on civil society. I can only conclude, going back to what I said about the insecurity of President Xi's position, that these actions are merely further evidence that he is not fully in charge of the country's security force and faces significant constraints on his power.

One of those constraints comes from powerful, competing interest groups in China, both within the official power structure and in society. One of the most powerful interest groups in China is the police and security forces. The country's security apparatus sees civil society groups as a threat. In their eyes, giving civil society a more prominent role and voice will undermine their power within the political structure. So when China's political leaders sought to encourage the growth of civil society by better regulating it through the idea of "social governance," the Public Security Ministry and others took that opportunity to smash civil society. It is damaging to the civil society of course. This is also a dangerous situation for President Xi, because in any authoritarian society, before the political leadership has not yet in full control, the security forces will always place their own interests above those of whoever happens to be in power at the time.

Another vested interest group is the official union – the All-China Federation of Trade Union (ACFTU). When President Xi told the ACFTU leadership in late 2013 that they should do more to improve the lives of workers so that they can achieve their "China Dream", the ACFTU listened politely and, rather than carry out any substantive reforms, responded by making its

usual statements about cultivating model workers. This will benefit neither the interests of Chinese workers nor President Xi, but only the entrenched interests of more than one million full-time ACFTU officials.

In order to survive in this environment, the CCP leadership needs to rediscover the source of its ideological legitimacy and it needs allies, in particular support from Chinese citizens. President Xi's campaign against corrupt officials is a great way to win popular support but there is no way it can succeed unless the CCP is willing to include ordinary citizens and civil society organizations in that campaign, and allow them to take part in supervising official wrongdoing.

### BUILDING A NEW SOCIAL CONTRACT BETWEEN THE CCP AND WORKERS

While the police and the ACFTU are reluctant to help Xi Jinping realize his China Dream, there is one very important socioeconomic group that is emerging as a natural ally of the CCP - China's workers. It is the workers and farmers, many of whom have migrated to China's cities to become the main part of the country's growing working class, who were the CCP's core constituency during its revolutionary period. It is the workers who are now pushing for social change and justice and a better standard of living for China's working class. Everyday in China, workers are going on strike demanding better pay and working conditions, and the pension and medical insurance they are supposed to receive but are denied by their employer. And every day they go on strike to demand these fundamental rights, they are met by the police who block their way and by trade union officials who are more concerned with sweeping the dispute under the carpet than in helping workers address their demands.

This is the first time in the history of modern China that the interests of the CCP and the workers have been fully and beneficially aligned. In the past, Chairman Mao Zedong, who was operating from a position of strength, was able to use the workers as a political tool to further his own goals but now the situation is different. It is the CCP that needs the workers on board to achieve the common goals. In the process, the CCP has an historic opportunity to return to its original socialist vision and revitalize its ideological credentials.

I see this opportunity for a new social contract between the CCP and China's workers because of the transformation that we witness in southern China where most of our labor organizing work takes place. This transformation came about because of a strategic decision that we made at China Labour Bulletin ten years ago to change the direction of our work. I would like to tell that story here.

Ten years ago was a very different time for labor in China when it was still regarded as one of the most sensitive issues in the country. At the same time, wildcat strikes were growing in number. The main reason for these strikes was that unfairness and labor rights violations in the workplaces had reached an unsustainable level. Many workers were unable to support their

families and willing to take the risk to make their voice heard. Local governments did not know how to respond other than to use police and security forces to crack down on striking workers. In most cases, organizers were arrested and sentenced to prison. Employers quickly realized that they did not need to respond to the workers' demands because the government would continue to arrest the organizers for the sake of maintaining political and social stability and in line with the longstanding policy to deny workers the right to organize.

We began to see a vicious circle emerge: workers continued to go on strike in order to support their families, local governments continued to arrest strike organizers because this was the only thing they knew how to do, and employers did not need to make any effort to avoid strikes because they knew that the government would send in the police. As a result, there were not many choices left for workers but to continue to go on strike.

At first, this new reality made our work much more exciting and heightened our sense of importance because there were more cases of worker injustices to expose to the international community. We could continue to condemn the Chinese government for suppressing workers and denying them the right to organize and strike. We could also try to submit these cases to the International Labour Organization (ILO) to put pressure on the Chinese government.

But then several other developments began to intrude on this reality and made us start doubting whether our conventional way of working was really effective in changing the behavior of the Chinese government, and improving life for workers and prospects for the labor movement.

First, the Cold War had come to an end and with it, the global struggle between the West and East. Second, globalization became the dominant global reality and relations between states focused increasingly on trade and economic issues. Third, the majority of the hundreds of millions of workers in China either did not know about the ACFTU, or did not believe that it represented them simply because it had never been helpful to workers in the past.

Robin Munro, a good friend and colleague of mine, used to tell me to jump out of the box when you feel you are trapped. When you look back at the box that you jumped out of, you will then be able to see what was inside the box that was keeping you from coming up with good ideas.

So I jumped out of the box at that point and started to ask myself questions.

Did Chinese workers make any political demands in their strikes? The answer was no. In fact, in all their strike actions, workers were only asking for legally entitled overtime pay and benefits. They wanted to raise their salary to a level that reflected their labor and ensure their family's livelihood.

If most workers did not feel their demands were politically sensitive, then why would everyone else believe so? By everyone else, I include government officials, labor scholars, political scientists and journalists, Chinese labor NGO leaders, my fellow dissident friends, and of course,

me and my colleagues at China Labour Bulletin. I believe that this sense of political sensitivity was heavily affected by the impact of the Solidarity movement in Poland in the 1980s, which was the beginning of the end of the Communist regimes in Eastern Europe. Ironically, Chinese workers never seemed to think that their action could be related to the Solidarity movement in Poland. If then, in the eyes of the Chinese workers, the mission of the labor movement in China was not to end the Communist regime, what should it be?

After raising these questions, we decided to be brave and make a strategic decision to change the direction of our work: instead of trying to put an end to the Chinese Communist regime, the next stage in China's labor movement should focus on introducing collective bargaining into workplaces.

Our thinking was that the future development of China's new labor movement needed more time to go through the same developmental process as the trade union movement in Europe and North America during the late 19<sup>th</sup> and early 20<sup>th</sup> century. Of course, the labor movement in China did not need another 100 years to develop and mature, but we did need a long enough period of time to lay a solid foundation to ensure that the trade union would be able to carry out its heavy responsibilities: to ensure that China's hundreds of millions of workers and their families could improve their lives, and that a country with the world's largest population and over a thousand years of violent revolutionary history would be able to evolve peacefully into a prosperous, stable social democracy.

At a political level, we believed that the issue of workers' rights, trade union rights and workplace democracy in China should be detached from the issue of CCP rule, and focused instead on the issue of all social classes are able to share resources in a fair and just way. In other words, by targeting workplace collective bargaining, rather than freedom of association, we would change the discourse on the labor issue, separating it from regime change, and connecting it to social justice.

In this way, we would be able to depoliticize an overly politicized labor issue, transforming it into what it was originally: a socioeconomic issue. We decided, on our way toward the future, instead of seeing the Communist regime as an enemy, we would see them as a potential partner who was still fearful and therefore hostile towards the labor movement, a partner who needed time to build up the confidence to let go of its unnecessary fears. We decided that we also needed time to build up enough confidence to deal with this hostile partner. We believe that over time we could reduce this level of hostility and forge a partnership with the CCP that would benefit the Chinese people and nation.

In 2005, when China Labour Bulletin decided to switch our focus to introducing workplace collective bargaining in China, most of my friends laughed and wished me good luck. No one believed that workers could claim the right to collective bargaining without first getting the right to freedom of association, especially under a Communist regime.

My visits abroad have convinced me that our decision was the right one. I am lucky to have traveled to many countries around the world over the past 20 years, meeting with labor activists and trade unionists. Every time I visit a trade union abroad, especially one in a democratic country, people keep telling me how difficult it is for unions when it comes to collective bargaining. I began asking myself: will that be the case if one day we have freedom of association and democracy in China? If so, then why not start by making collective bargaining a reality, and worry later about the union?

There were other concerns and criticisms about our change in strategy. Among the international trade union movement, people were worried that our decision to back off on freedom of association might damage the International Labor Organization's (ILO) 1948 Freedom of Association and Protection of the Right to Organize Convention (C87) and the 1949 Right to Organize and Collective Bargaining Convention, (C98). In other words, if the rights to collective bargaining could be established in China, the Chinese government could refuse to ratify both conventions and deny workers the rights to organize free and independent trade unions which has always been recognized as a fundamental right. Some international trade union friends even expressed their concerns that our strategy could make it more difficult for them to defend ILO core standards, particularly those on the rights to freedom of association.

Beside the international trade union movement, my fellow dissidents friends had their own concerns. They worried that our change in strategy might prolong CCP's rule and thus the suffering of Chinese people under an authoritarian regime.

I tried to explain to my friends that workplace collective bargaining was about introducing democracy into workplaces. If a workplace collective bargaining system could be introduced in China, it would mean that workers in a wide range of enterprises could democratically elect bargaining representatives to negotiate with employers regarding wage and benefits and working conditions. That meant, even under an authoritarian regime, workers would be able to practice democracy in ways that mattered to their lives. Over time, institutionalizing this practice would put in place conditions that would push the CCP to adopt other democratizing reforms that would advance social dialogue and governance, reduce social tensions, and create a more stable and prosperous nation.

None of my friends were convinced by my argument and they politely reminded me about all the evil things that the CPC has done to our people and the nation. Who, they asked, will be held accountable for the crimes that the CCP has conducted and how will they be held accountable? How can you make sure that the CCP will finally accept a more democratic regime? How can you guarantee that eventually we will be able to abolish CCP rule in our country as people did in Eastern European countries and Russia?

I have not been able to give satisfactory answers to many of these questions raised by my international trade union and Chinese dissident friends. I apologized to them and went ahead with the plan to change our strategy to push for workplace collective bargaining in China.

I told my friends from the international trade union movement to see Geneva and China as two fronts in the battle. They would hold firm in Geneva and we would make the breakthrough in China. I explained to my fellow dissident friends that Chinese workers should not have to wait for the fall of Communism to see improvements in their working conditions and in their families' lives. Our change in strategy would ensure that the beautiful promises of the CCP would be realized step by step, even though it might very possibly prolong Communist Party rule.

While I have not been able to adequately answer the questions of my friends and critics, what I can say to them is that China Labour Bulletin has achieved much of what we set out to do ten years ago. We have developed a strong network of labor NGOs inside China who are highly committed to promoting workplace collective bargaining system. In the last five years, we have now been involved in more than 70 collective bargaining cases and successfully redirected confrontational strikes through a collective bargaining process that allows for dialogue between labor and employers. We have helped thousands of workers elect their representatives democratically during strikes and set up a system that allows workers to hold these representatives accountable. We have conducted trainings in China and Hong Kong that bring worker representatives together from different factories to share both their success stories and failures. We have organized conferences to bring together worker representatives, labor scholars, labor NGOs, lawyers, media journalists and government officials to discuss how to craft new legislation so that workplace collective bargaining can be institutionalized. We have persuaded the mainstream media in China to report on our cases in order to raise public awareness and generate public discussion of workplace collective bargaining. We have utilized China's fast-growing social media to promote solidarity and organizing among workers. We have produced documentary films on workers who have contracted devastating occupational illnesses such as pneumoconiosis in workplaces but have not been able to get their legally entitled compensation in order to push for legislation improvement. We are now in the process of producing another documentary film profiling worker leaders who have been engaged in labor organizing and collective bargaining work.

I am proud to say that our work over the last ten years has made a number of contributions to China's present and future development. It has helped reduce the fear among government officials and ACFTU officials of workplace collective bargaining. It has helped them to understand that China's well-developed labor laws can be better implemented if more organized workers are willing to standing up to fight for justice. Collective bargaining is now recognized by a growing number of officials, scholars, NGOs and workers as an effective way to solve labor disputes, avoid unnecessary strikes, reduce hostilities between workers and employers and contribute to China's social and political stability. Our work has also helped us to persuade other labor NGOs focused on social service provision, charity and CSR to re-orient themselves as

NGOs dedicated to labor organizing and advancing the labor movement in China. Finally, it has helped empower many workers from factories, the public service sector, retail stores and construction sites who no longer see themselves as passive victims of injustice but as fighters and agents of change to rectify those injustices.

All of this progress has been made possible because of the decision we made ten years ago to depoliticize the labor issue and turn it into a socioeconomic issue linked to collective bargaining. It was also made possible by our willingness to see the CCP as a party willing and able to learn and continue the reform process, and as a potential partner with whom we could find common ground to work together to better the lives of the Chinese working people and Chinese nation.

#### THE CASE FOR U.S.-CHINA ENGAGEMENT: ADVANCING THE LABOR MOVEMENT AND THE FUTURE OF SOCIAL DEMOCRACY IN CHINA

Given the progress that we have seen taking place on the ground, I believe that there is now a golden opportunity for China's workers and the CCP to work together and create a fairer, more equal and stable society, just as the workers, trade unionists and social democratic parties of northern Europe did in the late 19th century and early 20th century. It is absolutely essential that the CCP seize this opportunity, not just for its own sake but for the sake of China and the international community. What happens in a country as large as China, with a population approaching one and half billion that consumes energy and resources from all over the world, is clearly going to impact the global economy. China's hundreds of millions of workers have already demonstrated this point by lowering the value of global labor during the first three decades of China's economic reform. We hope our work on collective bargaining will reverse that trend and contribute to raising the value of global labor over the next three decades while, in the process, creating peaceful mechanisms to advance social dialogue and governance. It is important to remember that China is a country with a long and violent revolutionary history, and it is in everyone's interests to make sure that history does not repeat itself. A stable, more just and secure China is critical for global peace, security and sustainability. Our work on collective bargaining will make a small contribution to this goal, but to go further we need the help of the U.S. and the international community to ensure that China will enjoy a peaceful external environment for carrying out domestic reforms that will be beneficial to China's workers and civil society.

Broadly speaking, there are now three paths that China could follow: Become like Russia, a dictatorship in which might is right, basic rights are discarded and ordinary citizens are left out in the cold; become a consumerist, free-market economy that sucks up the world's resources and destroys the global environment; or become a social democracy that provides for its own citizens, maintains balanced and sustainable economic growth and protects the environment.



It may be tempting to want to see China take the second route, but that would be courting economic and ecological disaster. Clearly, it is everyone's interests, including the United States, to support and encourage China along the third path.

The United States should not see China as threat. Do not let that photo-op with Putin in Red Square distract you. Now is the time to engage with China, to build trust and develop a long-term and mutually beneficial relationship with China. A key element of that process will be continued support for, and collaboration with, civil society. The current crackdown will fade but the long-term need to foster a fair and just society will always remain.