

*The World's Factory in Transition: Diversifying Industrial Relations and Intensifying Workers' Struggles in China**

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Abstract

Since China's economic reform began in 1978, millions of migrant workers have moved from inland provinces to coastal cities in search of work. This had led to an abundance of cheap labor and a prevalence of despotic management styles in the private sector since the 1980s. This scenario changed significantly from the 2000s with the proliferation of workers' strikes and the efforts of the party-state to regulate workplace relations. Against this backdrop, scholars have debated about the extent to which labor relations in China have changed, and where they may be heading. As a contribution to this debate, this special issue brings together six articles with strong empirical evidence to unpack the

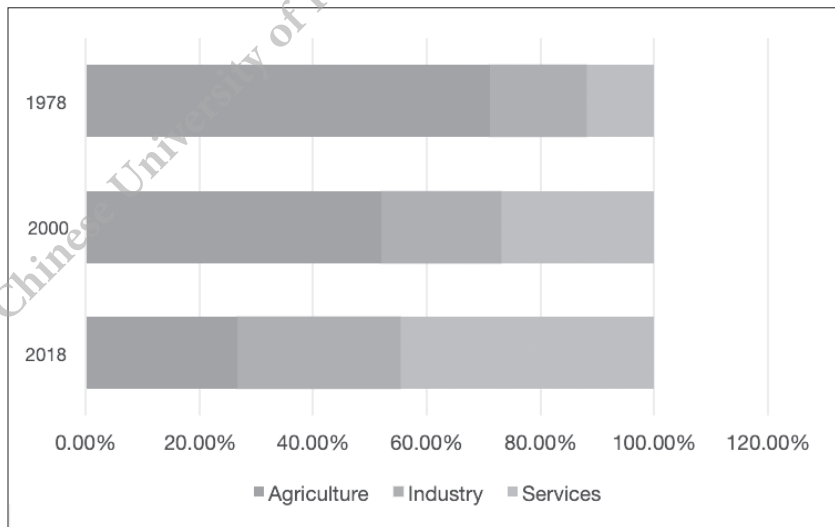
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complexity and dynamics of workers' struggles and organizations in South China in the context of a changing political economy. Going beyond the polarization of an optimistic vision on labor movements, and a pessimistic view that emphasizes state power, we pay equal attention to the power of state institutions and workers' agency in shaping labor relations during the past four decades.

The year 2018 marks the fortieth anniversary of the beginning of China's economic reform program initiated in 1978. The Chinese economy and society have experienced dramatic changes over the past four decades. Official statistics show remarkable changes in China's pattern of employment (see Figure 1). In 1978, China's rural economy was dominant, with 70.5 percent of the workforce in the primary sector, and only 17.3 percent and 12.2 percent in manufacturing and service industries, respectively. By 2000, the year before China joined the World Trade Organization (WTO), half of the workforce had shifted to nonagricultural sectors, with 22.5 percent in manufacturing and 27.5 percent in service industries. In 2018, service industries accounted for more than 46.3 percent of total employment, while agriculture and industry represented approximately 26.1 percent and 27.6 percent, respectively.¹

Figure 1: Percentage Share of Workforce by Sector in China, 1978, 2000, and 2018



Source: National Bureau of Statistics of China, *China Statistical Yearbook* (Beijing: China Statistics Press, 2019).