

Chapter 7: Permanent Temporariness in China's Construction Industry

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<A> Introduction

In China, economic growth and the reforms of the past few decades have led to massive rural-to-urban migration and a rise in the number of temporary migrant workers. The 2000 census estimated the total migrant population at roughly 144 million people, representing 12 percent of the total national population and 25 percent of the total working population (Liang and Ma 2004). The vast majority of these migrants are “temporary” migrants.

A burgeoning body of scholarly literature has focused on understanding these new migrant workers. These studies examine three major segments of the economy: migrants working in manufacturing (Lee 1998; Ngai 1999, 2005); migrants working in enclave economies (Ma and Xiang 1998; Zhang 2001); and migrants working in different segments of the service industry, including sales (Hanser 2006), the hotel industry (Otis 2007), domestic work (Yan, 2006), and entertainment (Jacka 2006). Nevertheless, one industry remains conspicuously absent from most of these analyses: the construction industry.¹ The importance of examining migrant workers in construction arises from the large number of temporary migrants working in the industry. Solinger estimated that between 30 and 50 percent of all migrants were working in construction in 1995, and that these migrants represent roughly 80 percent of total employment in the industry.² More

recent data are similar. What's more, for men, who represent 60 percent of all migrants, the construction industry is a primary source of employment.

Accordingly, this chapter examines how temporary migrants have gained increasing importance in China's construction industry and demonstrates how changes in the migratory system and a reorganization of the industry have resulted in new employment arrangements, and in particular, a rise of informal employment and a state of "permanent temporariness" where migrants are neither strongly tied to their home communities nor integrated into their host communities. The findings of this study are based on qualitative research conducted in Beijing from 2004-2005. In addition to participant observation in different construction job sites, enclaves, NGOs and street labor markets, a total of 91 interviews were conducted with migrant workers, managers, labor contractors, NGO workers, lawyers and government officials. This data is supplemented with secondary data from newspapers, scholarly journals and organizational documents.

This chapter is organized as follows. The first section provides a brief overview of China's construction industry, including changes in the size, growth and structure of the industry and trends in employment and regulation. The second section provides some historical background, focusing in particular on the series of reforms and reorganizations which have taken place in the industry over time and the resulting rise in informal employment. The third section then outlines characteristics of the current industry workforce and how such characteristics have been shaped, in large part, by reforms to the migratory system and the construction industry as a whole. The following section

examines labor market and employment arrangements among temporary migrants, who make up 80 percent of the industry workforce and 99 percent of field workers. Here, the focus is on the diversity of experiences among migrants in informal employment in the construction industry. The concept of “modes of employment” is introduced, which is used to capture important connections among labor markets, labor processes, and labor market segmentation. A typology of modes of employment is presented (mediated, embedded, and individualized) and used to make sense of the diversity of migratory patterns, working conditions and employment relations that exist among migrant workers in the informal sector of the construction industry.³ In the final section, the notion of “temporary” migrants is explored in greater detail through an in-depth examination of how one particular mode of employment, mediated employment, is linked to an emerging trend of “permanent temporariness” among these workers. The chapter concludes with a summary of this study’s findings and limitations.

<A>Industry Overview

China’s construction industry gained official recognition as a separate economic sector in 1983 and has since become an important force in the economy. This section provides a brief overview of the size, growth and structure of the construction industry in China as well as the employment, regulatory and administrative trends which have taken place in the industry over time.

By 2007, China's construction industry was the third largest in the world in terms of spending, just behind Japan and the United States. In the past two decades, the industry has grown as a percentage of overall gross domestic product (GDP) and as a percentage of national employment. The industry's contribution to the GDP has risen from 4.3 percent in 1981 to 6.7 percent in 2002 (see Figure 8-1). The growth of gross output value expanded from 34.7 billion yuan in 1980 to 1678 billion yuan in 2000, with the housing sector representing the largest percentage (see Figure 8-2).

<Insert figures 8-1 and 8-2 near here.>

Industry growth has been accompanied by diversification of enterprise types and an increase in the number of construction companies (from 57,404 in 1980 to 97,263 in 2000). There are three main types of public companies: state-owned enterprises (SOE), urban collectives (UC), and rural brigades (RB). In the 1980s, rural brigades represented roughly 90 percent of all companies operating in the construction industry. By 2000, they represented around 50 percent of all companies. During the same time, there has been an increase in the number of urban collectives and state-owned enterprises, along with the development of new types of enterprises, including private firms, foreign companies, joint ventures, and shareholding companies. Despite this increased diversity however, public companies (state-owned enterprises, urban collectives and rural brigades) are still heavily over-represented, totaling approximately 87 percent of all construction companies in 1999 (see Figure 8-3).

<Insert Figure 8-3 near here.>

Employment in the construction industry has increased in real numbers and as a percentage of the overall working population. By 2002, the industry employed more than 38 million people, representing 5.2 percent of total national employment. There are three noteworthy employment trends in the industry that started in the 1980's and have continued over time. First, there has been a decrease in permanent employment and an increase in temporary employment. Second, there have been changes in the types of enterprises hiring workers in the industry. As the number of permanent urban employees has decreased, so has employment in SOEs. While half of all workers in the construction industry worked in SOEs in 1980, by 1999 SOEs employed only a fourth of construction workers. Finally, there has been an increase in informal employment. These employment trends are explored in greater detail later in the chapter.

In China, the construction industry is regulated at four levels by the central, provincial, municipal, and county governments. At the national level, the Ministry of Construction, in collaboration with other central ministries, oversees the industry. The provinces each have construction commissions, and construction bureaus are present at the county and city levels. The horizontal and vertical linkages among administrative offices at the provincial, county, and city levels create situations in which horizontally-issued regulations and guidelines often contradict vertically-promulgated ones. However, at the national level, many of the procedures and regulations governing the industry have been standardized and codified in three main pieces of legislation: The Construction Law of the People's Republic of China (1997), The Contract Law of the People's Republic of China (1999) and The Tendering Law of the People's Republic of China (1999).

Health and safety is one area of regulation that is particularly problematic. Despite a number of laws governing health and safety, including the 2002 Law of Working Safety, there are significant issues with implementation and enforcement. As a result, fatalities in the industry have increased from 1,292 in 2001 to 2,607 in 2005. Challenges to improving health and safety have included a low investment in safety infrastructure, inadequate training and education, and a lax attitude towards safety issues (Zou, Fang, and Wang 2007).

Sources of funding for construction investment have remained relatively unchanged over time. In 1990, roughly 65 percent of fixed-asset investment in the industry was self-funded, while only 19 percent was funded through domestic investment. By 2001, domestic investment was still at 19 percent, and fixed-asset investments from self-funded or other sources had increased only slightly to 69 percent of all investment (see Figure 8-4). A majority of funding has been provided, directly or indirectly, through the state and not through market-oriented domestic or foreign investment, and many projects lack adequate funding (Chen 1998).

<Insert Figure 8-4 near here.>

In sum, since the 1980s, the construction industry has played a significant role in China's economy and has become one of the largest construction industries in the world. This growth has been accompanied by the passage of significant national level legislation but the industry regulations remain plagued by contradictions emerging out of the horizontally and vertically regulated industry and issues of enforcement. In terms of the structure of the industry, as noted, some aspects have not changed much over time such

as the limited diversification of enterprise types (in terms of ownership) and system of funding construction investment. On the other hand, industrial labor relations have changes dramatically including growth of employment in the industry, increased informal employment, and the creation of a flexible labor market. The industrial labor relations system and characteristics of employment will be explored in greater detail below.

<A> Historical Background

Current configurations of the construction industry and its labor relations are related to, and grounded in, historical developments of the industry. For this reason, I will review basic characteristics of the industry under the Communist regime, significant reforms and reorganization, and current configurations. Specifically, I show how during Mao's regime, the construction industry underwent nationalization and a series of subsequent reorganizations. While many of these reforms magnified inefficiencies and dramatically increased full-time permanent employment in the industry, they were short-lived and never fully took hold. By the end of this period, the construction industry remained relatively diverse in terms of employment arrangements. This made it an attractive target for further reforms in the 1980s, when city governments were under pressure to absorb massive numbers of rural-to-urban migrants.

In 1951, shortly after the Communist party came into power, the construction industry underwent nationalization as part of the "Three-anti" and "Five-anti" campaigns.⁴ Nationalization included a reorganization of the labor force based on the

Communist goal of full employment. This took the form of creating permanent, full-time, cradle-to-grave jobs that were filled through government labor bureaus (Cai, Park, and Zhao 2008).⁵ This structure of full-time permanent employment was not consistent with the seasonal nature of the industry and the reality of geographically dispersed worksites. To deal with these contradictions, workers were organized into mobile units, which turned out to be a highly inefficient use of workers and resources (Chao 1968).⁶

Despite the fact that full-time permanent employment was increasing overall, the construction industry remained diverse in terms of employment arrangements. During the 1950's, there were three main types of workers: permanent employees, temporary employees, and draft labor. Permanent employees received compensation even when there were work stoppages beyond their control, such as material shortages, bad weather, or delays in implementing projects. They were assigned to a danwei⁷ and received benefits such as housing, education, and healthcare. In contrast, temporary workers were recruited from the "local" workforce to supplement permanent workers on an as-needed basis.⁸ In 1953, temporary workers represented about 44 percent of the industry's total employment (Chao 1968).⁹ These temporary workers were generally of rural origin with low levels of education and training, and their compensation was calculated by time (day) or under a "pay as you work," or piece-rate system. Finally, a significant segment of the industry workforce consisted of "draft laborers." Draft laborers included peasants who were mobilized in the winter when agricultural work was at a lull, military labor, and workers from labor reform camps or prisons. Draft laborers were used most extensively in public work programs and were poorly compensated, if at all.¹⁰

The 1960s and 1970s reversed the previous decade-long trend of increasing full-time permanent employment. In part, this reversal was due to reforms in 1957, when the industry was geographically reorganized into “construction bases;” each base was located in a geographical area and assigned labor, equipment, and resources. This system, in a weakened form, still operates today and impacts the construction industry’s growing private sector (Lu and Fox 2001). The political campaigns of the 1960’s that sent many workers to the countryside also played a role in reducing the percentage of full-time permanent employees in the industry.¹¹ This increase in temporary workers accelerated in the following decades.

<A> Current Characteristics of the Workforce

As noted above, regardless of reforms or reorganization, migrants and mobile workers have always been an important segment of the workforce in the construction industry. However, most of the migration prior to 1980 had been state-directed. It was not until the 1980s, as a result of economic reforms, that there was a shift towards market-driven migration. A growing flow of market-driven migration placed significant pressure on government officials to reform both the migratory system and the construction industry.

The migratory system has historically been, and continues to be, shaped by the institution known as the hukou system. A simplistic description of the hukou is that it operates as an internal passport system that links citizenship rights and welfare benefits to

one's local place of birth (Chan and Zhang 1999; Solinger 1999). Under the Maoist regime, the hukou system played a dominant role: everything from work and housing to food and healthcare was distributed based on where people were registered. People who wanted to move were required to gain government permission by requesting a change in their place of registration and in their hukou status. Despite the unequal distribution of resources across rural and urban settings, the system was fairly effective in discouraging people from migrating without state approval.¹²

A number of reforms in the 1980s and early 1990s made it easier for rural peasants to migrate and survive in the cities. As a result, the number of migrants grew from a few thousand in the late 1970s to more than 100 million by the mid-1990s (Chan and Zhang 1999; Liang and Ma 2004). In the mid-1980's, the swelling migrant worker population in urban areas led to changes in the official hukou classification system which was expanded to include the creation of a new status called "temporary migrants."¹³ This new status, while requiring registration, sanctioned the migration from rural areas to urban areas for work.

At the same time, believing that the construction industry was well-suited to absorb a significant proportion of these temporary workers, government leaders restructured the industry. This restructuring was mainly done through an executive order issued in 1984, entitled "The Separation of Management from Field Operations" and an associated provision, "Tentative provisions for construction industry and capital investment administration system reform [1984]" No 123 (Qian and Hui 2004). These provisions reorganized the construction industry into three basic types of enterprises:

general contracting companies, specialist companies, and labor-only companies. Furthermore, they mandated two different types of hiring practices. On the one hand, urban residents were hired by general contracting companies to fill administrative and technical positions, but hiring was done at a much slower pace.¹⁴ On the other hand, labor-only companies were formed and essentially operated as contractors who hired “rural workers” (migrants) as field workers (those who actually build the buildings, roads, bridges, and houses). Employment in these “labor-only” companies exploded, and it did not take long for these reforms to significantly change the composition of the construction industry workforce. In 1980, there were about 10 million workers in the construction industry, including 7.1 million urban workers and 3 million migrant workers. By 2001, 15 years after these reforms were initiated, urban workers remained roughly the same at 7.3 million, while rural migrant workers expanded significantly to almost 30 million (Qian and Hui 2004).¹⁵ This reorganization represented a shift away from labor appointments towards an actual labor market, albeit a segmented one divided into permanent “urban employees” in managerial, technical, and administrative positions and temporary “rural workers” in the field (see Figure 8-5).

<Insert Figure 8-5 near here.>

Another important trend that is closely related to increasing temporary employment of rural migrants in the construction industry is the rise of informal employment. All migrant workers are hired as temporary workers in the construction industry, meaning that they don’t have urban hukous (only one-year temporary hukous), they are usually hired on a seasonal or per job basis, and they don’t have guaranteed

employment. Some of these temporary workers are hired informally, meaning that they don't have proper documentation nor do they have a labor contract. Under informal employment, labor contractors don't properly register their workers or pay the required taxes and assessments, in turn, the workers in informal employment don't have proper documents, nor do they have access to benefits or social welfare programs.

In 1999, informal employment was estimated to represent 17 percent of the entire construction industry workforce and it is suspected to be even more significant today (Lu and Fox 2001). In part, this trend of increasing informal employment is related to a series of reforms that reorganized urban labor markets and pushed migrant construction workers to form close ties to labor contractors. In the 1990s, there was a new classification of labor companies at the national level into three groups: specialists, general contractors, and labor subcontractors.¹⁶ The new system was implemented by 2002, with the goal of weeding out bad contractors and eliminating those who were “unreasonably competitive.”

At the same time, there were efforts to control the quality and flow of the construction workforce at the local level. For example, in Beijing the government set up an office called the “Incoming Construction Force Administration Office,” which is under the Beijing Construction Commission. This office opened in 1987 and by 2001 had 50 workers and branches in districts and counties under Beijing Municipality (Lu and Fox 2001). These offices are charged with registering workers, dealing with labor contractors, handling disputes, and providing technical training and legal assistance. However, many observers suggest that these regulations have not been successful in

eliminating bad contractors and instead have had the unintended effect of pushing a large part of the construction industry underground. In other words, taken together, these reforms have resulted in a shift from the state to the informal sector rather than from the state to the private (but regulated) sector.¹⁷

Today, all migrant field workers are temporary migrants. That being said, not all temporary migrants have the same status. Some are formal, registered temporary migrants, while others are unregistered, “illegal” temporary migrants.¹⁸ Registered temporary migrants often enter the city through government channels, such as government labor offices, labor bases, and registered labor companies. These registered workers, although they are also denied an urban hukou, are more likely to work in the formal sector than their unregistered counterparts. They can be found working on special projects, such as Olympic building sites, or on projects that must meet stringent safety standards (such as dams, subway construction, power plants, chemical factories, airports; and in joint-venture companies).

In contrast, unregistered temporary workers have very different pathways into the labor market and are much more likely to work in different sectors of the industry. They work on new apartment projects and mixed-use buildings, smaller commercial ventures, and in finishing work, renovations, and repairs. As informal workers, these workers do not have working or temporary housing permits, nor do they have written contracts with their employers. This means that, in contrast to those who are legally registered (as temporary workers), unregistered migrant workers have no formal right to be in the cities.

<A> Modes of Employment in the Construction Industry

In the construction industry, there is significant variation among temporary migrants in informal employment. For example, there is diversity in terms of working conditions and wages, their relationship to the labor market, patterns of migration, and incorporation into the cities. One way to make sense of this variation among informal workers is to look at “modes of employment.”¹⁹ Mode of employment is a concept developed to capture how, in informal employment, specific pathways to employment in the labor market are linked with specific types of employment relations. Among other things, among migrant workers modes of employment play an important role in shaping migratory patterns, characteristics of the labor process, and migrants’ incorporation into cities.

I have identified three different modes of employment among migrant workers in informal employment in the construction industry: mediated, embedded, and individualized.²⁰ In mediated employment, the labor market is organized by a contract-labor system.²¹ In this system, labor contractors hire workers under year-long contracts. The contractor covers the costs of migration and provides a yearly salary but withholds most of the wages until the end of the contract.²² An important element of this system is that labor contractors rely on attracting workers by helping them overcome barriers to migration, such as covering steep upfront costs and providing workers with information and access to jobs in the cities. This arrangement is only effective when hiring workers who are not already in the city, and, as a result, contractors draw solely from the rural

workforce. Employment relations are regulated by this contract-labor system and shaped by such hiring practices as the tendency to hire groups rather than individuals. This practice creates a hierarchy on the job site and distance between the contractor and workers.

In contrast, in embedded employment, social networks are essential in defining both the labor market and employment relations. In this mode of employment, workers are hired from both the rural and urban labor markets, as migrants draw on networks that reach back to their hometowns and those that extend to migrants living in the cities. These social networks are diverse: horizontal and vertical, weak and strong, and they cut across industries, occupations, and place. The diversity of these social networks increases the mobility of migrant workers in and across occupations and industries. Workers are hired per job, and employment relations are embedded in, and regulated by, mechanisms that emanate from these social networks. These mechanisms of regulation and control include social capital, bounded solidarity, enforceable trust, and reciprocity.

Finally, in individualized employment, workers find employment through spot markets. Since workers must already be in the city to participate, workers are hired solely from the urban labor market. In China, there are at least three different types of spot markets: unorganized markets, organized markets and direct hiring. Unorganized markets usually operate in unofficially designated public spaces where workers gather and wait for potential employers, similar to street labor markets for day laborers in other countries. In organized markets, “market bosses” determine who can participate, and fees are collected for connecting workers to employers. Finally, in some places, workers may also

go directly to job sites looking for work (direct hiring). All three methods of finding work fall under the rubric of “spot markets” since they are made up of discrete individuals and the terms of employment are negotiated on the spot. Wages are often calculated per piece (per brick laid/per block carried, etc) and paid at the end of the job. Employment relations under individualized employment tend to be despotic and exploitative. The harsh nature of this mode of employment is due to several factors: workers are inserted into employment relations as separate individuals; their employment is very short-term in nature; and workers have no possibility of seeking recourse via the state.

<Insert Table 8-1 near here.>

To summarize, each mode of employment represents a specific combination of labor market configurations and employment relations. Since modes of employment organize migrants’ lives and work in unique ways, this is a useful concept to deploy when attempting to understand the differences among temporary migrants working in informal work within an industry or the similarities among migrants in informal work across different industries. In the next section, I will use the concept of modes of employment to further examine the notion of “temporary” migrants. I focus on one specific mode of employment, mediated, and demonstrate how this mode is shifting the patterns of migration among migrant workers in China’s construction industry from permanent and temporary migrants to an emerging pattern of “permanent temporariness”.²³

<A>Mediated Employment and Permanent Temporariness

In order to understand permanent temporariness, it is necessary to first gain a greater understanding of mediated employment. As mentioned above, under mediated employment, the labor market and employment relations are shaped by the hiring practices of large (often informal) labor contractors and a contract-labor system.²⁴ Under this system, migrants enter into a verbal agreement with a labor contractor, often via a team leader. The basic agreement is that the migrant worker will come to the city and work for the labor contractor for eleven months, returning home for a month (at most) during the New Year holiday. If the contract is renewed, workers return to the city to work after the New Year break. In return, the contractor will pay an agreed upon amount of money for the year of work.²⁵ In addition, the contractor agrees to pay upfront costs of migration, which will later be subtracted from the worker's salary. The contractor also provides shelter and food. In some cases, these are "free;" in other cases, there is a daily charge subtracted from the salary.²⁶ Finally, the migrant worker agrees to forego payment of his salary until the end of the contract (before returning home), with the exception of a small monthly stipend for living costs, such as hygiene products and entertainment (soap, cigarettes, cell phone, etc).²⁷

<Insert Table 8-2 near here.>

There are a number of important features of this contract-labor system which, taken together, result in a "permanent temporariness" among these workers. First, it exploits the relative poverty of peasants living in rural areas. Specifically, the existing

rural-urban divide creates barriers to migration, and the contract-labor system helps migrants to overcome these barriers by covering upfront costs and reducing daily-living costs, as well as diminishing risks and uncertainty by guaranteeing work and providing access to jobs. These benefits help to explain why migrants participate in a hiring system that contains a high level of risk (since payment is withheld until the end of the contract). Second, the configuration of the contractual arrangements makes incorporation into the cities by migrant workers difficult, if not impossible. Third, the structure of the system shapes migratory patterns in a way that weakens migrants' connections to their families and hometowns.

The latter two factors play a significant role in creating permanent temporariness. In what follows, I explore how mediated employment shapes migrants' connections to the cities in which they work. In particular, I show how this mode of employment, by restricting mobility, prevents migrants from integrating into the cities despite the fact that many return year after year. This analysis is followed by an examination of how mediated employment reshapes migrants' connections to their hometowns by weakening their relationship with their families and with the land. Together, these different processes create permanent temporariness.

 Connections to the City: The Job site as Home

By restricting the mobility of migrant workers, mediated employment shapes the development of social networks, limits knowledge about the city, and minimizes interactions with locals. In this way, it plays an important role (beyond the broad legal

barriers that apply to all migrants) in preventing migrants from becoming physically and socially integrated into their host communities. This limited mobility develops out of the contract-labor system in which employers (contractors) not only provide work but also supply food and housing. As a result, the job site becomes home as workers live, work, eat and sleep onsite. In most cases, workers are forbidden from leaving the site without permission. Even when they are allowed to leave, long working hours and the arduous nature of the work leave little time or energy for wandering the city.²⁸ This socially constructed constraint on movement is often reinforced by physical restraints in the form of guarded entrances and tall walls surrounding job sites.

An important impact of limited mobility is that it shapes migrants' social networks in the cities, which tend to develop horizontally but not vertically. This means that, for most of these workers, their relationships are limited to other construction workers, usually those doing the same type of work and/or from the same hometown.²⁹ In part, the limited nature of migrants' social networks is due to the fact that workers are hired as groups and not as individuals. These groups of workers tend to be from the same hometown or province, and when they come into the cities under a contractor, they tend to work on the same job site doing the same kind of work. As a result, a pattern emerges in which workers interact with other migrants from the same region who are in the same occupation. Although these workers have limited mobility in terms of their lives in the cities, they are quite mobile in terms of their work. As workers move from job site to job site, their networks extend across the city and across regions but rarely outside of this web of construction workers. Since their social networks do not cross into other groups of

migrants in terms of occupations and/or hometowns (or provinces), they are usually strong, rather than weak, ties that are less effective at providing new job opportunities (Granovetter 1974).

Restricted mobility also severely limits interactions with natives, reinforcing divisions between these two groups. Most migrants under mediated employment have little or no direct contact with natives. Of the workers that I interviewed, not a single migrant hired under the mediated mode of employment had friends, family, or acquaintances who were native Beijingers. By contrast, migrants under other modes of employment have more opportunities to interact with natives through a range of activities, such as using public transportation, being hired by locals to do renovations or repairs, acting as consumers, and by spending more time in public places.

Another notable impact of limited mobility is that it prevents migrants from gaining knowledge about life in the city. In fact, compared to other migrants (and natives), it is striking how little these workers know about the city in which they work and supposedly live. While the average length of job tenure is difficult to ascertain, more than one fourth of workers in this study have been working for their current contractor for more than five years, and some of them have been with their contractors for more than ten years. Still, many of them did not know how to use public transportation, were unfamiliar with the customs associated with flagging taxis, could not find their way around supermarkets, and were unfamiliar with expected behaviors in such public places as parks and malls. Furthermore, they did not know how to find housing, how to use the banking system, or how to go about shopping.

This reality captures the way in which the perpetuation of the segmented labor force based on the rural-urban divide depends on keeping migrants “temporary” and preventing them and their families from integrating into their urban host communities.

Connections to Hometowns: From Tangible to Intangible

While mediated employment turns job sites into temporary homes for migrants in the cities, it also weakens migrants’ connections to their hometowns, which in turn, makes these temporary homes on the job site more permanent. The impact of mediated employment on migrants’ connections to their hometowns occurs predominantly through families.

The structure of mediated employment makes it virtually impossible for migrants to bring their families to the cities. Only men are hired as construction workers, and under mediated employment, these men live together on job sites.³⁰ Families are not allowed to live on the job sites (which have limited space and provide rather primitive living conditions), and alternative housing is not an option since rental costs are prohibitive. Furthermore, since these workers move from job site to job site, often across cities, it would be difficult for families to follow.³¹ As a result, when men come to the cities under mediated employment, they migrate as individuals. Their children usually remain in their hometowns, and their wives either stay with the children or also migrate for work.³²

Since migrants under mediated employment work under year-long contracts, and since they cannot bring their families to the cities, they see their families only during the few weeks they have between contracts. Over time, these arrangements can significantly weaken, or destroy, family relationships. In this study, there were a number of construction workers in mediated employment who had literally lost their families as a result of these arrangements. In some cases, men had “missed” the opportunity to marry. In other cases, wives had left or divorced the migrant men. A typical example is Zengzeng, who, like many others, had originally come to the city to make money to build a house for his wife and son. Now, he still returns home to Henan every year, but his wife has left him, and his son is being raised by his parents.³³ In more severe situations, migrant workers stop returning home and/or stop sending money home or significantly reduce the amount they send.

Family needs such as education, health and housing were among the top reasons men migrated to the cities to seek work. In interviews, migrants were painfully aware of the fact that this migration process had ultimately destroyed their families—the impetus for their migration in the first place. Those who still had families also doubted that their hard work and sacrifice would result in a better future for their children. For example, one night in the dorms at the Xizhimen job site, I asked Gaoshan, a steel worker, about his family. One of the other migrants jumped into the conversation, noting that Gaoshan worked in the city so that he could afford the costs of his son’s education. Gaoshan proudly began talking about his son’s accomplishments in college. The others started joking that his son was going to college only to end up like his father, a construction

worker in the city. The joke was followed by laughter and then a somber silence. While Gaoshan's sacrifice provided money for his son's education, the reality created by the hukou system was still the same: if (male) peasants want to earn money, one of their few career options is to migrate to the cities and work construction. This structural constraint meant that his son, even with an education, would likely become a temporary migrant worker and end up performing manual work.

Another significant way that mediated employment weakens migrant workers' ties to their hometowns is through land contracts. When migrants leave the city for a year or longer, they might choose to "rent" their land to someone else who wants to farm it since Chinese peasants are not allowed to sell their land. Many construction workers who return to the cities year after year find that it makes sense to sign contracts that extend to five years. However, once they contract out their land, especially for longer periods of time, they lose the security that the land would otherwise provide in giving them a fallback option to return home if things did not work out in the city. Moreover, the migrants I interviewed noted that even though construction work is difficult, farming is back-breaking. Accordingly, the very option of doing construction work in the city rather than farming creates a psychological distance between these migrants and their land. When workers talked about returning home, their plans did not focus on farming but rather on starting a business (even if the business was related to agriculture). Also, many of the younger men on the job site had no connection to farming and the land since they chose migration and construction as their first job.

As the distance grows between migrants and their hometowns, the relationship shifts from being tangible to intangible. Even as migrants became permanently temporary in the city, their most common topic of conversation is family and hometowns. They continue to talk about missing their families, yearning for home-cooked meals, and remembering past holiday celebrations.

In sum, there are two different processes occurring under mediated employment that cause permanent temporariness. On the one hand, arrangements under mediated employment prevent workers from becoming integrated into the cities and reinforce “temporariness.” At the same time however, mediated employment separates migrants from their families and agricultural work and makes it difficult for them to maintain strong connections to their hometowns. Over time, their relationships and connections to their families, communities, and their land weaken, and, in some situations, are completely devastated. Together, these processes produce a state of permanent temporariness among migrants, or, stated another way, create “permanently temporary” migrants.

 Permanently Temporary Migrants versus Settlers and Sojourners

Permanent temporariness emerges out of migratory patterns that are shaped by the mode of employment, in this case, mediated employment. Permanently temporary migrants represent an emerging migratory pattern that does not fit neatly into our traditional “sojourner-settler” model and related theories about migrant workers and the labor market (Piore 1979). In his seminal work, Birds of Passage, Piore suggests that

migratory patterns are linked to the structure of job opportunities. He argues that migrants are drawn into the secondary labor market in which jobs are characterized as unstable, temporary or seasonal, unskilled, and low-waged. This market is a good fit for migrants since they are “target earners.” Target earners plan to stay only long enough to make a certain amount of money and they arrange their lives to save as much as possible, as quickly as possible, and then return home once they meet their target. As a result, migrants become “sojourners” who exhibit circular migratory patterns in which they repeatedly travel back and forth between their home and the host communities where they work to earn money. In contrast, “settlers” are those who intend to stay permanently. According to Piore, this group includes refugees and many migrants who are in enclave economies. He demonstrates how enclave economies produce “settlers” rather than “sojourners” because they offer steady jobs and advancement for “first generation” migrants.

Clearly then, Piore links specific segments of the labor market (the secondary labor market and enclaves) with specific job structures (temporary work versus more permanent work). However, my study, through the use of the concept of modes of employment, indicates that there may be more diversity than first assumed within the secondary labor market. In particular, in contrast to the distinction between sojourners and settlers, I found that mediated employment creates a new migratory pattern resulting in what I call “permanent temporariness.” The temporariness of these migrants is quite different from our traditional understanding of temporary migrants and certainly not of the kind described by Piore. To be sure, Piore stresses the temporal aspect of migration

that is created as migrants move back and forth between two areas with different levels of economic development, keeping their stay in the host community short-term. According to Piore, “It is chiefly the temporary character of the migration stream that makes these migrations between industrial and underdeveloped areas of value to industrial society and equips the migrants for the particular roles that they play in industrial society. Unfortunately, from this point of view, the migrant communities seldom remain temporary” (Piore 1979: 52).

In China’s construction industry, migrants hired under the mediated mode of employment are not “temporary” in Piore’s sense of the term. Rather they are temporary with respect to the nature of their status (as either temporary migrants or as workers without legal status) and in relation to their integration, or lack thereof, into the cities in which they work. This temporariness exists despite the fact that they are long-term migrants; they spend eleven months of the year in the city, year after year, often under the same employer. Under this system, Piore’s prediction that migrants “seldom remain temporary” is replaced with the reality that migrants become “permanently temporary.”

<A> Conclusion

While migrant workers have always been an important segment of the workforce in China’s construction industry, this chapter has demonstrated how reforms to the migratory system and the construction industry as a whole have shaped new employment arrangements for temporary migrant workers. In particular, this study focuses on how there has been an increase in informal employment relations. The concept of modes of

employment use used to provide a greater understanding of the diversity of their experiences in terms of migratory patterns, employment relations and extent of integration into host communities among migrant workers in informal employment. More importantly, it has shown how the mediated mode of employment has resulted in a new migratory pattern of “permanent temporariness” for many migrant workers in China’s construction industry as migrants are neither integrated into their host communities nor do they remain strongly tied to their home communities.

However, this study is not without its limitations. Although efforts were made to ensure the reliability and internal validity of the data, the findings presented here are not generalizable across the whole construction industry. Future studies should examine whether the modes of employment and the pattern of “permanent temporariness” identified here extend across industries. Moreover, this study focused on unregistered temporary migrant workers who were in informal employment. As a result, further research is needed to determine the extent to which the patterns found here apply to temporary migrants working in formal employment.

Notwithstanding these limitations, this study makes noteworthy contributions to our understanding of temporary migrants. First, it introduces the concept of modes of employment to capture the connections among labor markets, labor processes, and labor market segmentation. This concept not only helps to explain differences among migrant workers within a specific industry but may also provide a useful lens through which to identify similarities among migrant workers across different industries. Second, and relatedly, this study has revealed a new migratory pattern in the construction industry, in

particular, a pattern of “permanent temporariness” which diverges from, and calls for a reevaluation of, the traditional “sojourner-settler” model used to describe and understand the relationship between job structure and migratory patterns. This study therefore extends our understanding of temporary migrant workers and suggests that the labor market experiences of migrants may be more diverse than first assumed. The generalizability of these findings to other migrant workers and contexts remains a task for future research.

¹ There are two exceptions: Guang (2005) and Yuan and Wong (1999). However, Yuan and Wong (1999) give us an overview of changes in the industry but don't detail industrial labor relations while Guang (2005) deals with industrial labor relations but only within a specific small segment within the industry (those workers in renovations).

² Solinger (1999) estimates that construction workers represented 30 to 50 percent of all migrants in 1995. In 2002, it was estimated that there were 94 million migrant workers, of which 31.4 percent were working in the construction industry. (Guojia jianshebu jianan hangye zhigong laodong he shehui baozhang yanjiu ketizu, 2004)

³ It may also prove to be a useful concept for comparing migrant workers across different industries and sectors of the economy.

⁴ The "Three-anti" Campaign focused on getting rid of corruption, waste, and excessive bureaucracy; the "Five-anti" Campaign against capitalists targeted bribery, theft of state assets, cheating in labor, tax evasion, and stealing state secrets.

⁵ This upward trend of permanent employment increased the size of firms in the construction industry. By 1956, the average number of employees per enterprise was 2,500, significantly larger than the range of 2 to 40 people per enterprise in western countries (Chao 1968).

⁶ For example, a construction enterprise under the Construction Engineering Ministry would be directed to do a project in a province in the Northeast. The enterprise would move all necessary equipment, staff, workers, and their families hundreds of miles to do

the project. Once completed, they might be assigned to a project in the Southeast. This transfer required that all equipment, staff, employees, and their families be moved to the new location. In contrast, in most countries, construction companies are geographically based units that draw from the local workforce rather than moving people from place to place.

⁷ A danwei is a work unit that manages a wide range of an employee's life, such as retirement, entertainment, education for the employee's children, etc.

⁸ The "local" workforce would be from within the province and often from nearby towns and villages. This is in comparison to full-time employees who were moved from location to location (sometimes across the country), meaning they were often from other provinces or cities.

⁹ Compared with other countries, the proportion of permanent to temporary employees was quite high.

¹⁰ Draft laborers were not included in official labor statistics but were estimated to represent 3.5 million man-days of work in construction in 1958 (Chao 1968).

¹¹ In the early 1960s the government's policy of economic readjustment, which sent city dwellers to join agricultural production in the countryside, increased the number of temporary workers. This readjustment policy temporarily reversed the labor situation: whereas the industry normally faced shortages of skilled workers, during this period it experienced a shortage of unskilled production workers. Overall, during this period, most temporary workers from the construction industry were relocated and permanent employment was scaled back.

¹² The system was not completely effective in stopping migration, especially in the face of catastrophe (Thaxton 2008).

¹³ The 1985 decree entitled, “Provisional Regulations on the Management of Temporary Residents in the Urban Areas,” created this new status.

¹⁴ State-owned enterprises were ordered to reduce the size of their “fixed,” or permanent, workforce and were not allowed to hire any more workers other than skilled professionals necessary to keep the companies operating. All new construction jobs in the field were to be filled by contract (migrant) workers.

¹⁵ There were also reforms changing the industrial organization targeting state-owned enterprise (SOE) in the mid-1990s. As a result, some became shareholding companies, joint-ventures, partnerships and private enterprises while others went bankrupt. By 2001, SOEs represented only 35 percent of the enterprises and 20 percent of the total industry employment (Qian and Hui. 2004).

¹⁶ There were 12 different types of general contractors, 60 types of specialists, and 12 categories of labor subcontractors.

¹⁷ Unfortunately, despite the shift towards informalization, there are no statistics or data that can give us a clear picture of how much of the industry is operating in the formal versus the informal sector.

¹⁸ Again, there are no good statistics on how many of the migrants are unregistered/illegal. However, Wu (2005) estimates that 12 percent of the urban population is made up of unregistered migrations, while Wang (2005) notes that in some cities, such as Beijing and Chongqing, more than half of the migrants are not registered.

¹⁹ I found the concept of “labor markets” to be an unsatisfactory concept to use in this analysis because it only focuses on how people get connected to a job. As Ortiz (2003) suggests in a review of the literature on labor markets, labor processes, and labor market segmentation, there is a need to make connections across these different “areas of study” to answer pressing questions in the literature. Along these lines, I have developed the concept of modes of employment to capture the connections and relationships among these concepts.

²⁰ In this study I focus only on unregistered temporary migrants. There may or may not be additional modes of employment operating among registered migrants.

²¹ Social networks still play a role in people getting jobs under this mode of employment, but they do not define or organize the labor market.

²² This arrangement is an institutionalized but informal contract, meaning that the practice and use of the contract is widespread and standardized, but the form is verbal, not written.

²³ While each mode of employment highlights different issues and trends among migrant workers in informal work, I focus on mediated employment because it is prevalent in Beijing. The configurations of the different modes of employment among informal workers may vary across cities and in other industries.

²⁴ Large formal labor contractors are registered with the government, usually take the form of labor companies, and bring hundreds to thousands of workers into the cities. Informal labor contractors, while they also bring hundreds of workers into the cities, are not registered with the government. The reforms in the 1990s, in an attempt to regulate

the market, made it difficult for labor contractors to legally register; instead of regulating the industry, it pushed labor contractors into the informal market.

²⁵ The contractor usually deems the lump sum as what the migrant worker will make for the year's work, but workers calculate it based on a per-day rate multiplied by the expected number of working days minus costs.

²⁶ Contractors who provide food and shelter for "free" tend to compensate themselves by paying lower wages. In this sense, it is not really free.

²⁷ There is variability in 1) the amount and types of upfront costs that workers face across different contractors (and across place) and 2) in which costs are covered upfront by the contractor and which are recovered by the contractor. Also, the monthly stipend is not usually more than 100 yuan (12 dollars) with some special exceptions made in the form of "loans."

²⁸ In some cases, workers are housed offsite, but contractors usually provide the housing and transport to the job site. In both cases, contractors limit the mobility of workers, demanding that they request permission to leave the job site or the housing area.

²⁹ These workers do have a relationship with their direct supervisor. However, they don't usually develop relationships with other supervisors across the jobsite nor do they develop relationships with supervisors above their direct boss.

³⁰ There are a few cases in which women are hired to do construction work, but they are a small number of the overall workforce in this industry. Contractors from the South are more likely to hire women.

³¹ There are other more general reasons (not specific to mediated employment) why migrants are hesitant to bring their families to the cities. Perhaps the most serious deterrent is that raising children is much more expensive in the cities since migrants do not have access to public goods, such as healthcare and education. Also, many workers do not think the city is a good environment to raise children.

³² In this study, there were some cases in which husbands and wives had found work in the same city, but in more cases than not, they ended up in different cities. Even when men had relatives working in the same city, the long hours and arduous nature of construction jobs made it difficult for visits to occur.

³³ Zengzeng (worker). 2004. Interview by author. Beijing. November 26.