Rush hour at a busy thoroughfare in the urban village. PC: Nellie Chu.

Urban Villages, Grid Management, and the Contradictions of Capital

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In November 2022, migrant labourers in Guangzhou's urban villages protested en masse the lockdowns associated with China's zero-Covid policy. While some critics in China and abroad described the mechanisms of population control in the zero-Covid policy as the 'return' of an all-encompassing state control akin to that of the Maoist period, this essay argues, rather, that the episode laid bare the social inequalities between migrant labourers and village landlords on which the global supply chains for the low-cost manufacturing of fast fashion depend.

On the evening of 14 November 2022, hundreds of migrant labourers in Kanglecun and surrounding urban villages (城中村) in Guangzhou simultaneously stormed out of their apartments and pushed down the tall water-filled plastic barricades that lined one of the main thoroughfares of this garment district. The demonstrators, most of whom came from Hubei Province and were part of an informal *Hubeicun* (Hubei village), had organised the collective action online via their hometown associations. Before the most recent lockdowns, these migrant labourers had been frantically fulfilling production orders for 11 November ('11/11'), which is marketed by online corporate giants Taobao and Tianmall as 'Singles' Day'—one of the biggest and most profitable days of the retail year. Falling profits

and dwindling orders since the start of the Covid-19 pandemic had made the sudden surge in demand especially important to the economic survival of the small businesses in the area, as well as to the livelihoods of the migrants who sustained them. With the lockdown mandates enforced in the months before the protest having brought most, if not all, garment manufacturing to a standstill, on that night, demonstrators cheered and applauded as they walked down the road in collective defiance of the longstanding lockdowns and other strict anti-Covid measures in Guangzhou. Images of resistance and protest quickly circulated across social media channels in China and abroad, garnering international media attention for the scale and intensity of anger and discontent in these demonstrations.

Critics and pundits in China and abroad described the population-control measures of China's zero-Covid policy as the 'return' of an all-encompassing state control akin to that of the Maoist period. While that claim is dubious, such assumptions tend to obscure the ways in which the rollout of the zero-Covid policy throughout 2021 and 2022—particularly the use of grid management (网格化管理) as a tool of population control—relied on capitalist mechanisms, such as the mobility of people, commodities, and capital. To be sure, many observers have speculated that zero-Covid protocols across China enabled some corporate leaders and local government officials to amass tremendous wealth through mass testing and the distribution of medicine and other essential items. However, such speculation only scratches the surface of the issue.

The unrest among migrant labourers in Guangzhou's urban villages (including Kanglecun, Lujiang, and Datang) in November 2022 tells a slightly different story. It demonstrates how grid management—a key component of China's zero-Covid policy (O'Donnell 2022)—exposed the contradiction between labour and capital in this manufacturing hub, rather than representing a simplistic 'return' to Maoist forms of state control. This contradiction becomes apparent when the mobility of migrants, commodities, and capital that is necessary for supply-chain capitalism grinds to a halt. More specifically, in this essay, I draw on my longstanding ethnographic research on migrant labour and global fast-fashion supply chains in urban villages to argue that the recent unrest in Kanglecun and elsewhere exposed the existing social inequalities between migrant labourers and their village landlords on which the global supply chains for low-cost mass manufacturing depend.

Widening Gaps

Nestled within the northern and south-eastern corners of Guangzhou, dense, low-lying buildings known as 'handshake buildings' (握手楼) cluster within pockets of the city's urban landscape (Bach 2010; Hsing 2010; Al 2014; Bolchover 2018). The result of intense urbanisation in the past four decades, urban villages are unique in that their residents no longer rely on agriculture for income but are not considered fully urban, according to the *hukou* (household registration) system—a population-control legacy from the Maoist period (Chu et al. 2022; Smart and Zhang 2006). Another difference lies in the ownership of land. While city neighbourhoods are built on state-owned land, in these villages, longstanding members of former Maoist agricultural collectives continue to possess the administrative use rights over their land. Here, few people are concerned about landownership per se; rather, they focus on issues of administrative use rights and fair redistribution of money based on land values (Hsing 2010). According to the *hukou* system, holders of land-use rights are still considered rural citizens, though some have become wealthy landlords who rent apartments to rural migrants searching for jobs and affordable housing. For this reason, village collectives governed by the village landlords (colloquially known as 土二代, *tu er dai* or 'landed second generation') retain much of their administrative autonomy over everyday business and security affairs (Chu 2022).

Urban villages have long defied the technocratic schemes of urban planning and population control put forward by the municipal government. Governance of everyday activities within the urban villages—including traffic safety, sanitation, public security, and market exchanges—primarily falls within the purview of the *tu er dai* landlords, who remain organised according to pre-Maoist lineages and former Maoist collectives based on their surnames. Although urban residents commonly see these places as an eyesore, the *tu er dai* landlords have become extremely wealthy from their possession of use

Migrant labourers at work outside of a *jiagongchang* household workshop. PC: Nellie Chu.

rights over the land. In fact, they have become a largely invisible group of rentiers and gatekeepers whose economic and political interests are tied to the everyday functioning of the urban villages (Chu 2022). Most, if not all, village landlords have moved out of the urban villages and have rented out their concrete multistorey apartment buildings to migrant labourers searching for employment in the city. In urban villages in Guangzhou, some of these migrants, particularly those from Hubei Province, have taken up residence in the apartment buildings vacated by their landlords and run industrial workshops there. In Kanglecun, decades of informal and low-cost garment manufacturing for the global fast fashion sector have thus yielded immense profits for the *tu er dai*, transforming these villagers from peasants to landlords.

The ambiguity in the governance of Guangzhou's urban villages, split between *tu er dai* landlords and municipal authorities, has enabled the transnational supply chains of fast fashion to flourish along the narrow and twisted alleyways. This prosperity has also been made possible by the hundreds of thousands of migrant labourers who live and work here. Approximately 200,000 to 300,000 migrant workers—most of whom (80 per cent of the local migrant population) are from Jianli and Tianmen in Hubei Province—sustain the thousands of small, informal 'household workshops' (家工厂, *jiagongchang*) that line the buildings' corridors. Each *jiagongchang* serves a single node across the wider supply chain for the low-cost manufacturing of fast fashion, including the dyeing of fabrics, the cutting of garment pieces, garment assembly, and packaging. Many household workshops are individually owned by migrant bosses, who in turn hire itinerant migrant workers, paying them piece rates (Chu 2018).

Before the lockdowns of 2022, the ability of these *jiagongchang* to sustain the 'just-in-time' delivery of low-cost fast fashion lay precisely in the mobility of labour, commodities, and capital, which floated in and out of Kanglecun and other urban villages. Here, migrants, many of whom were middle-aged women and migrant men who undertook factory work in Guangzhou and Shenzhen during the early years of market reforms, could experiment with the risks and rewards of entrepreneurial self-enterprise. Whether

Image of a makeshift warehouse in the urban village. PC: Nellie Chu.

they are small-scale factory owners or temporary workers who earn piece rates, they paradoxically call themselves 'boss' or *laoban* (老板), despite the drudgery of their factory work.

While men demonstrate their masculinity by celebrating the 'freedom' to move in and out of different factory jobs, women prefer part-time temporary work in the workshops, which allows them to juggle their industrial work with childcare and other domestic obligations. Moreover, many migrants return to piece-rate work when their small-scale enterprises fail so they can 'take a break' (休息一下) and brainstorm their next venture. During my research, I have met migrants who have run fashion wholesaling, food service, and construction businesses; they see their factory work not so much as 'labour' in the conventional sense, but as a stepping-stone to entrepreneurship. As my forthcoming book explains, migrants'

A row of garment factories along a busy street in the urban village. PC: Nellie Chu.

work in the *jiagongchang* yields a sense of freedom that they would not experience if they remained in larger, more centralised dormitory factories such as Foxconn.

Even if they were paid low wages, the *mobility* of their labour eased the harsh and difficult conditions of their work (Yang 2022). I often witnessed arguments between itinerant workers and the owners of the *jiagongchang*. Workers dissatisfied with the conditions of their temporary jobs simply walked out and found employment in other factories in the area. Older women who did not have to deal with childcare during the afternoons would drop by a *jiagongchang* for a few hours during the day to earn some extra money by snipping off loose threads from finished garments. Others juggled multiple jobs, working in a fabric stall in the mornings and in the afternoons picking up materials to recycle in the large-scale fabric wholesale markets. Temporary workers, particularly women, fulfilled their household obligations during the day, so household workshops were at full-scale operation in the evenings.

In short, the movement of people, commodities, and capital in and out of the urban villages before the lockdowns of 2022 sustained the livelihoods of both migrant labourers and village landlords, even as their social positions as renters/rentiers remained starkly unequal. Before the pandemic, surveillance and control of migrant populations by uniformed officers in the urban villages served merely to regulate the flows of people, goods, and capital across village borders. Members of the village collectives had no interest in stamping out the migrants' manufacturing activities, which provided them with regular and profitable rental income. In fact, before the pandemic, village landlords and the private security officers they hired functioned as gatekeepers of the flows of labour and capital to siphon off profit from the migrants. During the day, when manufacturing activities slackened and migrant workers rested, the gates of the traffic control stations came down and officers required all vehicular and bike traffic to provide identification, licences, and proof of registration. However, during the early to late evenings, when

manufacturing activities resumed at full capacity, the gates opened and officers turned a blind eye, allowing unrestricted flows of people and raw materials in and out of the urban villages.

Migrants' labour conditions and livelihoods in the urban villages thus hinged precariously on their own mobility, as well as the fluidity of capital as it floated upwards into the pockets of the rent-seeking landlords. For the migrant labourers, being physically mobile yielded a limited sense of freedom, agency, and control over the daily rhythms of labour and their livelihood. Some male migrant labourers even saw becoming a 'boss' as a mark of masculinity—an embodiment of the pioneering and risk-taking entrepreneur. The ability to be mobile, even in a very limited sense, eased—if not obscured—the exploitative effects of low-cost mass manufacturing across global supply chains. Yet, as soon as the lockdowns immobilised the daily activities of the *jiagongchang* and the migrant labourers, the crushing effects of extraction and exploitation rose to the surface, eventually leading to mass unrest.

Grid Management and Unrest in the Urban Villages

On the evening of 14 November 2022—the day of the protests—images and videos of migrant labourers gathering in the streets circulated across social media. Bloggers and other observers used pseudonyms to anonymously share documentaries and analyses via social media, elaborating on the difficult conditions that migrants faced in urban villages. Some of these commentators explained that the migrants' demands highlighted their growing sense of distrust of the village landlords. According to one video blogger, migrants put forward the following demands: 1) that residents be allowed to take Covid-19 tests by the front door of their apartment, instead of being required to stand in line downstairs, to minimise the risk of cross-infection; 2) that food and essential goods be distributed directly to residents and not through village landlords; and 3) that the end date of the lockdown be announced so business could resume as soon as possible (Wang 2022).

Though seemingly pragmatic and reasonable, these demands revealed the tensions that brewed beneath the surface of daily labour and life in the urban villages, which had been exacerbated by the institution of grid management—an urban planning technique implemented nationwide to enforce Covid-19 prevention policies and other bureaucratic requirements. Numerous security checkpoints were established across Chinese cities to regulate the movement of people—and presumably the virus—across spatial grids (Wei et al. 2021). These security checkpoints, and the face-to-face encounters they allowed, constituted the human component of this complex network of grid management. The checkpoints included body temperature scanners, which closely resembled metal detectors, as well as security personnel who took people's temperature, checked their QR health codes, and ultimately granted permission to pass through. However, because these checkpoints were set up primarily in entryways of residential compounds, commercial buildings, and along the perimeter of the urban villages, the infrastructural landscapes of apartment buildings, roads, and urban zones determined the size and population density of each 'grid'.

Within each node of the grid, neighbourhood committees (居委会) were tasked with carrying out regular testing, as well as the distribution of food, medicine, and other essential items to those living within the grid. Many of these committees included village landlords and employees of third-party property management corporations, as well as resident volunteers from the apartment compounds or residential neighbourhoods. Most of these members were local Cantonese-speaking residents. In the case of the urban villages, an entire district or subdistrict might constitute a node of the spatial grid, including hundreds or even thousands of migrant labourers living outside the purview of the village committee and municipal government. As members of the 'floating population' (流动人口) under the *hukou* policy, living under the radar of state enforcement within informal neighbourhoods such as the urban villages provided migrants with some level of protection from police harassment and systemic discrimination. Most migrant residents were not formally registered, so village committees had no way of knowing how many people lived in an apartment.

Consequently, hundreds, if not thousands, of migrant labourers fell between the cracks of the official grid management that oversaw the distribution of food and essential items during lockdowns. Across social media, migrants under quarantine in urban villages complained about inconsistent, substandard, and inadequate food supplies. One journalist on social media mentioned that deliveries by the government were patchy and inadequate (Women on a Swing 2022). On days when he did receive food, he was provided only with instant noodles, canned goods, and instant rice, which were not enough for his family of four. Village committees, whose volunteers were tasked with delivering medicine, were grossly understaffed. Some attempted to navigate the complex mazes of narrow alleyways to deliver supplies, but many simply gave up or could not find the recipients (Women on a Swing 2022). Consequently, online orders for essential items, including medicine for illnesses other than Covid-19, which were necessary to compensate for the inadequate supplies provided by the government, could not reach migrant residents. Thus, even though migrant residents in Kanglecun and other urban villages were organised into spatial grids, the zigzag layout of those villages, compounded by the invisibility of the migrant population in China, left large numbers unaccounted for, exposing the problems with grid management in urban villages.

Failure to deliver public goods exposed not only the problems of urban management, but also, more importantly, the negligence and lack of will on the part of the village landlords and local authorities to address the needs of the migrant population. The lockdowns brought to the surface the tensions between migrants and village landlords that had been bubbling unseen for many years. Many migrants believed that village landlords had become de facto middlemen who received provisions through their village collectives before redistributing them to their migrant tenants. It was rumoured that some landlords had hoarded supplies for themselves, while others had resold goods to migrant residents at inflated prices. For the most part, migrants did not know whether food and supplies were sent from the village committee or directly from the municipal government. The lack of communication and transparency exacerbated the inequalities that had existed long before the pandemic. The lack of channels through which migrants could air their concerns and grievances intensified their struggle.

Layers of Exploitation

The heavy-handed lockdowns in Kanglecun and other urban villages throughout 2022 revealed the historical layers of extraction and exploitation enforced on the migrant population in Chinese urban villages. During the Covid-19 pandemic, *hukou* policies that deny migrant labourers' claims to state welfare, overlaid with the global supply chains that exploit their labour and expose them to rent-seeking villagers, were compounded by the grid management that cut off their main sources of economic survival. This made plain for all to see the market cycles of extraction and exploitation to which the migrant population in urban villages is subjected—cycles that have intensified over the decades since the introduction of market reforms. It also brought to light the inequalities in wealth and local political power between migrant labourers and village landlords.

Indeed, the unrest of November 2022 was not an isolated event, but part of a string of other collective actions by migrants, who attempted to assert their claims to dignified labour and decent livelihoods in Guangzhou way before the pandemic began. These collective actions included public protests against the large-scale confiscation of pedicab bikes by local officials in 2015 (pedicab deliveries of raw materials for garment manufacturing provided a livelihood for many itinerant migrants). Since 2012, sporadic protests had erupted in Kanglecun and other urban villages across Guangzhou against local real estate developers negotiating with village committees over the transfer of land-use rights (Xu 2013; Bandurski 2016). The developers and village landlords intended to demolish the apartments and industrial sites on which migrants' livelihoods depended. Migrant protests in Kanglecun eventually managed to stop the profit-seeking practices of developers and village landlords, at least for the time being.

With the introduction of strict lockdowns in the urban villages in 2022, the state's biopolitical grid management policies determined the possibilities of migrants' life projects, which hinged not only on their ability to live, but also on their capacity to be physically mobile to claim for themselves the power to dictate the terms of their labour exploitation. As I have illustrated, migrants fought to survive in the precarious conditions in the city by moving from one low-paying job to another to ease the exploitative effects of global supply chains. Indeed, migrants whom I encountered labouring on sewing machines in the *jiagongchang* over the course of my ethnographic research often found relief from the monotony of their work by periodically returning to their families in their home villages.

Migrants often wax nostalgically about the relative cleanliness of the air, water, and vegetables in their home villages. For many who work in the *jiagongchang*, going to the wet market to buy fresh vegetables serves as a reminder of life in their home village and provides a brief reprieve from work they find hectic and monotonous. (Many migrants do not have their own kitchens and some kitchens do not have refrigerators, which added to the challenges of survival during lockdown.) When the immobility imposed by the pandemic control measures prevented these migrants from dictating the terms of their own labour, this finally exposed the detrimental effects of supply chain capitalism on which Kanglecun and other urban villages in Guangzhou flourished.

In short, the stifling of economic activity for the sake of Covid-19 prevention in Guangzhou's urban villages did not (re)introduce Maoist-era forms of state governance. A *longue durée* perspective on the emergence of urban villages, as well as the socioeconomic struggles of China's migrant population since the introduction of market reforms in the late 1970s, shows how the country's zero-Covid policies exposed the patterns of capitalist extraction and exploitation on which global supply chains in Guangzhou's urban villages are anchored. The precarious labour conditions and livelihoods of migrant labourers in China existed long before the start of the pandemic; the policies of community-based health and security that were implemented in 2021 and 2022 merely brought them into public view. While the detrimental effects of rentier capitalism merging with state governance in urban villages are not new, what is noteworthy about the migrants' collective action in Guangzhou in 2022 is that it paved the way for a cascade of related actions in factories and cities across the nation. Unless the plight of migrant labourers in China is addressed, unrest will continue to disrupt the 'grids' of population control and urban management. ■

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