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Covid-19 pandemic in China

After the epidemic in China: crises and changes?

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Nearly half a million businesses were declared bankrupt in April. For the first time since the end of the Cultural Revolution in 1976, the economy is shrinking because exports, after having been in demand for the US and European markets, ended up not being able to find customers once the world had been confined.

In China, the confinement coincided with the New Year period, during which hundreds of millions of Chinese men and women returned to their provinces of origin. Among them were a good part of the 290 million "Mingong" or migrant workers. Two-thirds of them come from the countryside to coastal cities to work in textile, logistics, construction or electronics companies. These workers rarely benefit from an employment contract and do not have a *hukou* residence permit, which prevents them from accessing social benefits, including health and education. With the gradual lifting of containment, crowded trains and specially chartered buses repatriated the Mingongs to coastal factories.

Millions witnessed the catastrophic management of the health crisis by the authorities: an unbearable reality despite the cosmetic efforts of state propaganda. The anger triggered by the death of Doctor Li Wenliang, who had raised the alarm about a probable epidemic and the high popularity of the daily blog of the journalist Fang Fang, who criticized the health situation in Wuhan, are significant.

Diplomacy and exports

Beijing is, however, carrying out a vast campaign on its "impeccable" management of the health crisis. This is accompanied by the sending of medical equipment or health delegations to African countries (and to Italy). For their part, the leaders of the Western countries have not ceased to deplore the centrality of China in the world production chain, regretting, in words at least, their dependence on basic Chinese products. Trump, for his part, has been more offensive by talking about "Kung-Flu" and increasing the fake news on the dubious origin of the virus, which he attributes to a Chinese laboratory in Wuhan.

All this is taking place against the backdrop of the trade war with the United States, unleashed in 2018, which led to a first agreement in January 2020. The deal on the Chinese side being to increase its imports of American products by \$200 billion from now to 2022. On the French side, the Ministry of Health and the Economy announced on June 18 the first measures for the relocation in France of health production chains, such as paracetamol, of which 50 per cent is produced in China (and 30 per cent in India).

Economic and social crisis

Over the past few weeks, Xi Jinping has announced that the priority is to turn production towards the domestic market. His Prime Minister Li Keqiang had only one expression in his mouth during the annual National People's Assembly, which was held for ten days at the end of May: priority to employment. He subsequently specified that what he meant by that was: "new forms of jobs and activity [through] the odd-job economy *hukou*, in other words developing the informal economy of street sellers

The Chinese investment bank Zhongtai Securities estimates the unemployment rate at 20 per cent (nearly 70 million

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workers) while the declared rate is 5-6 per cent. According to official statements in April 2020, the government has only granted unemployment insurance to 2.3 million people, including only 67,000 migrant workers. For many, overtime (widely used to supplement poverty wages) is no longer enough to earn a living wage. Wage cuts are becoming commonplace. Not to mention those who are not paid at all.

According to the *China Labour Bulletin*, protest movements over wage arrears affect the service and transportation sectors. This was the case in a Beijing fast-food chain, in a private hospital in Zibo (Shandong), in a mask factory in Kunshan (Jiangsu) and at the delivery giant Meituan in Tonghua (Jilin), whose employees demanded payment of several months' wages.

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