Entrapment by consent : the co-ethnic brokerage system of ethnic Yi labour migrants in China

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Chapter 4

Yi Co-ethnic Brokerage in Cities: A Double-edged Sword

In April of 2008, a news report about " the exploitation of child labour in Dongguan", published in the *Southern Metropolitan Newspaper*, attracted public concern.[1] This report highlighted the plight of a group of ethnic Yi youth under the age of sixteen, who were working for low wages and had little guarantee of labour rights in factories in the Pearl River Delta area of China. In this investigation, the Yi brokers who had brought these Yi child workers to the factories were portrayed as black-hearted traffickers and, conversely, the child workers themselves were depicted as their victims of human trafficking. As public criticism increased, the Dongguan government promised to crack down on the use of child labour and take actions against those who violated the law. As a result, a total of 167 "trafficked" child workers were rescued by the local authority and sent back to their hometowns.[2] Five years later, in December of 2013, reports in the *Southern Metropolitan Daily* again brought the scandal of child labour to public

[1] See "Liangshan child labour is bought and sold like cabbages" ("*Liangshan Tonggong Xiangbaicai Yiyang Bei Maima*i") published in the *Southern Metropolitan Daily* (*Nanfang Dushi Bao*) on 28 April, 2008; 'Uncover Shady Liangshan Child Labour' ('*Jiekai Liangshan Tonggong Heimu*') published on 16 September, 2008 http://www.qnjz.com/jl/200809/t20080916_3960655.htm (downloaded on 12 Oct, 2012)

[2] "Authorities attempt to play-down Dongguan Child Labour Scandal." http://www.clb.org.hk/en/content/authorities-attempt-play-down-dongguan-child-labour-scandal (downloaded on 10 June, 2015).

attention. "A Hong Kong-owned electronics company in Shenzhen employs more than seventy underage workers, forcing them to work 12 hours a day for a salary of just 2,000 RMB per month."[3] Once again, these workers were from the Liangshan Yi Autonomous Prefecture and brought to the Pearl River Delta factories by Yi brokers.

Similar stories about ethnic Yi workers appeared in the public media once after a while over the past several years. The controversy, however, usually failed to draw a concrete solution because of the dichotomy between exploiters and victims: Yi workers are portrayed as the victims of human trafficking whereas the Yi brokers are accused of being human traffickers who victimize the workers and exploit them. As these media reports have demonstrated, the brokerage system not only propagates socioeconomic inequality that Yi workers have already suffered from in their hometown, but it also exacerbates exploitative economic system of migrant labours in the cities. Despite the public allegations, there have been very few cases of Yi workers, whether they are underage or mature, seeking to escape from their brokers and the brokerage system that violates labour laws.

This chapter unfolds the overall experience of ethnic Yi workers in cities and illustrates the persistence of problematic ethnic brokerage system from the perspectives of both Yi brokers and workers based on the following questions: How do Yi workers and brokers understand their co-ethnic brokerage system? Why does the exploitative, dependent brokerage system persist? What makes the Yi workers remain confined in the highly exploitative brokerage system instead of escaping from it to become independent workers?

In the following paragraphs, I first briefly introduce the background of the labour dispatch industry. Most Yi workers in my study followed Yi brokers to work in the factories in the cities and then ended up in the dispatch industry as dispatched workers (*laowu paiqian gong* 劳务派遣工) with unstable, uncertain and irregular employment opportunities. Following a discussion of the recent regulatory of dispatch market and its unintended consequence of opening up opportunities for the dispatch employment, I present empirical data on the co-ethnic brokerage system from both the

[3] "Dozens of Liangshan Child Labour Work in Baoshan Factory as Illegal Workers" ("*Shushi Liangshan Tonggong Baoan Dianzichang Da Hegong*") http://epaper.oeeee.com/epaper/H/html/2013-12/30/content_1973001.htm?div=-1 (downloaded on 13 Jan, 2014).

perspective of Yi workers and brokers. I will show that despite the fact that Yi migrant workers are positioned in the disadvantageous and precarious working condition without valid contracts and legal protection, the co-ethnic brokerage system is not regarded as completely problematic. Based on the interviews, I find that not only Yi brokers legitimize the current unequal labour system, but the Yi workers themselves also accept the co-ethnic brokerage system induced by their brokers. The precarious and vulnerable position of the Yi workers and exploitive brokerage system can be the product of implicit cooperation between the Yi workers and their brokers.

4.1 Precarious Employment in Manufacturing Sector

According to the report from the International Labour Organization (ILO), informal employment provides jobs for 60 percent of the workforce in developing countries in the Asia and the Pacific Region.[4] This type of precarious/informal employment inevitably becomes prevailing in China, "the factory of the world."[5] The statistics on the Chinese peasant reveal that precarious workers account 86.4% of the whole population of the Chinese workforce and are to be found in a wide range of informal economic sectors.

In the present Chinese economy, one particular example of precarious employment is labour dispatch in the manufacturing sector,[6] which is also

[4] http://www.ilo.org/beijing/areas-of-work/informal-economy/lang--en/index.htm. According to an ILO report, dispatch agencies are required to provide the following services: "(a) services for matching offers of and applications for employment; (b) services for employing workers with a view to make them available to a third party ('user enterprise'); and (c) other services relating to job seeking, such as the provision of information, that do not claim to match specific employment offers and applications (ILO)." Article 7 of the ILO Private Employment Agency Convention, 1997 (No. 181) also specifies that private employment agencies shall not charge directly or indirectly, in whole or in part, any fees or costs to workers (with some exceptions for certain categories of workers). From the International Labour Organization.

[5] In this chapter, I use precarious employment and informal employment interchangeably.

[6] Dispatch employment has transformed in China's transition from planed economy to market economy. In the period of planned economy, the difference between informal and formal workers was bounded by the restrictions of the *hukou* policy. Some state-owned companies used peasant workers to work in seasonal or temporary jobs, most prominently in the sectors of construction, building transportation system, and agriculture, such as cotton, tea, and sugar production (See Huang, 2014). During the transition period, in order

the most prevalent type of employment available to Yi workers. The labour dispatch operates in a triangular relationship among workers, labour agencies, and factories, all of whom involve in the entire process of precarious employment. To simply put, workers are first recruited by labour agencies and then dispatched to the companies in the network. This type of employment indicates that the companies that receive dispatched labourers eventually obtain more power to manage and control their employees in the process of dispatching.

Although the core industries in Pearl River Delta have transited from the low-end labour-intensive industry to knowledge-based and technology-driven economy, there are still many low-end factories struggling to survive and employing dispatched workers in order to reduce labour cost. Most of them are outsourcing factories at the bottom of global economy that heavily rely on and are affected by the fluctuating orders of their global, upstream clients. These factories usually bypass economic benefits required by a normal labour contract to avoid paying payroll taxes for pensions, subsidies for unemployment, and medical insurance for their employees. By employing temporary workers, employers are not only able to respond to unpredictable and highly variable global demands, but also able to evade the problems that might be caused by informal employment process since the agencies are seen more responsible (Park and Cai, 2011).

The proliferation of the dispatch employment system in the Pearl River Delta area seems to be in conflict with the ongoing economic transformation and increasingly stringent labour laws in China. In terms of the Labour Contract Law, China has one of the most stringent labour laws among the OECD countries and has been making efforts to regulate dispatch employment. Since 1995, the Chinese government has issued a number of labour laws and has introduced far-reaching changes in terms of regulating dispatch employment. [7] According to Labour Contract Law

to relocate workers who lost their jobs in state-owned companies, labour dispatch agencies sent some of these workers aborad (see, Xiang, 2012; Huang, 2009).

[7] Similar regulations regarding labour agencies have been issued in many other countries. For instance, in the United Kingdom in 2004, the Gangmasters Licensing Authority was established to set up and operate a licensing scheme for labour providers operating in the regulated sectors. The dispatch agencies' gangmasters are required to meet standards of licensing that cover health and safety, accommodation, payment, transport, and training. It is seen as a criminal offence to supply workers without a valid licence or to use an unlicenced labour provider.

Article 66 of 2008, "The dispatched workers shall only be employed in temporary, assistant, substitute jobs." The recent 2013 Labour Contract Law is even more stringent in terms of legislating and regulating prevailing dispatch employment. It clearly prioritizes and emphasizes "equal work, equal treatment" of between dispatched workers and contract workers, requiring factories to pay dispatched temporary workers the same wages as other contract workers. In addition, the law also mandates that the labour agencies should pay for the insurance and pension for dispatched workers even after factories hire them.[8] Since 2008, under the Labour Contract Law, the registration fees has increased to 2 million RMB for the agencies to acquire the operating license, four times more than the previous 500,000 RMB. By raising the cost of employing temporary workers, the Chinese state reified its initial goal to impose more strict regulations on the dispatch agencies.

On the surface, the Chinese Labour Contract Laws seem to have stipulated stringent terms of regulation to prevent dispatch employment. However, to some extent, such regulation actually caused proliferation of dispatch agency. The following figure that I collected from the local Labour Bureau Office in Dongguan in 2014 reveals that the labour dispatch employment has not been affected by the labour laws at all. As the figure indicates, the number of dispatch agencies has not been dropped but they have indubitably increased even after the enactment of the Labour Contract Law in 2008.

[8] Labour Contract Law 1994 (effective 1 January 1995); the significant labour law (2007) [effective 1 January 2008 and 1 May 2008]

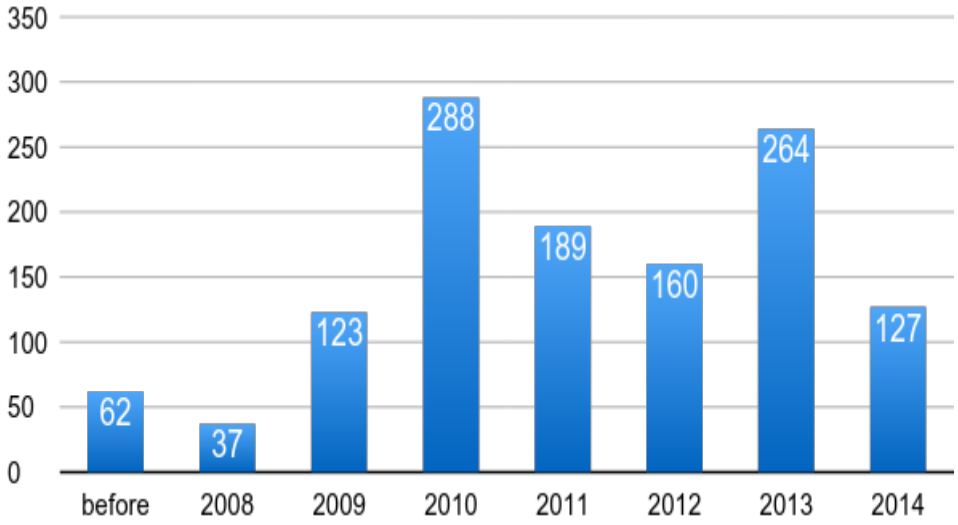

Figure 4.1: the number of dispatch agencies in Dongguan. Source "Report on the Dispatch Labour Employment in Donguan in 2014" from the Labour Bureau of Dongguan (by July of 2014).

Even after the year of 2013 when the Labour Contract Law was revised and became more strict, the number of dispatch employment still exists significantly. In fact, major labour agencies simply upgraded their licenses or got a new operating license after paying by the fee of 2 million RMB. Other small agencies did not bother to change their policy and offer the workers valid contracts, proper payment, and comprehensive insurances as stipulated by the law but just continued to recruit temporary workers as before.

The problem of proliferating dispatch agencies actually has to do with the government's ambiguous attitudes towards dispatch employment. Pearl River Delta area, known as "the workshop of the world", has been greatly benefited from its cheap, flexible and temporary workforce over the past three decades. Therefore, despite the series of efforts and undergoing transformation to eradicate the problem of dispatch employment, the low-end industrials are still essential driving force for the local economy. Although the local government officials are highly critical about the illegality of dispatch employment, they do acknowledge that "without these flexible and temporary workers, 90 percent of the small, low-end factories will soon go bankrupt". In order to retain these low-end manufacturers, the local government and employers overlook and even collude in the violation

of labour law and the vulnerability of workers (Lee, 2016; Chan, 2015).

In sum, the current system of dispatch employment unquestionably is considerably beneficial in Chinese national economy and sustains local economic development. Ironically, this can be interpreted that brokerage is illegal by law but can be tolerated in practice as long as it does not cross the "red line"—threatening social stability and cohesion. In this study, this means that dispatch employment provides labour opportunities for many vulnerable temporary workers like ethnic Yi people, who desire to work in the cities and are willing to endure the precarious working conditions and receive low wages.

4.1.1 Dispatch Industry

In fact, the temporary employment is not a unique thing for ethnic Yi migrants in the Pearl River Delta area. Actually, this type of temporary employment was popular in the economically burgeoning period during the 1980s, a time at which a large number of migrant workers poured into this region, the forefront of the Reform and Openness. Mr. Hu, a Han Chinese who was a temporary worker in that period and now operates his own daily housing rental business (*ri zufang* 日租房) told me,

> At that time, we did not have much experience working in cities, or any real awareness of labour rights. Nobody had thought about wages, insurance and working hours that much. Everyone was just eager to have a job. We were not like the young workers to day. Everybody was a temporary worker, as none of us had signed a contract or was conscious of the fact that we should seek labour law protection.

Mr. Hu's statement confirms what many scholars have noted about the employment situation in China. Initially, when the first wave of labour migrants arrived during the 1980s, a large number of them were Han Chinese who were then content to be employed as temporary workers in factories (Murphy, 2002). However, the employment structure has begun to change in recent decades. Unlike the first generation of peasant workers who came to cities to earn money and go back home, the younger generation of Han Chinese workers have higher expectations of working conditions, wages and social insurance and so on. Over the past decade, the majority workers have gradually turning themselves from working on the

temporary jobs to seeking formal employment offering a proper contract in other factories. The combination of the demographic transformation and the labour shortage has proved very beneficial to many Han Chinese workers, which encouraged them to abandon their insecure status in the informal sector and seek formal employment under contract in factories (Pun and Lu, 2010). Nowadays, small factories that failed, or perhaps have not been in a position to provide proper wage scales, contracts and insurance have been gradually finding it difficult to recruit Han Chinese workers to work on a temporary basis (Pun and Lu, 2010).

Picture 4.1: A labour market where tempoary workers are recruited

Despite the fact that Yi workers arrived in the Pearl River Delta area at about the same period, this dramatic change in their status originating in the concomitant growth of awareness of their rights rarely occurs among ethnic Yi workers. Ignoring from the trajectories chosen by most Han Chinese workers, ethnic Yi workers continue to work in the temporary labour market, in which today they have even become the most 'stable' workers. A Han Chinese dispatch agency manager explained,

Yi temporary workers play the role of a stick that is propping the [economic]

door ['*dingmen gun*'顶门棍] ajar in a period of economic decline. They are sought after when individual factories or economic development as a whole needs them to meet the needs of the production in factories, and they will be kicked out of this market when there are enough Han Chinese workers to take their place.

The ways in which ethnic Yi workers search for jobs reveals significant differences, even from the way the few Han temporary workers go about it. As shown in the diagram below, dispatch employment operates under a pyramidal system, a hierarchical structure that consists of the user factory, the dispatch agency and co-ethnic brokers. In this pyramidal system, factories occupy the top position; labour agencies the second, who are subordinate to their contracted factories for their labour force demand; brokers, the third who play the role of intermediaries between factories, lab-our agencies and workers[9]; and temporary workers the last, who are subordinate to the upper levels of employment agencies and factories. At the bottom of the structure are the Yi workers who are subject to the needs of the upper levels of the Han employers and the Yi brokers.

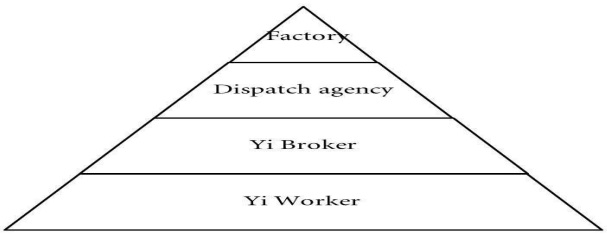

Figure 4.2: The hierarchical employment structure

Ethnic Yi workers, in a schematically pyramidal employment structure in which factories occupy the apex and works are at the bottom of the employment structure, experience economic disadvantages; these disadvantages can be pieced together from the following income situation which workers explained to me. The Yi workers' general labour price is only about 9 RMB per worker per hour. Nevertheless, approximately 10 to 20 percent of this income becomes commission for the Yi brokers and the

[9] After having lived in cities for years, some brokers get to know the factory human resources departments, and thus can send workers to factories independently on the basis of their own information and human resources.

dispatch agencies. The situation is exacerbated when workers have more than one broker. Yi workers in the factory in which I worked during my fieldwork only earned 6 RMB per hour because they had four brokers above them. In other words, the wages of individual Yi workers are very much determined by the number of brokers and job opportunities. The more brokers there are, the more the exploitation workers are subjected to. Pertinently, workers' wages are picked up and assigned collectively by brokers; workers are not paid their wages directly by their employers but can only be paid by their brokers. One consequence of this, which is less than satisfactory for workers, is that delays in the payment of wages is common in the co-ethnic brokerage system. This situation is made even more complicated because many workers and brokers have made oral agreements, in which it has been agreed that one worker will be attached to one particular broker for one year.

Obviously, their dual exploitation from both brokers and employers means that ethnic Yi workers are more vulnerable to exploitation than their non-Yi counterparts in a precarious labour market. Furthermore, as I have documented above, ethnic Yi workers are more vulnerable to exploitation than the majority Han workers both in terms of income and freedom of mobility. As already mentioned, however, although Yi migrants are subject to double exploitation by both brokers and employers and are thereby cut off from social welfare and other benefits because of the lack of proper regulation in the dispatch labour market, they have so far barely raised a finger to attempt to change the co-ethnic brokerage system. Their reluctance to take action raises a number of questions. Why has the exploitative, controlling co-ethnic brokerage persisted for decades? Why do workers not show at least some opposition to, or even leave, the co-ethnic brokerage system? Yi brokers are undoubtedly part of an exploitative system that takes advantage of workers from their own ethnic group. Nevertheless, this can only continue with the cooperation of Yi workers, who accept the hierarchy and dependency inherent in the co-ethnic brokerage system so as to find informal employment in capitalist industry. The following interviews with workers in both the labour market and factories suggest answers to these questions.

Picture 4.2: Yi workers arriving at a dispatch agency

4.2 Co-ethnic Brokerage as Facilitation and Protection

4.2.1 Barriers: Language and Education

Although many Yi workers can speak fluent Mandarin after having lived in cities for years, illiteracy has been a persistent barrier for them and affects many aspects of their daily lives. Most workers, especially females with a low level of education, have rarely tried to look for jobs by themselves. While I lived with a group of female workers in the same dormitory, I found that many of the teenage girls could not differentiate between hair conditioner and shampoo because they were unable to read the label. Speaking of their poor Mandarin, many of them regret their illiteracy (*mei wenhua* 没文化), and the consequent restraints in seeking jobs. As might be expected, levels of education and literacy among Yi workers, varying from region to region, have a difference between the rural and urban areas in

Liangshan.[10] In the patriarchal Yi culture that prioritizes men's educational opportunities above women's, female workers generally have fewer opportunities to accept formal education than males.

Another obstacle that prevents Yi workers from finding jobs independently is their lack of identity cards. An identity card is a necessity in any state as it signifies citizenship and is also an effective way for the state to record and, hence regulate its citizens. Every citizen sixteen and over is eligible for an official identity card issued by the local police station, and the factories are only allowed to recruit workers with identity cards. However, for indigenous people like the Yi, isolated in remote mountain regions, the importance of registration and an official identity card is something that barely crosses their minds before they actually leave their hometown and migrate to the cities; Yi workers, especially those coming to cities for the first time, tend to lack cards. One worker also explained the absence of identity cards as a result of ineffective local government bureaucracy:

> It is too complicated to go to the police station in our hometown to obtain an identity card. The government in our ethnic minority region is not like that in the Han Chinese region. It usually takes three months to get an identity card in our hometown. When we do return to our hometown, only at New Year, the government office is also closed for the holiday. It is almost impossible for us to wait that long.

For workers, however, not having the identity cards needed to enter the factories seems to be a problem easily solved with brokers' help. Brokers agree to take the responsibility of "helping" to organize workers' daily activities after bringing them to cities, and one important obligation is to help bring workers into factories successfully. In doing so, brokers take it upon themselves to find ways of issuing false identity cards to underage youth and fob these cards off to workers. More dubiously, brokers are not eager to encourage workers to obtain an official identity card, even if they are eligible to apply for it when they return to their hometowns at the Yi New Year. This control over the sought-after cards puts the brokers in a powerful position, enabling them to manipulate workers and thereby keep

[10] Generally speaking, young people from the central area of Liangshan tend to be less literate than those from the cities in which both ethnic Han and Yi reside.

their brokerage business running.

In the eyes of workers, despite the fact that using the brokerage system means less income, brokers do help them to overcome the barriers created by illiteracy and lack of education and to procure an ID card; these are regarded as barriers that they are not able to overcome by themselves. In addition, brokers take on the responsibility of looking after workers' basic needs, shouldering such tasks as arranging tickets from their hometown to the city and finding accommodation. Brokers deduct the expenses incurred in arranging transportation and accommodation from the wages workers earn in factories once they find jobs but, nonetheless, these arrangements are also regarded as benefits.

4.2.2 "Work as Free Labour"

It could be assumed that the freedom of Yi workers is even more curtailed under their dual exploitation and control by brokers and employers, especially since the brokers make it impossible for workers to stand up for themselves. However, workers tell a different story. "It is freer to follow a broker and work as temporary workers," said Ajie, a male worker who has been a migrant in Han cities for ten years. He continued:

> Temporary workers are better off than formal and long-term workers. I can ask my [Yi] boss to change to another factory if I want to leave this one. This would be very hard if I became a formal worker. Formal workers usually have to submit their resignation form to the factory managers three months in advance. Even if they do this, if they want to go back home they might not earn the full wage. I am a temporary worker, so I do not need to worry about these matters. If I want to change factories, I ask my boss to arrange it!

Ajie's decision to remain in the brokerage system is based on weighing the degree of flexibility available to him in precarious compared to long-term work. From his point of view, being a temporary worker offers the advantage of a flexible lifestyle. Even if it means putting up with unreliable employment and forgoing the benefits which formal workers are entitled to. His views illuminate the special status of peasant workers who find employment in cities but still have land in their villages. Peasant workers have not been completely transformed into industrial workers who are fully reliant on their wage labour in cities, so precarious work suits them, as it

means easier mobility between urban and rural areas, between being workers and peasants, and also between the lifestyle in their hometowns and that in an industrial society.

An understanding of the relationship between the lifestyle in the agricultural society in Yi workers' hometowns and the desire for flexible work is important here. Accustomed to their relatively 'free' lives on farms, Yi workers, especially young men, find it difficult to settle down in a single factory for an entire year. A Han Chinese manager complained that Yi workers are undisciplined when it comes to following the rules in factories: "Some workers just wander around and chat with their neighbours on the work floor. It seems as if they were chatting at home in their village!" Conversely, Yi workers offer quite consistent responses about the typical (Han) production-line manager's life- and work-style—involving performing a repetitive job, tied down to a single factory for years on end, and their only prospect being promoted to a manager in that same factory as their reward. A group of Yi men asked me, "Do not you not think that their [managers'] way of life is boring? We Yi people believe human life is so short. So, it should and could be more full of colour. It is wasting life to live the type of boring life they have." Being temporary workers, in these Yi men's young eyes, rewards them with freedom.

In addition, freedom is profoundly related to Yi cultural practices in cities, especially for those worker who come to cities for their first and second years. Going back to their hometown for New Year and the Yi Fire Festivals are the first demand they make to the employers. However, in the Han-denominated factories, many employers have never heard of the Fire Festival and they do not want to grant time off for the celebration of a particular ethnic minority group. One informant told me about the difficulty of resigning willfully from their work and returning home for the Yi New Year Festival. "The factory does not give workers the holiday off... If I really want to resign in any month, at the very least my wage for that month will be deducted," he said. Brokers are also able to solve some of these kinds of problems on behalf of workers. They can often sign a collective contract with factories requiring Yi workers to work only until November in a given year, avoiding the difficulty of resigning individually.

The co-ethnic brokerage system provides a nest of kinship and common ethnicity in which workers are free to observe their own culture. Viewed from the perspective of the Yi workers, the idea of free labour is

different from the definition of free labour in classic Marxist labour theory. In classic Marxism, kinship, ethnicity and other social categories are barriers to achieving freedom from labour control. However, this research shows that free labour does not necessarily mean eliminating original social ties such as ethnicity, kinship and lineage. Quite the opposite is true for Yi temporary workers in fact, as enveloping themselves in a certain social fabric helps them to gain a certain brand of freedom—freedom of mobility to move to different workplaces and the freedom to practise their own culture as they wish. When push comes to shove, they would rather give up certain economic benefits voluntarily to brokers than be exploited by one particular employer in the system of industrial capitalism.

4.2.3 "Getting Protection From Our Relatives"

Ma Jian is a student who came to work in a factory during the summer holidays, introduced by his uncle, a big broker in the city. During the Yi Fire Festival, they had come over to their broker's house to help cook pigs, an important part of the Yi tradition at this time. As the only university student among these young Yi men, Ma Jian did not seem as shy as his other workmates. On behalf of the others, he explained to me:

> The reasons are diverse. Some people would like to stick to one boss because they feel by living in this family (jia, 家) they have someone to rely on... Moreover, You know that we Yi workers are sometimes quite a handful in factories but [also bear in mind that] some workers have worked in factories for a whole year without receiving any payment; some workers have even died in factories without anybody seeking justice for them. Importantly, the way we tackle problems is different to the way the Han Chinese do. As you are aware, this is the reason some small problems might cause a fight... Han Chinese people are good at communicating, but we Yi people sometimes do not have the appropriate temperament [to express ourselves]. People can get into a fight because we do not know how to communicate in the way the Han Chinese do. All these problems require a boss to solve them.

This explanation from Ma Jian is representative of a large number of workers who believe that the co-ethnic brokerage system is far more than a commercial agency. Instead, it is a community built on kinship and ethnic solidarity in which people are able to share trust, providing protection as

well as economic gains. In particular, Ma Jian emphasized a reliance on family, which does not only mean the extended family or the clan, but actually refers to the particular family of the broker that workers work with. It is worth noting that the dependency and submissive relationship between workers and brokers somehow replicates the case of Yi migrants in general. Sometime when I came to broker Li's house, a few workers were there to serve the family, taking care of their children and doing housework. Jia means a particular household, for which workers work and from which they get protection.

In addition, gaining protection, as Ma Jian emphasized, is particularly important for Yi workers in cities. Being temporary and precarious workers, they are not only exposed to an environment without representative trade unions, but are also excluded from the system that protects formal contract workers. This makes them feel particularly attached to their own community, which is the only organization providing protection that they can count on. Therefore, the most critical concern of temporary workers is not the insurance or benefits which they miss out on, but obtaining the protection of their community in the absence of formal and institutional protection.

4.2.4 "We Owed Our Uncle a Favour"

Yang Yuchai has been following in his father's footsteps and has worked in factories in Dongguan since he was fifteen years old. He can speak standard Mandarin well. His skin tone, that had initially signaled him as Yi, has become lighter after living in the city for four years. When I met him, he had just been appointed team leader of his group in an electronics factory. Asked whether he has ever considered becoming a formal worker, he answered,

> Yes, I have thought about this... But it is not good... We are from the same family [that means close relatives in the same clan]. Our boss is my dad's uncle. My dad said I could not leave because he (the boss) had done us a favour. Without him, we would never have been able to find jobs in this city... So we should let him earn the money.

Yang Yuchai's reply emphasizes the patriarchy and ethnic reciprocity deeply rooted in traditional patriarchal Yi society, in which teenagers

must obey their father's commands. For his father has been following the brokers and became foramen through working with their uncle – the big brokers. Even though knowing that the broker deducts kickbacks from his hourly wage after working in factories for years, still he has to remember the benefactor that the broker gives to his family. The perception of reciprocity and moral economy in traditional Yi society undoubtedly helps brokers to justify the brokerage system, even though it leaves the Yi workers vulnerable in terms of formal social insurance, wages and welfare. It means that when workers do not have to struggle against the barriers of language proficiency and lack of information, some of them still prefer to remain within the system and enter into a mutual collaboration with their brokers to deal with the exploitative relationship.

Picture 4.3: A Yi male worker and his siblings in a rented room

Although many Yi youths come to work in cities with the desire to escape from the patriarchy that they have experienced previously, they are subject to another type of hierarchy in the co-ethnic brokerage system, where brokers are authorities and stakeholders who exercise authority and workers are mostly in a subordinate position. Yi workers obey the instructions of their brokers, not only because they have an employment

relationship with brokers, but also because they are taught to obey their experienced seniors in strange cities.

The legacy of obedience and submission described above can be sensed in brokers' style of discipline and management. For instance, answering my questions about how their foremen discipline workers and whether they have experienced physical abuse from their foreman, many Yi workers told me that foremen do manage workers rudely, beating and cursing them. However, not all of them see these behaviors as abuse. Some workers explain this rude treatment as the result of illiteracy—"Because these foremen are illiterate, they do not know how to communicate and persuade as you, an educated people treated us. Except for using violence, they know nothing better ways." On the other side, brokers and foremen explain their behaviour by the same logic. The foreman from the factory I lived in told me that "...beating is the way parents discipline their children at home. I should take the responsibility in cities as I have promised to their parents. That [beating] is for their good of them." In doing so, these brokers and foremen throw their paternalistic weight about and establish their authority over workers.

There is little precise evidence showing that the co-ethnic brokerage system has completely replicated the hierarchal social structure of the Liangshan Yi society; however, my interviews with workers show that they do not understand the co-ethnic brokerage system as an employment relationship constraining and exploiting workers. Instead, the co-ethnic brokerage system is understood through the lens of social relations and life experience in their pre-migratory Yi society. Firstly, Yi workers' perception of their social orders within the co-ethnic brokerage system reflects the social norms of their traditional Yi society, norms including trust, reciprocity, hierarchy, and paternalism. Secondly, in spite of their precariousness status, by working in a co-ethnic brokerage system, workers gain the flexibility of choosing their work places, which affords them a degree of control over their working conditions and is understood as a form of freedom. These perceptions can be used by Yi brokers to justify exploitative behaviours and keep workers within the co-ethnic brokerage system.

4.3 Co-ethnic Brokerage System as Control and Exploitation

Although the Yi workers seemed to perceive their relationship with the brokers based on their ethnic conception of reciprocity and ethnic affinity, the co-ethnic brokerage system cannot be romanticized purely as reciprocal behaviours of Yi brokers. Rather, as I will demonstrate in this section, brokers and workers have a complicated love-hate relationship with each other within the co-ethnic brokerage system. As I will show in the next section, the co-ethnic brokerage system is double-edged sword, which simultaneously entails both negative and positive impacts for the Yi workers.

Unlike the existing studies that examine the roles of ethnic communities in operating economic activities mainly in specific factories, Yi workers occasionally spend time outside their factories, such as the nearby small grocery stores owned by Yi brokers. When the workers are waiting to change the location for the new job opportunities, they come to have more free time and do not stay in the factory that long. During this time of transition, they hang around the street market or visit the dispatch agencies to check how things are going. Therefore, these two sites have also become the key places for me to meet and chat with Yi workers.

Xiaocai was one of the young Yi male workers whom I met in the street market in front of the X dispatch agency when he was temporarily out of a job. At that time, I was trying to look for a primary school for an orphan who was from his village. Being interested in my relationship with his ethnic people, Xiaocai started to tell me his life-story, which can be an appropriate example of what most young Yi workers would have experienced.

"My first job was as a security guard in Dalang township nearby. We had twenty-eight workers under one boss. I was sixteen years old- the youngest among the workers. These *laoda* (managers) were very nice to us.[11] But in just two months, we were asked to leave the factory. I did not want to leave to be honest... But our boss cheated us. He had signed the double

[11] "Laoda"（老大）is what workers usually call the managers on the work floor.

contract with different factories at the same time. [It means that] while we were working at one factory, he was going to transfer us to another soon… I do not know what happened exactly but I have to follow his arrangement."

"Did you ask your boss why you have to transfer to another factory?", I asked Xiaocai.

"No! I did not dare to ask", he remarked. "The older workers did not even dare to ask, so how could we, the little newcomers, dare to do that?"

"If my job in that factory had offered enough stability, I would have stayed there and probably I could have earned at least thousands RMB in a year… However, working at the factory is not a stable job. I was too naïve. Later, I went to Tianjin city. That was the first time I had travelled to Tianjin to work with my only friend there. But it was not a happy experience… The weather and temperature were quite different from where I come from, and I felt lonely living there… So I came back. I went to another factory producing air conditioners where my uncle works (or used to work if his uncle no longer works there). It was really tough and arduous work. We were required to stand and work all day for seven days a week… I managed to endure until the end of the Yi New Year"…

"There is no good work," Xiaocai added and said, " So it is crucial to find a good boss."

When I asked him further about the ideal type of boss, Xiaocai responded that "(They are)… those who eat less (money) and are able to find good factory to stay…"

Workers usually judge whether their brokers are good or not according to two categories: whether they have the ability of finding stable factories for workers, and whether they can meet their moral expectations of being responsible and generous to workers and affording workers' wages on time. However, in reality, workers have little control to tell the characteristics and personality of their brokers in advance and cannot predict the overall work environment. During the period when many Han student interns come to work in factories in summer holidays or when the workers return to work after spending their New Year in their hometown, the brokers could not keep their promise to secure the same job that they initially guaranteed when recruiting the workers. Despite this situation, it is

generally perceived that looking for jobs individually is even riskier than accepting the unfavorable conditions arranged by their co-ethnic brokers.

4.3.1 Debt

In some cases, Yi workers are controlled by the brokerage system through debts offered by their brokers. Muga's experience exemplifies the experience of young workers indebted in the co-ethnic brokerage system.

I met Muga in a grocery store operated by a labour broker on a chilly winter day right before the Yi New Year, when he just resigned from an electronic appliances production factory and was waiting for the long-distance bus back home with his peers. He was sitting on a chair with a cigarette in his hand and five bottles of beer on the table in front of him. His brightly dyed hair and got a tattoo on his wrist, which is seen as a typical symbol of "villain" in the Yi community. Like most Yi factory workers I met, initially, he was shy about speaking to a Han female researcher like me. As we became acquainted, Muga began to tell me about his colorful life in the industrial city of Dongguan.

Picture 4.4: A grocery shop owned by a broker filled with everyday necessities

Like many other Yi workers I have interviewed, Muga worked at a few

factories in a year. "Seven or eight probably. I do not exactly remember... Sometimes I quit the factory because the factory was not good and the work was too tiring, sometimes the factories fired me because I fought with people there". He said this to me cynically, while taking a pull from his cigarette. To brag about his achievements aside from the tiresome factory work, he continued, "The life here is also fun! You know what? I went to some pubs. A bottle of wine in pubs costs 1000 RMB!" He probably exaggerated about the price of the bottle of wine, but apparently, it is far more expensive than what he could afford. "How much are you sending home this year?" I asked later. "No money left. I still owe the boss 4,000 RMB." Muga said. He usually advanced his monthly salary from his "boss" and then paid it back after receiving his wage at the end of the month.

Then how come was Muga able to go to the pub and give me the story of a bottle of expensive wine? It was made possible from a system of debt – borrowing money from his boss (the broker) in advance and then paying it back by deducting the amount from his monthly wage. I came to notice that on the checkout counter of the grocery store, there was a large notebook. The workers wrote down the expenses they have spent in the store as well as the amount of money they borrowed from their boss. I realized that the small grocery store was filled with the stuff that workers can spend money on. On the right side, there were items like mattresses, washbasins, and toiletries, and so on. On the left side, I saw two big tables, one for gambling and the other for playing billiard. Some workers like Muga may spend the entire wage of the month in just one night, and as a result, they will have to continue to borrow money from their boss in order to sustain their living for the next month. Muga' boss has never objected the workers' requests to borrow money. Instead, he sometimes joined them or created the events for them to spend money. In this way, Muga gradually entered the notorious world of indebtedness trap, also known as " co-ethnic brokerage system".

From the perspective of the brokers, being indebted is simply "receiving wages in advance" (*yuzhi gongzi* 预支工资). My interview with a broker's wife probably best explains such ideas:

> We [brokers] can lend them [workers] money whenever they need it. For those whose family has difficulties in funding them, I lend them all the expenses they need for transportation fares, housing, buying daily necessities, and so on. If their families back in the village really need money to build or repair their house or their younger siblings need money to go to school, I also sometimes

> lend them money. Why? We are like the relatives in our hometown. Even if we are not blood-related, I find that some of my workers are quite pitiful. We are at least the same Yi people and we should help each other! All these arrangements would be totally impossible with Han Chinese bosses.

This interpretation, however, does not exactly fit with Muga's perception of the debt. When talking about the "relatives" in the city and his family at home, Muga looked cynical again and then eventually became emotional. He said:

> When I lived in my hometown with my parents and siblings, the life was different from what it is like here. If I cause any trouble to my parents or family members, I would feel guilty. But working with the bosses here is different. They make money from us, and they should also take shoulder of the problems that might arise!

Muga indicated that the "advancing wage system" is highly deceptive and exploitive and he claimed it as the reason why he dares to "make troubles." Muga hardly thought about any clear plan for the future. He neither wanted to live in uncertainty outside his ethnic community, nor he wanted to become an independent worker who has to seek for the job opportunities by himself. His idea was similar to that of many other young Yi workers I interviewed: being a transient resident in one city this year and working in different places next year, and meanwhile experiencing various lifestyles. This is their way of exploring the unknown world, as a coming-of-age ceremony, manifesting their new experience and braveness (Liu, 2011). The only thing he was sure about was that he does not want to become a broker. Being a broker is profitable, but it also retains responsibilities and moral dilemma. "I do not have the ability of being a broker. Moreover, if you learn about the evil deals and find that people say bad things about you behind your back... it is a shame... I would rather avoid that experience". "We do not know what is just around the corner! Go and see!" he concluded.

Picture 4.5-6: Yi workers gambling and playing billiards

This interview implies that brokers perceive lending money as a "favor" entitled ethnic Yi people only. In other words, lending money to Yi workers who have migrated to the cities is based on the notion of ethnic reciprocity, which also means "helping relatives" with "good" intentions. Lending money to their relatives, indeed, is a common practice and clan culture in Yi peasant society. During my fieldwork in Liangshan, informants told me that mutual support is highly valued and expected within the same clan according to traditional Yi culture. As one of them said, "although we are poor, you will not find a beggar in Liangshan, because people from the same clan are all willing to support the clan members." In this sense, the brokers are proud that they keep such a tradition alive and offer to lend money to their workers, which would not be possible in the purely commercialized agencies run by Han managers. They also consider such a debt system based on co-ethnic culture a proper way to manifest their moral standards and cultural identity as Yi.

Debt not only prevails between workers and brokers, but it is also found among the brokers themselves. Since they are usually responsible for the expenses of travelling and accommodation, every broker has to raise their fees at the beginning of each year when they start to recruit workers and organize the process of outmigration from the Yi villages. In many cases, they do not have enough money to spend in advance and have to borrow from their relatives or close friends. Those brokers whose business is relatively small scale usually ask for help from the wealthier brokers and, in return, they have to share part of their income as an incentive. This kind of debt system does not only leave workers controlled by multiple brokers connected through their debts, but also make some brokers subject to a chain of debt in the co-ethnic brokerage system.

Muga's case, which I have documented above, is not exceptional. He said that about one out of ten young Yi men live like him as a factory worker in the cities. Once the workers, especially young men, have stepped into the debt cycle, they can always borrow money from their brokers and pay it back when they get their salary at the end of the month. This also means that if their salary is not enough to pay their debts, the brokers will deduct the remaining amount from their wages the next month. In order to repay the debt they owe, some workers will be bound to the particular broker who lent them money and work for that broker for years. As long as the wages are under the control of brokers, most workers will not be able to

escape from the brokerage system. As a consequence, many Yi youth, who initially moved to work in the cities in the hopes of sending remittances to their families back home, end up indebted to their brokers and entrapped in the vicious circle of the co-ethnic debt business.

Considering the perspectives of both brokers and workers in the Yi ethnic community, the concept of debt carries a double meaning. On the one hand, it is a means to express mutual support and solidarity within clan and kinship affiliations, as the Yi brokers would not lend money to workers of different ethnicities. On the other hand, it represents the abusive relationship between brokers and workers which continues in the name of the co-ethnicity. As shown in my interview with Muga, seemingly reciprocal and good-intentioned behaviour can actually jeopardize workers' economic security and stability. In fact, although the brokers claim that their way of lending money to the workers resembles the traditional "debt" culture of Yi society, it is quite different from original practices which simply entailed mutual support within Yi clans and kinships. "Advancing money" in the current co-ethnic brokerage system has become a profitable loan business which works to control workers and earn more money for brokers in a highly capitalistic industrial context.

4.3.2 Poaching Workers

Over the course of interviewing Yi brokers, I have become curious about the term of "stealing workers," which was frequently mentioned by them. As they have run the brokerage for many years, they have come to develop a "hidden" rule over the years: each worker can only work under one particular broker for a year. If either party breaks the rules, the broker with whom the worker was previously affiliated has the right to demand that the latter return his worker and ask for a penalty of up to 30,000 RMB for "stealing their workers." The concept of "stealing workers" here means that a broker accepts a new worker who used to work for another brokers.

This rule regarding Yi brokers and workers was originally set by a few prominent Black Yi brokers, who believe that this was a way of regulating the Yi labour market. Although it is difficult to say where the notion of "stealing workers" came from precisely, it seems likely that it relates to the relationship between the lower class White Yi affiliates and the higher class Black Yi in traditional Yi society. As I demonstrated in Chapter 3, in

traditional Nuosu society, Black Yi were usually the elite group of the community, owning slaves and having full authorities over the slaves' freedom until the 1950s. At that time, if a slave of one Black Yi family sought refugee with another Black Yi family and was accepted, the family who accepted him/her would be in trouble. If they did not solve the dispute by giving up an appropriate amount of goods, it was likely that the event would escalate into a war between clans. To some extent, the logic of "stealing workers" is similar to that of "stealing slaves" in traditional Nuosu society, even though the Black Yi no longer own slaves or openly claim that workers are their property.

Over the course of interviewing Yi brokers, I became curious about how White Yi brokers think about the regulation regarding "stealing workers." Some White Yi brokers are against it as an unfair regulation set by Black Yi brokers. "It is an extortion. It is the way that those Black Yi to abuse their power to rule over others. The Black Yi always seem themselves as some people called 'purer Yi' than other Yi, from the ancient time until nowadays," Azu, a 27 year old White Yi broker in Huizhou, said:

> They have the sense of superiority ascribed by their ancestry above others in Liangshan. Things are the same outside of Liangshan. Have you interviewed them? If you ask them, they must say that Black Yi and White Yi are all the same and we are friends in terms of doing business together here. However, there might be some Black Yi do think so, but most of them do not. The population of Black Yi is much less than White Yi but they are more powerful, solidary and united than others. Most of these White Yi brokers do not dare to offend them.

The answer of another White Yi broker, Laoli, confirmed Azu's argument.

> Those things such as extorting factories and extort other Yi boss [brokers] and blaming them steeling their workers are mostly conduced by those Black Yi. A small foreman having no idea of this regulation at the beginning, lost all their incomes in order to pay a Black Yi as he accepted a worker who used to work with a Black Yi worker and later asked him to find a better factory.

That is to say, these small Yi brokers may ruin their businesses or enter dire financial crises after paying a large penalty/compensation. My hopes of having more interaction with a few big Black Yi bosses so as to get a sense of their perception of the co-ethnic brokerage system were dashed by some

of my familiar White Yi informants. Meetings were prohibited, on the one hand, because of the difficulties of approaching an actual under the table deal conducted by such Yi bosses; on other hand, it was a consideration of my personal safety as a female researcher. Disguising themselves as the owners of Yi dispatch agencies, a few brokers, especially big Black Yi brokers have become some of the most powerful gang leaders, and even engage in the underground drug trafficking, in the Pearl River Delta area.

Speaking of "extortion" in relation to Black Yi people, I recognized that even my most familiar informants, Azu and Laoli, lowered their voices. Most White Yi brokers were quite cautious and hesitated in giving me their opinions on the division between Black Yi and White Yi. This reflects how the division between the two groups in cities remains as concrete as it was in their hometowns. Although Black Yi and White Yi brokers appear to conduct a similar kind of business, Black Yi brokers can claim penalties because they tend to be more powerful and want to maintain the customary hierarchy of their traditional Yi society. Acknowledging the power of the Black Yi clans, no White Yi brokers want to offend or provoke clan conflicts that cross the boundary between these two Yi groups.

In fact, the regulations around not stealing workers initially set by Black Yi brokers are accepted by the majority of White brokers and used to control their workers as well. The rule of "following one broker in a year" is well known to workers—these brokers who cannot not or do not want pay the penalty deduct the cost from workers' wages. It turns out that it is often the workers who have to pay the price for seeking an alternative broker. In this way, brokers actually enhance their control over workers.

4.3.3 Gender Dynamics

Gender dynamics among Yi migrant workers within the co-ethnic brokerage system are significant, and in some cases function to limit the options of female workers. Those who are trapped in the brokerage system by debt, alcohol, and extortion, as I have demonstrated previously, are mostly male. Female workers are instead constrained by other factors. The most significant among them is the gender hierarchy in patriarchal Yi society. My first encounter with the gender dynamic relates to the experience of Haiying, who is one of the few females in the overwhelmingly male-dominated sphere of the Yi brokers, as well as one of the pioneer Yi

migrants who now runs her own dispatch agency. Haiying's abilities and broad social capital were admired among other brokers and also assure her status as a "big broker" among others. Even so, she was gossiped about going into a business dominated by Yi men, especially in the first a few years. Speaking of Haiying's work and family, people made jokes behind her back, "The hen crows but the cock does not!" (公鸡不叫母鸡叫). This, for a long period of time, made Haiying complain about the difficulty of being a Yi female.

While elite Yi female broker like Haiying must deal with a lack of professional respect, female workers are subjected to another more profound form of patriarchal power. A scene I witnessed while attending a KTV gathering gave me my first impression of the unequal power dynamics between Yi brokers and workers. In order to show his hospitality, a broker invited me and another PhD student to the KTV after we had conducted an interview with them. These occasions are a normal source of entertainment in Yi brokers' lives. After a few minutes, five Yi girls were summoned into the KTV. I could see the caution and reluctance etched on the faces of these girls. Some displayed signs of awkwardness after they stepped into the room—three of them squeezed together onto one side of the couch. For one, it was apparently not the first time she found herself in such a predicament: she deftly served the guests beer. After a little while, the others were also instructed by these two brokers to keep guests company and serve beer. Although these girls were exactly like those with whom I had shared my life and lived with in the same factory dormitory months ago, I found it impossible to have any proper conversation with them, as, under these circumstances, I was sure they would see me in the context of, and on the side of, their Yi brokers.

Later, I figured out that being involved in drinks, dinner, and singing in the KTV was quite often required of young Yi female workers, in particular those good-looking and attractive girls. This is apparently against the conservative moral values of traditional Yi society, in which females are not allowed to wear clothes that leave their arms uncovered. Accompanying brokers in drinking is seen as bringing shame and dishonour on the girl's family.

In remote cities, however, the "chaotic" relationship between male brokers and female workers is not a secret any more. Although it is difficult to get direct confirmation of this information in interviews, gossip about

pregnancies and abortions among female workers and about their relationships with brokers or male workers is rife. A female broker told me,

> These disgraced things do happen sometimes... When the girl pregnant, I take the girl to have an abortion… What else can I do? Nobody wants to advertise the fact that it is happening. It is never a good thing for her family and her marriage prospects... How to cover it? I just tell the factory managers that girl is sick and ask for a few days' leave and all will be solved.

Of cause, not all the sexual relationships between male brokers and female workers are against the will of the female. I realize that for some female workers, becoming the mistress of a broker is a way for them to gain material benefits that they can hardly get from the tiresome factory work, and it is also a way of changing their underclass lives. By laying with their paramours, some Yi workers got exempted from labouring in factories or move out of their factory dorms to a rented house. Brokers are not the best choices as partners, but compared with these poor workers, they do command higher price in the marriage market. For those male brokers married in their hometowns, if their wives and children do not follow them to the cities, it is not difficult for to find a mistress among female workers.

The opportunities for career mobility for Yi females are not extensive. Another way of changing the routes of their lives is going into the service sector and becoming waitresses at the KTV or working in a foot massage bar.[12] Xiaowei is one of the girls who changed her life-route. In her first two years in cities, she worked in a few factories following a broker from her village. In the third year when I visited her, she told me that she had fled the arduous factory work and started to work in a nice hotel. She had undergone a metamorphosis from the factory girl I once knew, to wearing make-up and asking me to meet her in a shopping mall. Over lunch, she began to point out to me how expensive her clothes were, how many guys were attracted by her beauty and so on. Obviously, she felt proud of the physical changes she that had undergone over the past years in the cities.

She said that initially she worked as a receptionist in a hotel; later she began to work at the bar in the hotel selling alcohol. "Sister, the work is legal. My parents are not against me doing this work!" Xiaowei repeated a

[12] The cities in the Pearl River Delta area are known for their prostitution. Some KTV are also used as brothels.

few times over our conversation. "This job is a lot easier and far quicker in terms of making money than working in a factory, and it requires communication skills and you have to look good; only a few Yi girls are suited to doing this work," she said. She earned more than 5000 RMB per month, which is far beyond the wage that a normal waiter/waitress can earn in a small hotel. I sensed that many things she said were quite ambiguous and inconsistent, and some points were left unsaid. Unlike the previous year when she had met me and had told me everything about the ups and downs of factory life, this time she was doing her best to hide what she was really doing, including the fact that she had consciously cut her connections with most of her previous workmates in the past year. The reason was very likely that she was doing "dishonoured" work in the eyes of other Yi work mates and her family.

The experience of Xiaocai, Muga, and Xiaowei reveals aspects of the lives of Yi workers in the co-ethnic brokerage system. These energetic Yi youths are caught like a fly in the web of the co-ethnic brokerage system, receiving little training by brokers to become good employees in factories or getting few channels to acquire skills to find better employment. The more dependent upon and subservient they are to brokers, the less ability Yi workers have to go in search of new jobs independently. While alternative avenue for workers to achieve upward social mobility are few and far between, brokers are the only points of reference for most Yi migrant workers after they have worked in cities for years. A few workers have told me that they would prefer to become brokers instead of independent, formal workers in factories. Paradoxically, while many Yi people think that being a broker is a way of achieving upward social mobility, it often also involves moral dilemmas and high risks, elements which are referred to as the shadowy sides of the co-ethnic brokerage system.

4.4 Brokers: Creating an Ethnic Community

In the temporary labour market, there are two types of Yi brokers. One is the individual broker; the other is the Yi entrepreneur who owns a dispatch agency. Boss Li is an individual broker who migrated to Dongguan in 1996. Like most other individual brokers, Li places his workers through an employment agency owned by a Han Chinese. The manager of the dispatch

agency, Mrs. Wang, complained to me,

> Boss Li's workers are very unreliable… because Boss Li is too weak in the way he manages them. On a number of occasions his workers have had some trifling problems in the factory and wanted to quit. He has no way [of dealing with the problems] but just comes to ask me to pay out the workers' wages.

Giving his comments on labour management, Li states, "If a worker has to leave a factory because he feels very dissatisfied there, all I can do is to ask the dispatch agency to pay his wages and let him go. I do this because I know this is the character of our Yi people, that I cannot do anything to change". As an entrepreneur, Boss Li still operates the business principally on the basis of the moral economy prevailing in a peasant society, to let them decide what they want to do.

But it seems that his example might be an exception. This type of labour management established on the base of the traditional values, is not mainstream among Yi brokers. Despite claiming to assist their fellow villagers and relatives, most Yi brokers in fact usually manage their workers by exercising a strictly economic rationale. Ayou opened his brokerage business in 2000 and has had more than 1,000 workers at its height. Drawing on lessons from the past, Ayou does now use some labour management methods to discipline workers. He summarizes these as the 'four rules'. Workers are not allowed to do the following things: leave the workplace without the permission of the supervisor; drink alcohol; go out to entertainment venues such as the roller-skating rink and the Internet bar for fun; and fight inside the factories, especially not with non-Yi workers. This method of labour management is rigid but effective and it suits the requirements of factories.

Like most other brokers, Ayou is not overly concerned about the wellbeing of his Yi workers. When he answered my question about how he and his workers view their relationship with one another, Ayou replied without any hesitation, "They see me as the boss, of course. I have hundreds of workers. I only know around 10 percent of them, those from my hometown; the other 90 percent have been brought in by other workers or supervisors. It is impossible for me to know all of them.' He explains how his business has rapidly expanded, beginning from a group of approximately fifty workers. Usually, one worker recommends a friend or relative to his boss and he or she can be rewarded with 500 RMB bonus.

Differences in the treatment of workers depend on two factors: the personality of the brokers and the relationship between brokers and workers. In the factory in which I worked, I observed that the state of the relationship between workers and brokers could be identified by what workers call their brokers. Usually, workers who are close relatives of brokers call them by kinship terms “uncle”, “brother” or “auntie”, whereas those who are either more distantly related or not family at all refer to their brokers as “bosses”.

Workers’ economic and cultural expectations are both managed by Yi brokers within the parameters of the co-ethnic brokerage system. Even though he runs his brokerage as a business, Ayou regularly organizes ethnic Yi cultural activities such as the celebration of the Yi Fire Festival and beauty contests and, afterwards, he posts pictures on such social media sites as Wechat and QQ group as an advertisement. By organizing these ethnic-specific activities, brokers can significantly allay workers’ expressions of hostility and can even persuade them into accepting low wages.

Picture4.7: Yi Fire Festival and beauty contests organized by a broker

Accepting the second-hand order

The brokers themselves are in a precarious situation. Alongside individual brokers like Li and Ayou, a new group of Yi brokers has sprung up in recent years. In 2015, the number of the dispatch companies established by Yi brokers in the Pearl River Delta area amounted to six.[13] Formal registration with the government as an employment agency means that they have a stable supply of workers to send to factories, a situation that also helps brokers to strengthen the legality of their own status and find suitable factories. Under the Labour Law Amendment passed in 2013, the minimum capital for launching a dispatch agency is 2,000,000 RMB; therefore, only big brokers have the means to establish their own employment agencies. Those small brokers who are not able to register as employment agencies affiliate themselves with the big ones. This, in the Yi brokers' own words, is called "accepting the second-hand order".

The Longxing Dispatch Agency is one of the largest dispatch agencies operated by an ethnic Yi boss in the Pearl River Delta area. Its bosses, Shu and his spouse, registered their own employment dispatch agency directly after the Labour Contract Law came into effect in 2008. Initially most sub-brokers of the Longxing Dispatch Agency were relatives of the bosses. Likewise, the workers were also from the same clans or villages as these brokers and sub-brokers. Although the Longxing Dispatch Agency did try to recruit non-Yi workers, but it was not very successful. "Han Chinese workers are unreliable because they have a tendency to leave to become formal workers after having been employed temporarily for a few months. Only our Yi workers can really be relied on in the dispatch labour market", explained the agency's boss. Nowadays, Yi brokers send their workers to other agencies at random as long as they can find vacancies for their workers.

Ethnic Yi brokers develop their business network by frequently organizing social gatherings like clan meetings, weddings, birthday parties and so on. This is a way to build up an ethnic Yi brokerage hub with brokers both "big" and "small". However, the alliances between brokers are quite fragile. Furthermore, the ethnic Yi brokers' alliances are no longer as strongly formatted along their ethnic ties as they once were when the brokers first migrated to cities. The brokers themselves are also in a

[13] Two large dispatch agencies quit the brokerage system and transferred their business back to other areas in their hometown.

precarious position. Whether they can keep their businesses up and running is determined by the social networks and resources on which they can rely to find factories in need of labour. Nowadays, instead of following one particular broker from the same kinship group, workers are usually subordinated to a few upper-level bosses. Hence, the brokerage system is more hierarchical than ever.

Picture 4.8: Brokers' clan meetings in the Pearl River Delta area

In this case, the ethnic relationship is becoming commercialized and is taken advantage of to maintain the exploitative brokerage system by Yi brokers in cities. Co-ethnic brokerage reinforces the commercialization of the original social relationship between brokers and workers on the basis of their kinship and native-place identity. Brokers set up Yi migration by utilizing asymmetric information to organize the move to the cities and, by taking advantage of social relationships, including kinship and ethnic reciprocity, to maintain the brokerage system.

4.5 Conclusion

Migration brokerage is usually discussed in the context of illegal migration, particularly in the context of human trafficking, smuggling, and undocumented migration, and thus brokers loom large as the villains who victimize migrants. The migration brokerage system I have elaborated upon here moves beyond the oversimplified dichotomy of legal and illegal migration and reveals how workers can be caught in a grey zone in which they are condemned to live between a rock and a hard piece (even though they themselves might not see their situation in this light).

This chapter untangles the puzzle of the dependency of Yi workers on their co-ethnic brokers by tracing the exploitative and controlling co-ethnic brokerage system from both the perspective of Yi workers and brokers. Co-ethnic brokerage is a double-edged sword. One side of the sword is that it provides the essential support that the workers need to build their lives in cities, the flexibility of changing workplaces as well as the ethnic and kin networks in which they feel protected. The other side of the sword is that it is in many ways a villainous system that victimizes Yi workers. It does not facilitate the socio-economic advancement of Yi workers; instead, it perpetuates their unenviable position, trapping them in a vicious circle by debt, and in the tentacles of patriarchy. These ineradicable parts of traditional ethnic Yi social structures stretch even into the Yi communities in cities, and facilitate the brokerage system. Consequently, workers are not always able to make the transition to independence, should they indeed want to, but are caught in an ethnic trap.

Contrary to the classic Marxist idea of exploitation and free labour, I find that workers in the co-ethnic brokerage system seldom subvert the exploitative brokerage system to set themselves free as Marx predicted. Workers do not have a direct employment relationship with their actual employers; instead, brokers and labour agencies assume an intermediary role in between the employers and labourers, creating a tier above the workers in their employment relationship. An examination of the co-ethnic brokerage system in the precarious world of informal employment allows a better understanding of the dynamics and complexity of labour relationships in contemporary China. Degrees of exploitation and control are certainly apparent not only between labour and capitalists, but also

within the ethnic group itself. This case of Yi migrant workers has broader implications for understanding why people legitimize an unequal migration system and why social hierarchy, dependency, and exploitation can occur inside a close ethnic group.