MS workers support 996.ICU

The 996.ICU Movement in China

Changing Employment Relations and Labour Agency in the Tech Industry

PC: 996.ICU.

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Beginning in March 2019, the 996.ICU movement has signalled growing resentment among tech workers in China regarding the sector's overtime work culture. The mobilisation emerged in the context of growing discontent among employees in China's tech and Internet industry due to normalised overtime, stagnant salary and benefit growth, and health damage caused by demanding management. Still, according to this essay, the movement did not generate further solidarity because it failed to advance any structural critique, limiting itself to producing a nostalgia of the more reciprocal employment relationship of the recent past.

Since its launch on 26 March 2019, the online protest 996.ICU has attracted enormous attention, giving voice to the growing resentment against long working hours in China's tech industry and eliciting widespread sympathy. The 996.ICU project was initiated by an anonymous user on GitHub, a Microsoft-owned code-sharing online community with more than 20 million users. This person complained that the '996' work schedule—that is 9am to 9pm, six days a week—recently advocated by some prominent entrepreneurs in the Chinese tech industry risked sending employees straight to the hospital intensive care unit (ICU) (for more

detailed reports, see Qu 2019; Wang 2019; Yang 2019). The beginning of such a discussion on 996 can be traced back to 17 January, when the CEO of the Hangzhou-based Internet company Youzan announced the implementation of a 996 work schedule for his own employees. The announcement quickly provoked extensive public debate and criticism, especially on China's Quora-like forum Zhihu, followed by a legal investigation initiated by the local labour bureau (Yang 2019).

The 996.ICU project soon went viral on social media platforms in China. On 29 March, Guido van Rossum, the creator of the programming language Python language, tweeted: 'The 996 work schedule is inhumane.' By 30 April, the project had received 240,000 'stars' on GitHub, and key opinion leaders on China's social media also came out to publicly denounce the overtime work culture. Concerned with possible censorship from the Chinese authorities due to the unexpectedly broad reach of the movement, on 22 April a group of GitHub and Microsoft workers in the United States expressed support for and solidarity with tech workers in China, and petitioned Microsoft to keep the 996.ICU repository 'uncensored and available to everyone' (O'Donovan 2019). For once, even China's state media were vocal in support of a protest movement, carrying commentaries that highlighted how 996 practices were in violation of the Labour Law and requesting employers to consider this protest as a chance to reflect on the corporate culture and management in the Internet industry (see Xin 2019).

However, Chinese tech tycoons unrepentantly joined the debate to defend themselves. Alibaba's founder Jack Ma, the richest businessman in China, said that the 996 schedule is 'a huge blessing' to young employees at Alibaba, as it provides them with an opportunity to strive for their dreams, which is unavailable to those working in many other firms (Huang 2019). While the public relations department of JD.com, another Chinese e-commerce titan, announced that 996 is not mandatory for the company's employees, Richard Liu, the founder and CEO, commented

that the company should get rid of three kinds of employees: 'Those who fail to make sacrifices for work; those who are not performing well; and those who are having a rather low price-performance ratio' (Jung 2019). Zhou Hongyi, CEO of the cybersecurity firm Qihoo 360, expressed contempt for the anti-996 protest and challenged the idea of work-life balance as simply impossible. He suggested that the right way to boost morale among the workforce was to make employees shareholders: 'Make them feel like they are working for themselves, then they won't mind the 996 schedule' (Zuo 2019). Although the CEOs have defended the legitimacy of their practice, Chinese domestic browsers—including Tencent's QQ browser, Alibaba's UC browser, and Qihoo's 360 browser—have restricted access to the 996.ICU repository, saying that the website contains 'illegal or malicious information'.

These statements and actions became the object of a huge public backlash on Chinese social media, where users condemned the tech companies as unethical. Popular hashtags have appeared one after another, with a recent one calling for #sending the labour law to Jack Ma# (#向马云寄劳动法#) on 4 May (Gritsi 2019). Memes, stickers, and t-shirts related to the protest have continued spreading among employees and supporters. In the 996.ICU repository on GitHub, a blacklist of more than 100 companies, including tech giants Tencent, Baidu, Alibaba, ByteDance, and many small-sized firms, was crowdsourced by anonymous users, along with descriptions of work regulations at these firms. An 'anti-996 license' was proposed in the repository, which potentially restricted companies violating local labour laws from accessing certain open-source codes on GitHub. Nevertheless, the movement has so far remained mainly online and only about 100 projects have adopted the 'anti-996 license' template, not enough to exert any significant impact on the business world.

Growing Discontent

The anti-996 movement emerges in the context of growing discontent among employees in China's tech and Internet industry due to the overtime work culture, stagnant salary and benefit growth, and health damage caused by demanding management. Liu and Zhong (2019) have noted that the 996 schedule is China's version of the hustle culture in Silicon Valley. Overtime work has always been a tradition in the tech industry the world over, but Chinese tech workers are getting sick of it. This historic turn in workers' subjective perception of the hustle culture signals a structural change in China's tech and Internet industry, and only through a holistic approach we are able to capture its features.

Commentators have linked the anti-996 movement to the slowing down of the Internet economy, looking at it as an echo of China's 'new normal'. In such a context, the once-booming tech sector has come back down to earth—in the midst of a so-called 'capital winter'—which is making financing increasingly difficult for tech firms (Barrett 2019). According to the testimony of a former employee at the search giant Baidu, ten years ago employees in the industry barely complained about overtime, but now they are angry because the industry no longer offers them good career prospects (Liu and Zhong 2019). However, I would argue that the recent anti-996 movement was not directly triggered by the slowing economic growth, but by the way employees have experienced it. These experiences of tech workers, which have subsequently shaped their consciousness and actions, were mediated by the tech companies themselves.

Resentment and disappointment among tech workers has been accumulating since 2018, when a wave of layoffs began to affect China's Internet industry, including in influential Internet firms, such as Smartisan, Qunar, and Meituan-Dianping (Wu 2018; Zhang 2018). In late 2018, for example, several teams at Zhihu, a Quora-like question-and-answer

website, were dismissed; and at Mobike, the dominant bike-sharing company in China, 30 percent of employees were let go. The downsizing was mostly carried out in the name of 'optimising business and staffing structure', in order to pursue sustainable growth with competitiveness and efficiency. Several larger firms joined the mass layoffs in 2019: Tencent will demote 10 percent of its middle managers, with more than 200 individuals to be affected; Didi will let go 15 percent of its workforce, or about 2,000 people; and Dianrong, a peer-to-peer lending firm, will shed 2,000 employees (Kawakami 2019; Huang 2019; Lucas and Liu 2019).

Although some firms—for instance Didi—have announced plans to recruit new employees amid waves of layoff, overall recruiting in tech firms is either slowing down or frozen. This has left the labour market increasingly competitive, as confirmed by the data on Zhaopin.com, an online recruitment site with 180 million users (Lucas and Liu 2019). Previous workplace benefits, such as gym membership, cab fare, and office snacks, are also disappearing, which further affects the morale of the workforce.

In late 2018, the tech industry in China was awash with rumours of imminent layoffs, and in early 2019 tech workers' fears turned into bitterness and anger as most rumours came true—in many cases, right after the firms they worked for had denied there was any truth to them. They were betrayed twice, first by the public relations departments of their companies and then by the relentless layoffs, and haunted by the helpless feeling of being disposable. The mass layoffs brought a cruel end to the 'big firm dream', the belief in the existence of a trade-off between commitment of time and devotion by employees, and a good salary, career opportunities, and relative job security offered by the big tech firms. This now declining, unspoken assumption of reciprocity in the employment relationship somehow resembles the normative control model best illustrated by Kunda (2006) in his research on the engineer culture in a high tech company in the United States, which

emphasises the exchange between the loyalty and commitment of employees, and the job benefits and career prospects from employers. This principle of reciprocity in employment relationships has both material and ideological facets (Thompson 2003). In the 996 debate, the billionaire entrepreneurs speak on behalf of the interest of capital, yet they only tell part of the story. In exchange for providing good salaries/benefits (in the words of Zhou Hongyi) and opportunities (in the words of Jack Ma), employers can receive overtime work, and sometimes even enthusiasm, from their employees. This seemingly fair exchange once made big firms a dream workplace.

However, the recent combination of downsizing and 996 practices has disrupted this tacit agreement. From the perspective of capital, there has been a natural inclination to intensify the labour process inside the firm on one hand, and downsize the labour force to create a larger reserve army in order to enhance its bargaining power in the labour market on the other—the classic dynamic clearly illustrated by Marx in *Capital*. This has served to break down the cohesiveness of the previous employment relationship. As Thompson wrote back in 2013 regarding the financialisation of capitalism and its impact on workplaces, it seems that:

There was a growing divergence and dysfunctionality between employer objectives in the work and employment spheres. Labour was asked to invest more of themselves (effort, commitment, new aspects of labour power such as emotions) at work, yet employers were retreating from investment in human capital, a retreat manifested in declining security, career ladders, pensions and the like. (Thompson 2013, 473)

Dreams Shattered

There have been three crucial moments that have played outsized roles in shattering the dreams of China's Internet industry workers

and shaping patterns of workplace activism. The first moment was the crushing of the 'fast-track IPO dream' in the early 2000s. The Internet was built in China in 1994, but it did not become a thriving business until the late 1990s, when the rapid growth of the World Wide Web in the United States nourished a plethora of 'dot-com' companies, many of which took advantage of fad-pursuing venture capital by initiating initial public offerings (IPOs). Later referred to as the 'Internet bubble' (Kenton 2018), the boom of the US Internet industry inspired the IPO dreams of many early entrepreneurs in China, even if only a small elite with early access to the new technology and Western venture capital were able to partake in this first wave of investment. The first generation of China's Internet companies, including Sina, Sohu, and NetEase—nowadays known as the 'Old Big Three', in contrast with the 'New Big Three' BAT, i.e. Baidu, Alibaba, and Tencent—took advantage of the Internet bubble by listing IPOs at the NASDAQ in 2000, turning their founders into tech millionaires.

The bubble burst in the early 2000s, when venture capital dried up and many of the dot-com companies failed. At that time, the 'fast-track IPO dream' brutally vanished in both China and elsewhere. The 'Old Big Three' suffered from the burst but managed to survive, but the Chinese industry changed dramatically. The bursting of the bubble illustrated that a profitable business model, rather than just pure technology, is needed to sustain a new business venture. Thereafter, Internet entrepreneurship has been struggling to balance the tension between technological innovation and business innovation.

The rapid growth of the 'New Big Three' in the first decade of the twenty-first century bore the imprint of this tension. BAT, among a plethora of other start-ups, represented the pioneering spirit of Internet entrepreneurs: their success depended not simply on the latest advances in information technology, but more importantly, on innovative business models. Their legendary beginnings served as proof that the Internet could truly create prosperity in

business, and soon motivated tens of thousands to pursue their ‘entrepreneurial dreams’ in the Internet industry.

At that time, an incurable optimism dominated the industry. This attitude reached its peak in 2011, when Lei Jun, who had then just started Xiaomi, explained why he had entered the smartphone business, saying on Weibo: ‘Even a pig can fly if it can find a place in the eye of a storm’ (只要站在风口, 猪也能飞起来) (Sina Finance 2018). He believed that the smartphone business was the storm and encouraged grassroots entrepreneurs to search for ‘the next storm’ in the industry. The famous Garage Café, a private incubator supported by governmental funds, was later opened in Zhongguancun, as a place to ‘connect and serve grassroots Internet entrepreneurs’, further promoting the belief that the Internet has eliminated the threshold for entrepreneurship as long as one has ‘good business ideas’.

Large amounts of venture capital flowed into start-ups, creating millionaires while stimulating the overtime work culture in what was a very competitive industry. It did not take long for the door to close, though. BAT, the role models of grassroots tech enterprises, became the new monopolies. Entrepreneurial stories fell into a clear binary of success and failure. On the one hand, grassroots entrepreneurs worked ever harder under extreme working conditions, seeing their endeavours turning into unpaid labour for angel investors. It seemed that the more grassroots entrepreneurs invested, the less likely their projects were to be selected as sites for venture capital. On the other hand, China’s Internet economy came to be manipulated by monopolies endlessly pursuing a dominant position in every new frontier. Millions were spent to subsidise users to grow the market share, as clearly demonstrated in the war between Didi and Kuaidi in the online car-hailing service sector in 2014, the battle between Meituan and Eleme in the online-to-offline food-delivery service from 2015 to 2017, and the competition between Mobike and ofo in the bicycle-sharing business more recently. When Pony Ma, founder and CEO of Tencent,

revealed that Didi once spent 40 million yuan on subsidies in a single day (Southern Metropolis Weekly 2015), the grassroots finally realised that the fleeting golden era of mass entrepreneurship in the Internet industry was long gone. This was the second watershed moment in the shattering of the dreams of Chinese workers in the Internet industry.

In the mid-2010s, China’s Internet industry workers started waking up from their entrepreneurial dreams and realised that jobs in ‘big firms’, such as the ‘New Big Three’, were probably the optimal choice, as they could provide stability, decent salaries and work environment, as well as prospective career paths. This is what I call the ‘big firm dream’ of the golden age of China’s Internet industry, which is also what made it possible for the hustle culture to dominate the industry. The employees ‘volunteered’ to work on a 996 schedule or ‘flexibly’, in exchange for potential salary raises and steps up the career ladder. It is in such a context that the third crisis took place: the mass layoffs and the anti-996 movement of 2018–19 signalled the end of the ‘big firm dream’. In the name of ‘optimising business and staffing structure’, firms declared that their employees are disposable, putting an end to any illusion of reciprocity between employers and employees. With this final revelation, the hustle culture could only generate an increasingly purified form of resentment from employees.

Labour Agency

Labour agency can only be documented through a holistic and historicised view of the structural changes in China’s Internet industry since its inception. From the perspective of labour, workers made efforts to pursue their dreams to materially improve their work and existential conditions. In those moments when the dreams of Chinese workers in the Internet industry were shattered, they explored new strategies to deal with the changing

circumstances. In 2000, fast-track IPOs were only available to a limited elite in China. The industry was still in its infancy and the divergence between labour and capital was not clear. After the bursting of the Internet bubble in the early 2000s, new entrepreneurs with the crucial help of venture capital invented a plethora of innovative business models (with Chinese characteristics) that adopted Internet technologies, many of which were extremely successful. A few of these entrepreneurs were able to become CEOs of well-established Internet giants and new representatives of capital. Motivated by the legendary stories of success behind these companies, an increasing number of grassroots entrepreneurs engaged in opportunistic strategies, exaggerating their innovative ideas and endeavours to angel investors, only to find that the latter had started to become increasingly cautious and selective about investment decisions. Therefore, over the last decade, tech workers have been retreating to stable jobs in big firms. Meanwhile, they keep looking out for better job opportunities and do not hesitate to exercise their mobility power by moving on to better positions (Smith 2006).

Behind the anti-996 movement is the anger of these employees who embraced the ‘big firm dream’, and are now frustrated by the collapse of the employment relationship in China’s Internet industry. Admittedly, the 996.ICU protest has its limitations. As many have pointed out, the protest is limited to the online sphere; it is merely a narrow expression of resentment, without any further agenda or appeal; the workers, especially developers, barely show any solidarity; and, actually, the majority of those who spoke up in the protest are key opinion leaders, rather than employees.

Still, this discussion of labour agency against the backdrop of industrial transformations over two decades allows us to gain a unique perspective on the protest. Efforts of workers to shape the development of the industry for their own benefit have never wavered. What was lacking was never the pursuit of self-interest, resistance, or resentment toward

capital, but an ability to imagine alternatives. The resentment of 996.ICU has not generated further movements or labour solidarity only because it has failed to produce any structural critique, and has instead just produced a nostalgia of the reciprocal employment relationship from the past. Many workers are furious only because that they work longer to get less. However, a blacklist to locate the ‘good employers’ is not a solution. Good employers simply do not exist in capitalist production—at least not for long. What is necessary is to call for ‘a political imagination’ (Burawoy 2008) to open up the discussion of alternative work organisations, which would ultimately feed and sustain the emergence of labour movements in China’s Internet and tech industry. ■