

The Effect and Significance of China's Resumption of Work and Production after the COVID-19 Epidemic

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Abstract: This paper addresses the challenges, priorities and countermeasures of work resumption in the post-pandemic period, and summarizes China's practices and experience in response to major infectious diseases, and the significance of all-round work resumption to the fight against COVID-19 throughout the world.

1. Introduction

The outbreak of COVID-19 at the beginning of 2020 almost put China's economic development on hold. To fight against the pandemic and stop its spread, the Chinese government has adopted strict measures of epidemic prevention and control such as work suspension and city lockdown, which yielded prominent results and effectively curbed the epidemic spread. As the general epidemic prevention and control situation turned better, the timely release of work resumption policies and measures helped stabilize supply and employment, and maintain the normal operation of the country and society as well as the normal life of the people.

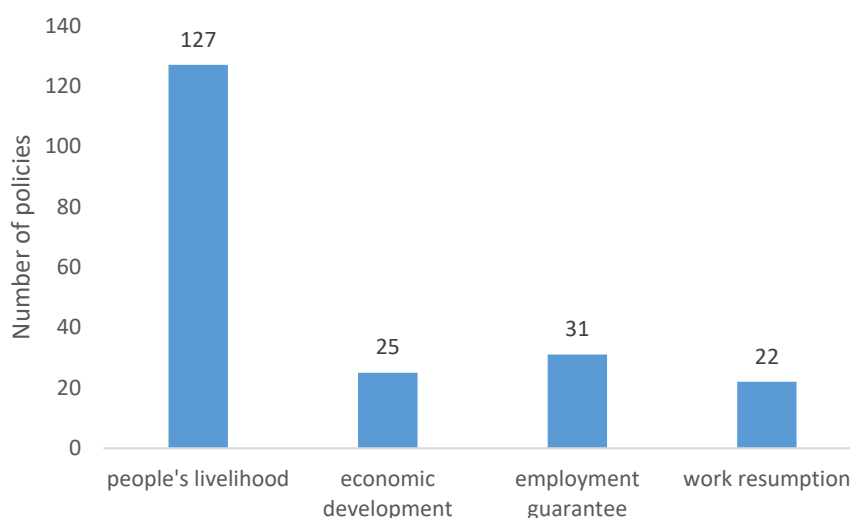


Figure 1: Number of policies.

In the condition of well-controlled epidemic situations, for the purpose of advancing work resumption and promoting sound socioeconomic development legally, orderly and smoothly, the governments at all levels have issued a total of 215 relevant policies (Figure 1) including 127 policies concerning people's livelihood, 25 concerning economic development, 31 concerning employment guarantee and 22 concerning work resumption, which significantly spurred the national economic recovery and effectively ensured the stabilized employment and accelerated work resumption.

2. Multiple Measures of Response to COVID-19 to Consolidate Work Resumption

In the early stage, China achieved good results of epidemic prevention and control at the cost of temporary economic slowdown with ensuring economic pains in the short run. Except for CPI, all the other major economic indicators showed a declining trend such as industry, service and outward economy. In January and February 2020, China's cumulative growth of industrial added value dropped by 13.5 percent, the service production index had a year-on-year decline of 13 percent and the total imports and exports fell by 11 percent. Due to efforts from the government, the work resumption rates of enterprises above the designated size in many regions reached 90 percent and above. As of March 20, 2020, the resumption rate of major projects was reported as 89.1 percent[1]. Though the rate of medium-, small- and micro-sized enterprises was relatively lower, their recovery was expected to take on a faster pace due to the stimulus policies. Based on the ratio of "cumulative active working population after the Spring Festival Holiday"(January 31, 2020) to "baseline active working population in December 2019", there were 20 provinces with at least 70 percent of overall work resumption rates. The specific outcomes were as follows:

2.1. Releasing Countermeasures Immediately and Seizing Very Minute to Develop Relevant Policies

First, boosting work resumption by positive supporting policies of local governments. When the epidemic situation eased in March 2020, the Chinese government took a quick response to issue policies, guarantee employment, support work resumption, launch online recruitment campaigns and aid Hubei province that effectively ensured materials supply and work resumption. Hubei successively issued 20 policies on lowering costs, 10 policies on stabilizing and boosting employment for enterprises, 45 policies on the service sector, 13 policies on stabilizing the industrial economy, 13 policies on supporting medium- and small-sized enterprises and self-employed individuals, and 18 policies on accelerating consumption recovery with the more prominent effect of policy implementation. Nanjing released the Several Policies and Measures of Nanjing City to Promote Stable Industrial Economic Growth that contained 15 measures to find alternative solutions on the supply of key spare parts and major raw materials, establish an efficient interactive and coordinative mechanism for epidemic prevention and control in the metropolitan circle, and solve the challenges to industrial enterprises [2]. Henan province set up a "1+1+N" policy system and the provincial economic operation dispatching mechanism under regular epidemic prevention and control, and created a "four-guarantees-in-one" dispatching platform to realize the horizontal connection of departments and vertical connection of provincial and municipal governments, thus accelerating the implementation of policies benefiting enterprises.

Second, quickly establishing a 24-hour guarantee mechanism of labor dispatching for key enterprises. The government clearly defined a list of 10,000 key enterprises and appointed 4,000+ service staff to go deep into the enterprises and carry out mobilization in counties and villages. Through multiple measures on special employment, assistance in work resumption, labor dispatching and organizing probation, and joint efforts in over three months, the departments at all

levels dispatched 550,000 workers to 10,000+ enterprises, and the work resumption rate of these enterprises reached 99 percent [3]. They launched connecting service platform and App to offer targeted, real-time and round-the-clock liaison services on enterprise employment, and totally sent over 6 million migrant workers back to their posts in a safe and orderly way, which included 1.6 million impoverished workers.

Third, launching the innovative online recruiting campaign of "10 million jobs in 100 days". Concentrating on the critical sectors, regions and communities, the government-held over 14,000 special-featured online job fairs in different time intervals that released information on over 27 million jobs of over 2 million employers, and received nearly 20 million applicant resumes, serving as a special channel of job matchmaking in the context of the pandemic.

2.2. Overcoming Negative Impact of the Pandemic, and Achieving Employment Goals and Poverty Alleviation as Scheduled

2020 was the year of a decisive battle against poverty for China, and it was of special significance to finish the task of poverty alleviation on schedule. Withstanding the enormous impact brought by COVID-19, the Chinese government took the employment guarantee and poverty alleviation as a key approach in this decisive battle and an important political responsibility to spare no efforts to fight against the pandemic. First, relevant authorities immediately released 3 general documents and 9 specific documents to provide unusual policy assistance to poverty alleviation. 15 provinces and regions organized on-site investigations of stabilizing employment, conducted telephone surveys of 10,000 people and dispatched impoverished workers to other places by month [4]. Second, China encouraged the eastern and western provinces and regions to sign memorandums on jobs and labor dispatching, and required local governments to prioritize the work resumption of the leading poverty alleviation enterprises and workshops. For those unable to lift themselves out of poverty or jobless persons, public welfare jobs were arranged for them [5]. Third, forums and press conferences on employment for poverty alleviation, and the publicity themed with "working is the most glorious, hard work for poverty alleviation" were held to create favorable consensus. China also actively connected poverty alleviation and the strategy of rural vitalization systematically and initially proposed the idea of policy adjustment after fully sorting out and streamlining the policies on employment and poverty alleviation [6].

2.3. Stabilizing Employment Fundamentals to Maintain a Steadily Upward Momentum of Employment

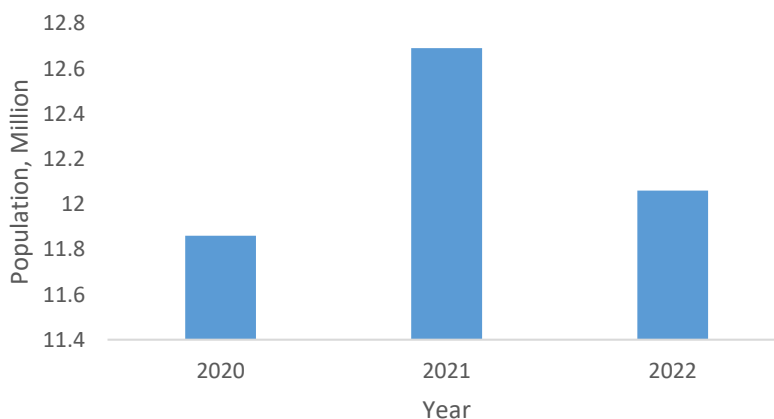


Figure 2: Number of new urban jobs population in China from 2020-2022.

Facing the unprecedented impact of the pandemic on the economy and employment, China promptly made the important decision of coordinating epidemic prevention and control with economic and social development, and gave the top priority to the "six securities" to guaranteeing employment. Under the joint efforts of all authorities in various places, a total of 10.99 million new urban jobs were created from January to November, 2020 and the surveyed urban employment rate declined from 6.2 percent in February to 5.2 percent in November. The overall employment situation remained stable and was better than expected (Figure 2).

First, prioritized employment policy were improved. China innovated and implemented 28 groundbreaking policies, released a list of employment subsidy policies and an online application channel, and spent over 100 billion yuan on employment subsidies and special awards, forming a policy safety line for employment [7].

Second, employment was encouraged by promoting entrepreneurship. China released opinions on supporting flexible employment via diversified channels, uplifted the business startup credit quota to 200,000 yuan, and expanded its coverage to the platform employees. In the first three quarters of 2020, the business startup loan balance registered 197.5 billion yuan, a year-on-year increase of 43 percent, which broadened the channel for job growth in the context of the pandemic.

Third, priorities were given to the employment of critical groups. China expanded the scale of recruitment and probation of university graduates in enterprises, government-sponsored institutions and grassroots programs, started a campaign to propel employment and business startup, organized regular online job fairs and other cloud-based services like "live streaming job fair", launched the graduates' employment service platform and the mini program of employment registration, and provided assistance to the unemployed graduates in a real-name way [8]. In addition, China improved the policy of supporting employment and business startup of peasant workers, expanded the channels for migrant workers to find jobs away from home or in nearby places, and offered the service of employment equality. Employment assistance was provided to the disadvantaged groups and public welfare jobs were available as the bottom line [9].

Fourth, employment services were improved and refined. China intensified the serial special activities of employment services, prolonged the private enterprise recruitment week to a month, enhanced online recruitment and orderly rehabilitated offline services. The information of a total of 100+ million jobs was publicized. A campaign for employment and business startup services was launched with refined services and prioritized assistance to the key groups. An online unemployment registration platform was opened to accept and review the registration of the unemployed [10].

Fifth intensive trend monitoring was conducted. China conducted a statistical survey of employment and enterprise operation, strengthened the big data analysis and application of market entities and mobile communication, organized several rounds of on-site employment investigations, and established monthly analysis and consultation mechanism to timely evaluate the employment trends[11]. The government also constantly tracked the international employment situation, gave quick feedback on domestic employment updates, and compiled influential reports on international employment research and employment messages.

3. Significance of China's Work Resumption in the Context of the Global Pandemic

The global pandemic had a severe exogenous impact on the weak and fragile world economy, and the uncertain duration affected both the production and consumption sides. The sectors with high people mobility bore the brunt that tourism came to a halt while transportation was seriously affected. The rampant virus also had a negative impact on the expectations of economics, resulting in panic and ensuring volatility of the financial market [12]. The US stock market experienced four

stock halts in merely two weeks. The escalating pandemic brought the transportation and industrial production of all countries to a standstill, and the international production of countless products and services slowed down or stopped, which worsened the global economic situation. Therefore, China's full and rapid work resumption is of far-reaching significance to consolidating global confidence and spurring economic resurrection as a response to COVID-19.

3.1. China's Work Resumption Maintains the Continuity of the Global Industry Chain

China's rapid economic growth has injected considerable vitality into the world economy. Since 1978, China has witnessed great economic growth and became the world's second-largest economy in 2010. The swelling size and uninterrupted high-speed growth further highlighted the importance of China's economy. From 1981 to 2015, the absolute impoverished population as per the World Bank standard was reduced by over 60 percent, of which China contributed a reduction of 76.2 percent[13]. China's driving effect is reflected by both the statistical increment of the world economy and its role in the global value chain. Relying on its large economy size and internal demand, China follows the trend and changes the development pattern, which will be an even stronger impetus to the world economy with more international responsibilities.

3.2. China's Work Resumption Guarantees the Epidemic Prevention Supplies to the World

After devoting the resources of the whole country, China has basically curbed the epidemic's spread. In this post-pandemic period, China's experience in both epidemic prevention and control and work resumption is of importance to the world economic stability.

First, with the epidemic breaking out in multiple places, many countries adopted measures like regional lockdown and work suspension. In particular, some countries with limited productivity that heavily relied on imports for domestic needs had incurred several cases of intercepted import supplies. Owing to suspended production, quite a few countries did not have adequate epidemic prevention supplies, causing it to further spread. China's quick recovery of production capacity effectively supported other countries in addressing the shortage issue. Since the interruption of production had a great impact on the daily life of foreign people, in the condition of meeting domestic needs, China tried its best to make full of its huge capacity to provide a certain amount of supplies to other countries, helping them fight against COVID-19[14].

Second, as the biggest importer of 33 countries and the biggest exporter of 65 countries, China is an indispensable part of the global industry chain, while it is hard for countries to find an alternative trade partner other than China, especially in the context of the pandemic. China boasts the largest scale manufacturing industrial system with the most complete categories and supporting facilities, and its advantage in the global industry chain is irreplaceable. China's position in the global industry chain and supply chain will remain unchanged. The overseas work interruption led to an overstock of materials and intermediate products while China is a key destination for production capacity. As a result, China's work resumption plays a significant role in smoothing the global industry chain[15].

3.3. China's Work Resumption Consolidates the Confidence in Global Epidemic Prevention and Control

China's epidemic prevention and control showed the first-mover advantage and institutional advantage with Chinese characteristics. The first-mover advantage reflects the solidarity and perseverance of the country to timely control the pandemic by devoting all focus to it. China's institutional advantage ensured the unity of the country to concentrate resources to accomplish the

major task. China quickly gathered the best medical resources throughout the country to control the epidemic spread within certain regions, which provides a reference to other countries. China's work resumption measures also serve as an effective experience for global economic growth. Once again COVID-19 tested the organization of mankind in response to a major crisis, forcing people to think about the reform or possible restructuring of the global governance system. Gradually incorporating both oriental and occidental wisdom in the global value chain governance system is an important measure to reverse the downturn of the world economy and prevent the adverse trend of anti-globalization.

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