

CREATING WORKER-MANAGEMENT COMMITTEES TO PROMOTE WORKERS' VOICE IN CHINA

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ABSTRACT

From 2002 to 2007, a bilateral project on labor in China was undertaken with support from the U.S. Department of Labor and in cooperation with China's Ministry of Labor and Social Security (now the Ministry of Human Resources and Social Security). One element was a demonstration project in the city of Qingdao that created worker-management committees in companies to discuss and resolve workplace issues. Over an 18-month period, elected worker representatives and management appointees met bimonthly. An analysis of the records of these meetings and examples of workers' strategies for gaining agreement provide a window on both the kinds of issues of concern to workers and also the tactics used by workers to seek agreement. The worker-management meetings provide a possible approach to introducing greater workers' voice into the management routines of Chinese companies.

INTRODUCTION

The rapid industrial growth following China's economic liberalization, which began under Deng Xiaoping, has led to widespread changes. Foreign direct investment, often in joint ventures with Chinese partners, has mushroomed. Many formerly state-owned enterprises have been privatized or have otherwise taken on characteristics of the private sector. With the economic expansion and loosening of the *hukou* (household registration) system, internal migration has brought masses of rural workers to the cities (Liang, 2001). Estimates of the number of migrant workers in China vary. The online English-language People's Daily put the number of rural migrants at 230 million, with almost two-thirds of that number working outside of their home areas for at least six months (People's Daily Online, 2010). Another analysis gives a somewhat lower number, but emphasizes that migrant workers represent large proportions of the workforce in major sectors of the economy, such as manufacturing, mining, construction, and service (Nang & Ngai, 2009).

Industrial relations practice in Chinese companies has lagged behind these seismic economic and social changes. Survey results suggest dissatisfaction among workers with labor relations, with concerns about autocratic behavior by management, abusive disciplinary procedures, and unfair distribution of rewards (Cooke, 2002). Such discontent seems to have been magnified as a so-called "Generation 2" of migrants, with more education, greater awareness of the law, and less tolerance of oppressive working conditions, has entered the labor force (Gallagher, 2006; Larsen, 2011; Nang & Ngai, 2009). Labor disputes have proliferated, reflecting a range of problems, from pay conflicts to exploitation of "student interns" (Su, 2011). Official Chinese statistics, which tend to underreport incidents, indicate that in 2008 there were almost twice as many labor disputes as in the previous year: almost 700,000 disputes involving 1.2 million workers (Congressional-Executive Commission on China, 2009). High profile news accounts of suicides at Foxconn's mega-factory in Shenzhen and strikes at Honda and Toyota production facilities have highlighted stresses in the new industrial regime (Barboza, 2010a; Bradsher, 2010; Zheng, 2010).

In 2002, the U.S. Department of Labor, working in coordination with the Chinese Ministry of Labor and Social Security (MOLSS; subsequently combined with the Ministry of Personnel to create the Ministry of Human Resources and Social Security), initiated a multipart demonstration project addressing labor issues in China. This initiative, the U.S.-China Labor Law Cooperation Project, focused on labor law and labor relations in China. The project had four specific objectives: (1) to enhance China's capacity to develop and implement labor laws/regulations; (2) to increase awareness among migrant workers of their rights and how to address possible violations of those rights; (3) to improve labor relations; and (4) to achieve increased use of the legal system (U.S.-China Labor Law Cooperation Project, 2007). The University of Michigan's Institute of Labor and

Industrial Relations (now the Institute for Research on Labor, Employment and the Economy) participated in working on the third objective, and Jinyun Liu, director of the institute's Center for China Employment and Labor Relations and first author of this article, served as the "team leader" for the efforts to improve labor relations. A central part of this initiative was a demonstration project designed to create and operate worker-management committees (WMCs) for joint problem-solving.

In this article, we analyze the issues raised in these WMCs, and, in doing so, we shed light on the pressures and problems facing both labor and management in the Chinese economy. We find, on the one hand, that the experiences of these Chinese WMCs in many respects mirror the role of comparable committees in the West. Yet on the other hand, the data also reveal issues specific to China's social and economic context and the situation of Chinese workers at this particular point in time. Qualitative data suggest that even in the absence of traditional unions, workers are able to exert pressure for the resolution of their workplace problems.

CREATING WORKER-MANAGEMENT COMMITTEES IN QINGDAO

The city of Qingdao sits on the coast of the Shandong Peninsula in northeastern China. Overlooking the East China Sea, it has long been a popular seaside resort. Like other parts of coastal China—and spurred by both its attractive location and its proximity to Korea—the Qingdao area has experienced extensive economic development and has become a major commercial and industrial area in China. Popularly known abroad as the home of Tsingtao beer, it has a diversified economic base, including extensive manufacturing, agricultural, and technical/engineering operations.

The site of the demonstration project and the structure of the WMC approach reflect policy decisions on the part of the Ministry of Labor and Social Security. The Qingdao region has a history of economic innovation. It was a pilot city in the 1980s for the early movement away from state-owned enterprises and the "iron rice bowl" of benefits and security provisions that characterized China's centrally run economy. Given this background, it was seen as a promising site for the demonstration project.

The decision on the nature of the labor-relations initiative reflected the goal of reducing labor disputes in a manner that would not disrupt the broader societal power dynamics. During the planning stages, a delegation from the Chinese ministry met in the United States with a range of experts in U.S. labor relations. This included meeting with the Federal Mediation and Conciliation Service (FMCS). This public agency was created in 1947 as a result of the Taft-Hartley Labor-Management Relations Act, which was passed in response to the sharp increase in labor disputes in the United States following World War II. Initially, the purpose of the FMCS was to serve as a neutral third party assisting labor and management in the resolution of bargaining impasses. An FMCS account of its

history notes that it was “given the mission of preventing or minimizing the impact of labor-management disputes on the free flow of commerce by providing mediation, conciliation and voluntary arbitration” (FMCS, n.d.). The 1978 Labor-Management Cooperation Act extended the charter of the FMCS to include the establishment and maintenance of joint labor-management committees.

The FMCS’s conventional approach to labor-management committees was not a perfect fit with the Chinese situation because it works almost exclusively with unionized companies. Labor-management committees in the United States are limited to addressing issues that are not typically addressed at the bargaining table. For instance, specific policies regarding worker health and safety are often delegated to labor-management committees to enable the parties to respond rapidly to new information or conditions, such as changes in health and safety law or alterations to the work environment. In the United States, labor-management committees are legally subordinate to the collective agreement and represent areas where the parties share similar objectives and agree on the value of joint problem-solving. More contentious or distributive topics, such as compensation, are typically reserved for collective bargaining. Because unions in China typically do not act as representatives of workers and collective bargaining remains rare, these alternative modes of problem-solving were not available in China. The Chinese name most often used for the committees that were set up in the Qingdao demonstration is translated as “labor relations committees.” In this article, we use “worker-management committees” (WMCs) rather than “labor relations committees” or “labor-management committees,” to suggest the dynamics of the process but to avoid the use of “labor,” which is often understood to refer to “organized labor.”

Although industrial relations in China present a different context for the implementation of worker-management committees (e.g., there are virtually no Western-style unions or collective bargaining agreements), the Chinese ministry found the FMCS approach particularly well-suited to its concept of a problem-solving approach that would fit the Chinese situation. One key factor was that the government plays a central role in the FMCS model. This allowed local labor officials to directly participate in the demonstration project and to monitor the responses to the project by employers and workers. A second factor was the emphasis on joint problem-solving at the enterprise level, which is a major locus for conflicts. For these reasons, the ministry decided to adopt the FMCS model with the idea that worker-management committees would be developed with the support of neutral third parties (local government officials and a legal NGO). These committees were seen as holding the promise of improving labor relations in a manner consistent with the Chinese government’s expressed goal of “harmonious” labor relations.

The project director worked with the Qingdao Labor Disputes Arbitration Tribunal (henceforth, the “Labor Disputes Tribunal”), a division of the Qingdao Municipal Labor and Social Security Bureau (the local MOLSS office), in the development and implementation of this project. The initial steps involved the

creation and approval of an implementation plan by the Chinese and American partners. Following this, the Labor Disputes Tribunal recruited one or two companies in each of Qingdao's 13 administrative districts. Once the companies agreed to participate, an orientation session was held to explain the project and the anticipated role and function of the worker-management committees. Training was a key part of the project. A Chinese legal-service NGO participated in designing and carrying out the training for the worker and management participants in the companies. FMCS personnel were directly involved in the initial training of the 15 Qingdao companies.

In accordance with the FMCS model, the WMCs in Qingdao were made up of equal numbers of representatives of management and workers. Management representatives were appointed by the company; worker representatives were selected through an election process organized by the Labor Disputes Tribunal. Each WMC agreed to ground rules for the meetings and created a written charter. The committees then met over the course of 18 months (including the initial organizational and training meetings). At these meetings, either side could raise issues for consideration. Representatives from the Labor Disputes Tribunal attended the meetings. They recorded the issues discussed and the outcomes of the proceedings.

Most of the 15 companies that participated in the Qingdao demonstration project were in manufacturing (see Table 1). They ranged in size from a 260-employee plastics manufacturer to two large footwear makers employing 9,000 and 11,000 people, respectively. The 15 companies reflect a variety of ownership patterns. Four were joint ventures between China and a foreign partner (the United States, Korea, or Japan). There were also three companies that were completely foreign-owned—one United States company and two Korean companies. The remaining eight were Chinese, including a Hong Kong company. One of the Chinese companies was a state-owned enterprise.

Eleven of the 15 companies were "unionized" in the sense that they had a local (enterprise) branch of the All China Federation of Trade Unions (ACFTU), the organization to which all unions in China must belong. Although the ACFTU's role in China has varied over time, for the most part it serves as a branch of the Communist Party at the central as well as the local level (Han & Monshima, 1992). Within companies, the ACFTU is part of the management structure, and it does not generally seek to represent or advocate for the interests of workers in its relationship with management (Baek, 2000; Hong & Warner, 1998; Taylor & Li, 2007). There are some indications that with economic liberalization the ACFTU may become more of an advocate for workers, particularly in foreign-owned companies (Chan, 2009; Friedman, 2009). The unions within the participating Qingdao companies, however, were more characteristic of the general AFTCU approach and served as an arm of management. When union officials served on the Qingdao worker-management committees, they participated as representatives of management, not as worker representatives—they sat on the management side of the table.

Table 1. Companies in Qingdao Demonstration Project

	Ownership	Size of workforce	ACFTU Present (X)
Manufacturing			
Athletic footwear	Korea	11,000	X
Athletic footwear	Korea	9,040	X
Brewery	China-U.S.-Hong Kong	3,500	X
Rubber products	China	3,300	X
Washing machines	Hong Kong	3,000	
Vehicle electrical components	United States	3,000	
Electronics, molding tool	China-Japan	2,600	X
Vehicle components, non-electrical	China	2,100	X
Paper	China	2,000	X
Motorcycle accessories	China	800	
Knitted products	China-Japan	700	X
Container manufacturing	China	600	X
Plastic and paper products	China-United States	260	
Services			
Business services	China	1,850	X
Hotel	China (state-owned)	860	X

The companies that chose to participate in the demonstration project were motivated by a variety of factors. The fact that the local government labor bureau was involved was certainly a factor. But a common feature was the desire to avoid labor disputes. As noted above, work-related disruptions are a growing problem in China. Labor disputes in Shandong Province, where Qingdao is located, increased from 15,003 in 2002 to 24,520 in 2007 (China Ministry of Labor and Social Security, 2008). Chinese companies have traditionally been very hierarchical, without the communication channels necessary for the early identification of problems. Similarly, there are seldom any established processes for managing disputes once they arise. According to the labor bureau personnel in Qingdao, some of the participating companies did occasionally hold “worker assemblies” prior to the demonstration project, but these tended to be annual events and did not provide a regular interchange. The WMC model was attractive because it established a formal communication system without ceding ultimate managerial authority.

Another factor motivating some of the companies to participate was the desire to have (or, at least to be perceived as having) progressive and humane labor relations. This was particularly important for companies involved in export relationships. Foreign buyers—especially those which are “name brands”—have become increasingly sensitive to the negative impact of being associated with suppliers who are violating international labor standards. In this context, having a worker-management committee could serve as an indicator of a positive labor relations environment.

Looking at labor relations from the perspective of workers, continuing and escalating efforts have been made to assert their workplace rights. Although China’s labor law ostensibly provides various protections, the lack of specificity in the law and failures of enforcement have rendered legal protections less than adequate (Cooney, 2007; Keller, 1994; Zhao, 2009). Participation in company-based labor-management committees has led to some positive outcomes in China, for example, in the area of health and safety (Chen & Chan, 2010). But for the most part, workers do not have regular channels of communication with management, and they have no confidence in the ability or inclination of the ACFTU to represent their interests (Nichols & Zhao, 2010). Although labor NGOs have sought to fill part of the gap left by the failure of the ACFTU to operate as a union, their scope of action has been limited (Xu, 2013).

Workers’ participation through joint committees could provide a useful option for building the workers’ voice. Although such initiatives are only advisory, management realizes that failure to resolve differences could lead to more disruptive actions. China has a long tradition of popular disputes, such as those seen in labor protests, especially by migrant workers (Croucher & Miles, 2010). It is within this context of increasing worker actions that workers, as well as their companies, are willing to consider worker-management committees as one organizational way to seek improvements in the workplace.

TOPICS ADDRESSED BY THE WORKER-MANAGEMENT COMMITTEES

As described above, the WMCs met on a bimonthly basis for nine meetings. During these sessions, Labor Disputes Tribunal members participated as observers and recorded information about the issues raised by both workers and management. For each committee meeting, the Labor Disputes Tribunal official who was responsible for that district of Qingdao was present and kept notes on the issues raised. These notes listed the nature of the issue, the proposed course of action to address the issue, information on the implementation status of this course of action, and, if relevant, the reason why management did not accept a proposal. Occasionally, the tribunal observer would provide supplementary comments. The analysis of the topics addressed is based on the translation of these Labor Disputes Tribunal records.

These records were analyzed by the authors using an iterative process. Each author independently reviewed the data to identify generative themes and patterns, and then the authors convened to share notes, clarify ambiguities, and reach a consensus on how to understand the issue. This process was repeated approximately once every two months over the course of one year. Although the notes were often brief, most of the issues and outcomes were adequately described, providing a perspective on the issues addressed by the committees. For some of the issues, however, the record of the proceedings is ambiguous. For example, in some cases, the description is too brief for the issue to be identified (e.g., “about salary plan adjustment” or “about whether or not to set up workers technician system”). In some other cases, it was not clear what the exact issue was. For example, one company’s WMC meeting addressed the “overtime working issue,” but the notes did not provide a clear idea of what aspect of overtime was being addressed. Although several actions in response to the issue were identified, including having a “strict overtime application system” and educating the “employee to think [about] overtime in the right way,” it was still unclear what the issue was and whether it was raised by management or worker representatives. Often the first author of this article was able to clarify ambiguities because of his direct experience with the demonstration project. Some of the issues, however, remained too unclear for conclusions to be drawn. For this reason, the research team decided to focus on the substance of the issues, where that substance was clear, rather than on the committee outcomes. During the 14-month demonstration period, the 15 WMCs addressed over 200 separate issues. The Labor Disputes Tribunal observers divided the issues raised into eight categories, as displayed in Table 2.

Work Safety and the Worksite

The largest category of issues, accounting for over a quarter of the issues discussed, was classified as “Work Safety and the Worksite.” Within this category, health and safety concerns accounted for almost half of the topics raised (21

Table 2. Issues Discussed by the Qingdao
Worker-Management Committees

Issues	Number	Percentage
Work safety and the worksite	56	27.6%
Employee life	52	25.6%
Wage issues	22	10.8%
Employee training	21	10.3%
Working hours	11	5.4%
Employee rewards/discipline	10	4.9%
The labor contract	6	3.0%
The worker-management committee	6	3.0%
Other	19	9.4%
Total	203	100.0%

of the 56 issues). These topics are similar to those seen in workplaces in the West, such as upgrading ventilation systems, improving the availability of protective equipment, and addressing unsafe physical situations (e.g., slippery floors). Relief from hot working conditions is explicitly mentioned in five of the cases.

Eighteen topics in this category can be understood as related to shop-floor operations, including the handling of work assignments and quality control. Several proposals dealt with issues that are usually considered management prerogatives in the United States, such as the assignment of workers to new production lines, the quality of raw materials, and the attitudes and managerial styles of supervisory staff. Other issues in this category reflect amenities in the workplace, frequently overlapping with health and safety. For example, the availability of uniforms was raised in eight meetings. While this may be a fringe benefit or amenity, it may also be relevant for health and safety. This same ambiguity applies to topics related to the quality and availability of showers and bathrooms.

Employee Life

The second largest set of topics—accounting for another quarter of the total—was categorized by the Labor Disputes Tribunal members as “Employee Life.” Included in this category are issues such as those relating to cafeterias and housing conditions. The nature of housing options and the quality of cafeterias often play an important part in a company’s competition for workers. Additionally, as part of the overall pay package for workers, favorable living arrangements can enable employers to pay a lower overall wage to their workforce (Barboza, 2010b). Beyond the bread-and-butter benefits, employers also provide a range of social

activities and, in some cases, educational opportunities. The topics grouped under “Employee Life” reflect these aspects of the Chinese workplace.

The largest number of “Employee Life” issues involve improvements to dormitory conditions—such as better bathroom facilities, better mattresses, and general improvements in the physical environment. These are particularly relevant because of the large proportion of migrant workers working in the companies under discussion. In addition to material conditions, some of these issues involve administrative arrangements, such as the setting up of dormitory assignments that minimize the disruption of the sleep of employees working different shifts. A number of “Employee Life” topics address improvements to social activities, both in the dorms and for the general workforce. Examples include holding table tennis tournaments, showing more movies, and planning recreational trips. The WMCs also raised suggestions for improvements to their cafeterias (e.g., lowering prices and expanding breakfast options). Another important dimension of social activities that came up in the discussions relates to arrangements for special holidays, such as the Spring Festival. At these very busy travel times, employers often arrange bus and railroad transportation to enable migrant workers to return home for celebrations. Other topics under “Employee Life” address issues such as improvements in the company’s local bus service and the subsidizing or provision of child care.

Wage Issues

The Labor Disputes Tribunal observers categorized a little over 10% of the issues as related to wages. The relatively small number of wage issues may reflect the fact that the tribunal (based on advice from the FMCS trainers) encouraged the WMCs to avoid these issues at the early stages of the WMC process in order to enable them to start off with less potentially contentious issues.

The wage issues raised in the WMCs include questions about basic wage levels, pay differentials for “heavy work,” the compensation associated with different classifications, and whether a particular period of work should be treated as overtime or paid at the normal rate. Pay levels were also discussed as a way to recognize positive worker outcomes (e.g., safety or attendance bonuses). The discussions in response to several questions raised in the WMCs appear to be clarifications on the part of management—that is, management responded to a question raised by providing the rationale for a practice. For example, one worker-management committee questioned why deductions were made from the pay of line workers who quit. The response by management was a description of its rationale, which was based on the failure of the workers to give adequate notice. Wage issues typically involved group concerns. In one case, however, a WMC raised the issue of how a particular individual was compensated during his sick leave. While it was addressed to the situation of a single worker, the outcome apparently set a precedent for how others in a similar situation would be treated.

Table 3 presents the wage issues in terms of whether they related to the workforce or to specific individuals and our understanding of the outcome of the discussion. As noted in the table, three of the issues, while related to remuneration, were judged not to be directly related to wages. The assessment in the table suggests that from the perspective of workers somewhat over half of the wage-related topics resulted in a positive outcome.

Several “wage” topics reflect specific characteristics of the Chinese social welfare structure. For example, there were questions that related to China’s social insurance system and payments/coverage of workers. Within China, issues often arise concerning employer payments into social insurance accounts, the treatment of short-term workers, and coverage for migrant workers who return to their home district. Topics also address procedures for the issuing of health insurance and pension cards, as well as procedures for withdrawing from the pension fund.

Employee Training

Ten percent of the issues discussed in the WMCs were related to employee training, with most targeted to improving how workers carry out their jobs. Some of the topics suggest a sophisticated interest in training, emphasizing worker assessment and alternative training delivery methods, and attending to the theory-to-practice gap. Other training interests include language training, in English, Korean, and Japanese, and computer training. There was also a topic addressing “law education.” This appears to be related to an ongoing government requirement that local governments and companies annually engage in efforts to increase knowledge of the law.

Table 3. Apparent Outcomes of the Topics Requesting Wage/Payment Increases

	Granted	No Agreement Reached	Total
Related to:			
Group of workers	10	6	16
Individual worker	1	2	3
Total	11	8	19*
	57.9%	42.1%	

*Three of the topics included within the 22 “wage issues” were judged to be related to remuneration but not specifically to wages (e.g., social insurance procedures).

Working Hours

Eleven of the topics were classified by the Labor Disputes Tribunal representatives as related to working hours, for example, the idea of reducing overtime (often raised by management), time off for holidays, and sick leave. In one instance, the issue concerned the effect of work scheduling on prepared food, which was going to waste in the company cafeteria, with the result that procedures were changed to reduce wastage. Another work-hours issue was a request to delay the “punch-in” time by 20 minutes to accommodate workers who take their children to school before they report to work. This change was also implemented by management.

Employee Rewards/Discipline

The “Employee Rewards/Discipline” category includes 10 topics related to rewarding “outstanding employees” and disciplining workers who have violated work rules. The rewards topics included recognition, such as the recognition of the “Individual of the Year” and rewards for perfect attendance. Examples of topics related to discipline included a discussion of the discharge of one group of workers who had falsified sick leave reports and another group whose members were drinking on the job. In both cases, the “action” recorded was an explanation of what the company had done rather than any change in those actions.

The Labor Contract and the Worker-Management Committee

A small number of topics were classified as relating to the labor contract and to the functioning of the worker-management committee. Most of the labor contract issues involved efforts to retain valued workers, the reassignment of redundant workers, or the handling of seasonal variations in the demand for labor. The few issues grouped under the “Worker-Management Committee” category involve the initial creation and functioning of the worker-management committee, reviewing its progress, and thinking about its future. In one company, the worker-management committee discussed whether to establish similar committees in other branches. In another company, one topic concerned possible names for the committee, including the suggestion that it should be called the “Heart to Heart Communications Committee.”

Tribunal representatives categorized a variety of topics as “Other.” About half of these can be broadly understood as dealing with communication in the workplace. Some are explicitly about communication, such as the establishment of a suggestion box and the instituting of an employee satisfaction survey. Others are about communication in a more general sense (e.g., efforts to boost morale, having managers eat in the employees’ cafeteria once a week to increase their understanding of employee perspectives, and efforts to address the negative attitudes of some foremen). The rest of the topics in this category might also have been classified under one of the other categories. For example, some seem to address “Employee Life” (e.g., a holiday dinner for workers who were not returning home)

or “Wages” (e.g., a question about how pension contributions are reported to employees).

DYNAMICS OF THE WORKERS’ VOICE

Although management did not cede decision-making to the WMCs, anecdotal experiences provide some sense of the ways in which workers were able to exert their power. These included building arguments through fact-finding, taking action in the workplace, developing community support, and using governmental regulations.

Fact-Finding

In one of the Qingdao factories, which produced athletic shoes, workers complained that their protective masks were not effective in an area of the plant subject to airborne chemicals. Management rejected this assertion, saying that the masks were the best on the market and there were no alternatives that were more effective. Worker representatives did not accept this assessment. They used an instant messaging system on their cell phones—a system known as QQ in China—to contact workers in other factories to learn about their experience with individual respiratory protectors. Based on the feedback they received, they identified and documented the existence of a better mask. Faced with this information, management changed to the use of the mask that the workers had recommended. In addition, based on the information gathered by workers, that other companies issued new masks daily, workers were also able to achieve agreement on that change.

In another company, management raised the issue of the impact of inflation on the cost of providing subsidized meals in the factory’s cafeteria, saying they were going to raise prices. The workers on the WMC disagreed with this increase. Before the next meeting, the WMC identified alternative ways of addressing the rising costs, such as purchasing more of the food from local farmers, changing procedures to increase efficiency in providing rice, and using leftover food as animal feed. The next WMC discussion resulted in changes that avoided increasing the price for workers.

Workplace Activism

In some cases, workers exerted their power through workplace actions. Following the Qingdao demonstration project, WMCs were established in other Chinese companies. In a company manufacturing sports equipment, workers on the WMC raised objections to the company policy prohibiting cell phones on the manufacturing floor. This restriction was based on concerns about industrial espionage—that the cameras on cell phones could be used to take pictures of newly designed products and on the shop floor and sold to those making counterfeit versions. The company had metal detectors and workers who were found with cell phones had to return them to their dormitory. Since workers knew about this restriction, most did not bring their cell phones to work. However, the migrant workers objected to this

restriction, because cell phones were the only way that their families could reach them if there was an emergency during the working day.

At the WMC meeting, management refused to discuss the policy. They said that workers' families could call the main factory number in an emergency. But for the migrant workers, this was unsatisfactory because their families typically spoke a dialect that would not be understood by the factory telephone operators.

When management refused to discuss this further, workers organized a workplace action. They encouraged all the migrant workers to bring their cell phones to work. The metal detectors found the cell phones and workers then had to return to their residence to put their phones away. This created widespread delays in starting work and resulted in lost production. At the next WMC meeting, management agreed to discuss ways to address the concerns of the workers. Eventually it was agreed to set up "hot-lines" that were connected directly to each department, so that if a family member called with an urgent problem, someone in the department who understood the caller's dialect would be able to help.

Developing Community Pressure

In one of the Qingdao companies, shower times were restricted, with the result that workers were often unable to take showers at the end of their shifts. When management representatives on the WMC proved unwilling to change the system, workers went as a group to the communal bathhouse outside the factory, making it impossible for area residents to use it. The local authorities protested to the company and, as a result, the management representatives on the WMC reopened the discussion and extended the hours when the factory showers were available.

Using Government Regulations

Workers also researched government regulations, which they could use as leverage to obtain management's agreement. For example, workers in the WMC at the sporting-goods manufacturer (mentioned above) believed that they were not being given adequate subsidies for working in very hot conditions. When the management representatives on the WMC refused to provide these subsidies, workers looked into the government guidelines for providing "Summer High Temperature Subsidies." Armed with this information, they confronted the management representatives at a subsequent WMC meeting and said that they would bring the issue to the local government arbitration tribunal. Faced with this possibility, management agreed to their request for the subsidies.

These examples suggest some of the ways in which the worker representatives and their constituents were able to exert pressure for change, in the absence of a traditional union structure.

DISCUSSION

The Qingdao effort to develop joint worker-management committees operated at a unique intersection of Chinese and American notions of government action, trade unionism, workers' voice, and "harmonious" workplace relationships. The opening up of the Chinese economy and its headlong success in economic development has led to massive social changes. Throwing off the rigidities associated with their traditional approach, which featured centralized economic planning and state ownership, the Chinese are experiencing regular double-digit economic growth figures and a rapid enrichment of segments of the population. Masses of internal migrants from rural areas and from the cities of central and western China have flooded into the coastal areas that have been the centers of the new economic activity. This dynamic has continued to evolve, with development spreading inland and wages rising. But these changes have also raised the specter of instability caused by growing inequality. The broad, lifelong security provided by employment in a state-owned enterprise has disappeared. Income disparities have grown and become more visible. As China enjoys the fruits of its economic growth, its leaders are always cognizant of the potentially destabilizing aspect of the social and economic changes. This is nowhere more apparent than in the institutions of the workplace, where labor disputes can provide the seeds for wider social disruption.

The Qingdao project was undertaken with the express purpose of seeking organized processes through which to channel the concerns of workers into cooperative venues for problem-solving. In the FMCS's approach to joint committees, ministry officials saw a model that allowed workers and management to come together to address issues, while still including a role for government in the process. When the approach was put into practice, differences between the Chinese and American contexts led to important differences in implementation with significant implications for the worker's voice and democracy.

The role of unions in China is a key difference between that country and the United States. In the United States, the FMCS model emerged during a period of strength for organized labor. Mediation in that context represents a situation where there is some balance of power between management and the union. For practical purposes, the FMCS model of joint labor-management committees operates within the established system of collective bargaining, union contracts, and grievance procedures. FMCS-style problem-solving committees provide an additional layer of workplace deliberation, which is voluntary and whose topics are limited to those that are not subject to the normal process of collective bargaining.

In China, however, there is no organized venue for the expression of workers' rights. The ACFTU, which had branches in most of the participating companies in the Qingdao project, is part of the companies' management structure, and collective bargaining is virtually nonexistent in China. However, workers are not without power in the WMC process. They can exert pressure

based on fact-finding, invoking governmental regulations, and ultimately, taking direct action. This experience provides some support for the idea that in the absence of effective unions, groups of rank-and-file Chinese workers in a workplace may themselves constitute a kind of informal organizational entity (Chan, 2010).

From the workers' perspective, the WMC experience led to organizational gains beyond those associated with the specific topics addressed. It provided a regular platform for dialogue between workers and management, including a process and a precedent for the election of worker leaders, which is not characteristic of the union structure in China. It offered a platform for raising issues in a systematic way that was formally protected from managerial retaliation. It also included procedures for informing the workforce of the results of the meetings. This created an atmosphere that encouraged the expression of the views of the workers. Although ultimate decision-making remained in the hands of management, the potential for direct action by workers offered a countervailing force.

It is difficult to assess how the existence of the WMCs impacted labor disputes. The Labor Disputes Tribunal reports a decrease in disputes in Qingdao at a time of increasing numbers of disputes elsewhere (U.S.-China Labor Law Cooperation Project, 2007). But during the time of the Qingdao demonstration project, changes in China made it easier for workers to go to arbitration or the courts to resolve workplace grievances. In Qingdao, this led to an increase in the number of cases raised (although not necessarily in the 15 companies in the demonstration project). In follow-up interviews with government personnel and one of the companies, we found there was general agreement that improved communication between workers and management was an important contribution made by the WMCs. For example, one local government leader noted that techniques that were part of the WMC training (such as restating issues to ensure a common understanding) had an important impact on worker-management communication and problem-solving.

This project sought to adapt FMCS's labor-management model to the Chinese industrial context. At the beginning of the project, there were several unanswered questions.

1. In a situation in which there were no traditional unions to represent their interests, will Chinese workers use the WMC as a platform to articulate and negotiate for their interests?
2. If the workers do speak out, will they address substantive issues?
3. If substantive issues are raised, will the WMCs yield agreements?
4. If agreements are reached, will management fulfill its agreements?
5. If these worker-management meetings achieve success in resolving issues of shared concerns, will their existence reduce labor disputes?

Although the first author attended some of the worker-management meetings at each of the 15 companies, it is largely the records of the Labor Disputes Tribunal officials and the surveys conducted in these companies (U.S.-China Labor Law

Cooperation Project, 2007) that suggest answers to these questions. Workers did raise many issues, often substantive ones and not just incidental matters. Although the narrative descriptions of the issues are sometimes ambiguous, tribunal records characterize most of the issues as having resulted in agreement, and show that these resolutions were implemented or in the process of being implemented at the time when the tribunal records were made.

The worker-management committee project in Qingdao created a communication channel between workers and management, which has largely been missing in Chinese companies. The discussion of issues in WMC meetings provided an outlet for the workers' voice and a context for problem-solving. Nearly all of the participating companies performed a year-end review of the experience and all recommended continuing the WMCs after the end of the project period. Further, the evidence indicates that many of these companies have begun to institutionalize the meetings and, in some cases, to expand the model to other branches of the organization. For example, the brewery, which had piloted a WMC in its Qingdao operation, has since introduced the idea to its other facilities throughout China. According to follow-up interviews with the corporate human resource director, all of the brewery's facilities have received training in the elements of WMC operations and have been encouraged to create internal committees, although the ultimate decision on implementation of the committee is left to the local leadership. In addition, the project led to training initiatives promoting worker-management committees in Shandong Province as well as in other provinces nationwide. In 2009, representatives from 26 provinces participated in an MOLSS conference in which WMCs were featured (Y. Liu, 2009).

The experience in Qingdao raises a number of issues concerning the future of such efforts in China. To what extent will these projects continue? As we have noted, the Qingdao Labor Disputes Tribunal has introduced the WMC model to many other companies in Qingdao and conducted training for representatives of both national ministry personnel as well as local bureaus from around the country (J. Liu, 2010). One generally expects that the experience of participation will create a desire for greater and greater participation. Will this be the case with worker-management committees? And, if it is, how will management respond to pressure to expand the scope of the committees' responsibility?

A key issue is the future stance of the government with regard to WMCs. In the course of the demonstration project, the Chinese government, through the involvement of the Qingdao Labor Disputes Tribunal, played an active role in the promulgation, facilitation, and monitoring of the worker-management committee process. It is unclear how WMCs would operate without that involvement. Would companies choose to be involved? Would the election of workers as representatives on the WMC operate in the same way? To what extent has government participation been critical to sustaining the efforts during the demonstration process and what will be the fate of the WMCs after that government involvement ends?

Another question is the relationship to China's "union" structure, the ACFTU. At the beginning of the Qingdao project, ACFTU personnel raised concerns about how worker-management committees would be related to the responsibilities of the official union. As we've observed, local union leaders in the participating plants are part of the management structure rather than serving as representatives of workers. While this did not raise problems during the course of the demonstration project, there are precedents for a negative response from the ACFTU when a labor-relations innovation challenges its role and influence (Chan, 2009; Yu, 2008). If the WMCs appear to be taking on a more prominent role in representing the interests of workers, opposition to this may arise from the ACFTU.

The future of worker-management committees in Chinese companies will depend upon three key factors. First, whether WMCs will meet the needs of the workers, for example, addressing the issues that are most important to workers. Second, whether employers will see them as adding value by resolving conflicts that might otherwise lead to work disruptions. And, third, whether government authorities will see these workplace structures as a tool for greater stability in a rapidly changing social, political, and economic environment or as a potential lightning rod that could destabilize the economy and, perhaps, the larger political order. As we have noted, Chinese labor relations are undergoing profound changes, with the bounds of what is allowed being stretched by ad hoc changes occasioned by specific disputes or other incidents. There have been experiments with the holding of local union elections in individual plants. At the time of writing this article, the most recent example can be seen at Foxconn, the massive electronics supplier, where workers are apparently being allowed to select their own union leaders (Pilling, 2013). Worker-management committees are no substitute for real unions, but the experience gained in worker-management structures, such as those in the Qingdao demonstration, provide workers with an opportunity to engage with management, develop the capacity for free election and organization, and master the skills of dialogue and negotiation. Considering these features of the WMC program, WMCs may be critical for Chinese workers as a means of dealing with management in China.

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