

**“Active Control” or “Passive Consent”? An Analysis of the
Union’s Role in Strike Resolution in China**

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Abstract: Trade unions in China are placed in a difficult position between the state and the workers. The paper considers and contrasts the parts played by unions in dispute resolution, by means of two case studies. Although the primary aims of both unions in the cases were defusing the strikes, the strategies adopted by them can be distinguished. The paper tries to interpret the distinctive strategies by looking at the interactions between the workplace unions and unions at higher levels in the strike. The paper argues that, because of the weakness of the workplace-level unions, resources from higher level trade unions become the major source of the workplace union’s leverage in resolving the strike, whose stance, in turn, becomes the main influence in union’s strategy in intervening in the strike.

1. Introduction

There have been academic debates on Chinese trade unions since the socialist period. Recent discussions on union-worker relationships concern which theories might be relevant in the Chinese context. In the literature, studies by Chan and by Pringle and Clarke are of particular importance. Chan described the framework of the Chinese union in the state-corporatist structure.¹ Pringle and Clarke discussed the changing contours of the post-socialist trade unions in transition, with regard to their nature, structure, function, and relations with other actors².

There are also scholars who have worked on unions’ practical role in particular contexts, such as in disputes. Pringle discusses “the development of labour unrest in the private sector over the reform period”, and “use[s] the role of the ACFTU as both an anchor and reference point.”³ An increasing conflict between the labour and the capital since China’s economic reform “has concentrated senior Party minds on industrial relations and these leaders have consequently instructed the union to play its part in a wider project for social harmony.”⁴ The extent and means by which the union resolves disputes are an important issue when considering the institutionalisation of Chinese collective labour relations.

Pringle is concerned with “labour unrest in the private sector and how this has produced

¹ Chan, A., “Revolution or Corporatism? Workers and Trade Unions in Post-Mao China”, *The Australian Journal of Chinese Affairs*, 29 (Jan 1993).

² Pringle, T. and Clarke, S., *The Challenge of Transition: Trade Unions in Russia, China and Vietnam*, 2011, London: Palgrave Macmillan.

³ Pringle, T., *Trade Unions in China: The Challenge of Labour Unrest*, 2011, London: Routledge, P6.

⁴ Pringle, T., *Trade Unions in China: The Challenge of Labour Unrest*, 2011, London: Routledge, P9.

pressure on the ACFTU to improve its representative capacity.”⁵ He examines how the unions’ daily role has been changed. Apart from its role when there is industrial peace, Pringle considers union leaders opinions on strikes in the workplace. The author analyses a survey of 60 workplace trade union presidents which reveals the inability of workplace union officers to support their members in demanding higher wages at company level, because of “unions inexperience in responding to apolitical shop-floor militancy, a lack of capacity in bargaining skills and a corresponding fear that mismanaging its intervention may render matters even more tense.”⁶

Though Pringle does not give detailed accounts of what the union actually did at the workplace when a strike occurred, Chen (2010) analysed the case of the strike waves in Dalian Development Zone in 2005.⁷ His analysis is based on a quadripartite structure, with examination of unions’ relationships with workers, the government, and managers. He argues that the unions’ task is to defuse disputes by playing a mediating role, not only between workers and the government, but also between workers and employers. He suggests that the quadripartite process of conflict resolution implies a low degree of institutionalisation of industrial relations in China. Chen’s analysis is notable in that he stresses the Chinese union’s special nature of not necessarily being the workers’ representative, which underlies the emergence of the unions’ quadripartite relations with other actors.

In Chen’s work published in 2009, he analysed the national and local unions’ power is “decisively reliant upon their formal government status”; while workplace unions “are subordinated to management or Communist Party organizations at the same level.”⁸ This assertion provides the basis of the present paper, and the author will embed this argument in the changing unions’ internal relationship in strike, to explore in detail that how the workplace union seeks higher level unions’ resources, and what is the effect.

The analysis of Pringle and Chen relies on research mainly based on partial and second-hand data, which means that neither is able to explore union activities at the micro level of the workplace. The present paper seeks to remedy this short-coming by means of in-depth investigation of two cases of workplace strikes. The data are from the author’s fieldwork which took the form of a series of interviews conducted in 2011 with union officers, managers, government officers, and workers. In both cases, the interviews were with different actors at different levels. Union personnel who were interviewed range from workplace level to that of the city. In one case, the researcher had an internship in the company union for two weeks, when their 2011 collective bargaining was being carried out. In the other case, the researcher interviewed six companies which experienced strikes as part of a wave in 2010, in order to grasp a broader picture of the local industrial relations environment.

Section 2 briefly introduces the backgrounds of the establishments and the cases. At the end of the section, a chart is provided to indicate some main features. Section 3 analyses the union institutions in the cases. Section 4 describes different strategies of workplace unions in

⁵ Pringle, T., *Trade Unions in China: The Challenge of Labour Unrest*, 2011, London: Routledge, P9.

⁶ Pringle, T., *Trade Unions in China: The Challenge of Labour Unrest*, 2011, London: Routledge, P111

⁷ Chen, F., “Trade Union and the Quadripartite Interactions in Strike Settlement in China”, *China Quarterly*, 201 (Mar. 2010).

⁸ Chen, F., “Union Power in China: Source, Operation, and Constraints”, *Modern China*, 35 (Nov. 2009), P663.

the strikes. Section 5 discusses the interactions between the workplace unions and the local unions. Section 6 concludes the paper.

2. Backgrounds of the cases

The two case studies are Autopart Component Company (named “South Company” and short for “S” in this paper), and Electronic Component Company (named “North Company” and short for “N” here).

Established in 2004, S supplies fuel injectors and fuel injection pumps for gasoline engines for Japanese-based automotive manufacturers across China. It is located in Nansha Economic and Technological Development Zone in Guangdong Province. The development zone, which was founded in 1993, lies to the southeast of the Capital Guangzhou City of Guangdong Province, which is administratively dominant to the zone. S employs around 1300 employees currently.

In June 2010, workers gathered at the canteen in S, and then they moved to the company campus, demanding a 800 RMB increase of the basic wage, and the reorganization of the trade union. Workers refused to speak to anyone including company managers, company union officials, and officials from local government and trade union. This strategy was aimed to halt work at one of its clients in the same industrial zone, the Toyota company. On the same night, two of the assembly lines of Toyota were shut. On the third day, collective bargaining was carried out between the union and management, observed by 26 workers’ representatives. An agreement was achieved with an overall pay rise of 800 RMB, including a basic wage rise of 450 RMB.

N is an electronic component producer. In the early 1990s, N was established in the Dalian Development Zone (DDZ). DDZ was the first National Economic and Technological Development Zone allowed receiving foreign investment in the mid-1980s. It affiliates to the major coastal city of Dalian in the south of Liaoning province, Northeast China, where heavy industries have dominated for decades since the socialist period. The main production of N is electronic components and it has a workforce of about 6000-9000.

N’s strike experience can be traced back to 2005, when the strike waves took place in the zone. In the early stage of the strike wave in 2010, the management at N actively offered a wage rise of 130 RMB when several strikes had took place in other companies in DDL. However, ten days later, it encountered its own, and workers demanded a wage increase of 800 RMB. The strike was resolved within two days, which was half the time of the 2005 strike. After the manager made a final offer of a pay rise of 200 RMB, within half a day, the workers went back to work.

In addition, it can be observed in N that the two strikes, in 2005 and 2010 respectively have two major distinct features. Firstly, in the 2005 strike, workers were protesting about harsh treatment, whereas in 2010 they were simply seeking a wage increase. Secondly, the form of protest in 2010 became gentler, since the protesters either stayed at the production line or in their accommodation, rather than, as in 2005, went out in the street.

Chart 1. Basic Information of the Cases.

	S	N
Est. Year	2004	1992
Workforce	1300	6000-9000
Location	Guangdong Province	Liaoning Province
Main Production	Semi-finished product (Fuel Injection, Engine)	Semi-finished product (Electronics)
Basic wage before strike	1310 RMB	1000 RMB
Union President	Part-time	Full-time
Strike history	First time	Second time (first was in 2005)
Duration	20th June -23rd June	July (less than two days)
Main protest pattern	Stay at company campus	Stay at assembly lines
Demand –basic wage increase (RMB)	800	800
Result (RMB)	800 (including 450 increase of basic wage)	200 (+130)
Bargaining with employer (Who)	S union president, 5 bargaining representatives, 26 workers representatives	N union president

3. Union institutions

3.1 S union

At the end of 2005, the second year of the company's establishment, preparation for establishing a union at S was initiated by the head of Personnel Management who then became the consultant to the preparatory committee, of which the General Affairs Department was in charge. The preparatory committee consisted of 9 workers elected by members of each department, of whom the majority were the grass roots workers.

In the election, all candidates were nominated by themselves. The General Affairs Department made an attempt to nominate one of its staffs to participate in the election, but the committee rejected the nomination as it insisted that the election of union officers should be from the workshop workers. After a direct election of the whole company, 9 were elected as the union committee. Then, as a result of an internal election of the committee, a line manager became the first union president. After his three-year tenure, he failed in a fierce competition of union election in 2008, and the head of one of the production departments became the second union leader.

There were eleven officers and three auditors on the union committee, including one president and one vice-president. One administrative secretary was the full-time officer; otherwise, all the members of the committee were in part-time. Half of the members were squad leaders, and the rest had jobs which were higher than squad leader. Regular meetings between union committees and cell leaders include union committee meetings, union cell leader meetings, and union and company meetings. The union cell leader meetings were regarded as the “enlarged union meeting”, constituting the union’s routine government operation. There are also the annual union members’ representative meeting and workers’ representative meeting.

One most significant creations of S union was the Union Cell Leader system, which was the connector between union committee and workers, transmitting the union policies to workers and *vice versa*. There were 38 union cells, each having a membership of around 20-30 workers. More importantly, a majority of these 38 union cell leaders were team leaders, a supervisory level lower than squad leaders, which were the lowest level of leader in S management. These team leaders were close to the grass-roots workers.

The Union Cell Leader system in S may spark the grass-roots understanding of the weakness of their workplace union, which in turn triggers workers’ dissatisfaction on the union. And in the strike 2010, one of their demands was restructuring the union. It was said that before the strike, union’s communication with workers became less adequate. In 2009, there had been only one union group meeting held although there should have been monthly meetings.

S union president attributed the union’s failure in promoting workers’ condition in collective bargaining to the hostility of the Personnel Department manager, who played an important role in company’s decision-making.

The former president of the S union was a personal friend of the manager of the Personnel Department, which had been a considerable advantage for the union to enhance its bargaining leverage. During the former president’s tenure, the workplace union’s achievements in bargaining were comprehensive and significant, encompassing a set of favorable policies in terms of subsidy, training, bonus, wage payment date, medical claims, welfare, etc. After the former president lost the election contest, the newly elected union thought they were deliberately disadvantaged by the management.

“The manager and he (the former union president) were close friends, so the union was resented by the manager. As the interpreter in the meeting, he did not convey all the words to the Japanese manager. And when we argue about that, he asked us to shut up. Another day, we planned to meet the manager at 4 pm., and we’ve been waiting for more than one hour, yet none of them appeared, as the personnel manager told them not to come.”

(Interview, S Vice Union President)

It was not only the individual manager might have been the cause of the workplace union’s ineffective negotiation with the company, but the Japanese managers’ tough attitude was another obstacle to negotiation, who were sometimes sleeping in the union-manager meetings.

S union officers were severely subordinated to the company. As the president said, “some Japanese managers do not like me. My supervisor has enmity towards me for he thinks my

work in the union is an obstacle to the company development.” The pressure from the company, however, sometimes was implicit, as the vice president said, “Recently, my supervisor took over one of my responsibilities, and I did not say anything. Although usually he does not put pressure on me directly, he never praises any of my achievements. I have a feeling that he does not trust me, as I am a union member.” Other union officers expressed their grievance and worries over the problem as well. As one said, “Some department heads, to which union committees are affiliated, obstruct us to attend the union meetings. And some use unpleasant language to us in union-manager meetings.” Another said, “In the bargaining, we are ‘the dog who is biting its master’.”

To avoid direct conflict in the wage negotiation, the union tended to focus on “soft” bargaining issues in the welfare, entertainment, etc., rather than the wage bargaining. The average annual wage raise in S was around 10% before the 2010 strike. Two months before the strike, the union submitted a proposal including 8 demands concerning the wage increase, living conditions, etc., and the company refused them all without giving any reason.

In addition, there has been a weak link between S union and the Nansha District Trade Union (NDTU) at the higher level, as the NDTU president admitted, before the strike, the local union had seldom communicated with the workplace union. This may be partly attributed to the short history of the NDTU which was established in early 2000s. As a consequence, the union became even weaker when confronted the company.

3.2 N union

The union institution was established in 1980s, when the command economy remained dominant in the arena. In the mid-1990, a network structure was introduced among the local union organisations. This network was based on a three-layer trade union structure. The highest layer was the DDZ General Trade Union (DGTU) at the district level. Then was the Federation Trade Union of FIEs, which is constituted by ten workstations, and each was made up of a third level of dozens of plant unions at the bottom level. In addition, there were close personal relationships between DGTU President and the plant presidents, who occasionally got together for a meal. In DDZ, more than 10% of union presidents were full-time, among which, one company union president received the salary from the General Union. Compared with unions in other areas in China, unions in DDZ in general were more professional.

The union president in N was appointed as the full-time union president by the company and the local trade union, who then was approved by workers’ congress as the union president. He was the production manager before election. And according to the local regulation, after being elected as the full-time union president, one’s salary was paid by the company and remained at the same level as before. The relatively independence from the company made the president tougher than his counterpart in S. When asking about the pressures from the company, the union president said, “I am fairly treated by the company in terms of my salary, and if I am not satisfied with the yearly increase, I would directly ask them, ‘why you give me such a little increase?’ They understand my importance as a full-time president, and also I worked on a transparent and rational way.”

N union institution was problematic in communicating with the rank-and-file. There was a standing committee, following which there were the union branches and the union cells, which were in charge of transmitting information between workers and the union. The

positions of 26 union branch presidents and 28 union cell leaders are at times overlapping, and majority of them are squad leaders and those at the level above. However there was a substantial gap between these two, although in N's management arrangement, both squad leaders and operational workers were tagged as "worker". This may be partly attributed to the maximum income difference between these two groups' workers, which was 200 RMB, accounting for more than 20 per cent of the ordinary workers' income. Union grass roots members did not trust their union cell leaders, and the majority of squad leaders were not informed about the plan until the strike occurred.

"In terms of planning the strike, we were completely kept in the dark; the operational workers will never talk about such stuff to us."

(Interview, N Union Cell Leader)

The "paternalism" tradition prevailed over the arena, as a local socialist heritage of industrial relations from the socialist period. Under this, the unions were supposed to take care of their members by giving them with benefits that the state provided. This is indicative of both the internal union-worker relationship, that at the workplace level, many of the unions functioned primarily as a "parent for workers", as one union president described the union-worker relation "which is actually a mother-child relation.", and the external relations with higher level union or the government.

The collective bargaining institution had run for more than a decade since mid-1990s, and the administrative assistance from above has been the main resource for the workplace union in bargaining. As N union President said, "this (the collective bargaining) should be a top-down process. The upper union's role is important. Without the 'word' from the higher level union, how we could bargain?"

From 1997 on, the DLDZ government has implemented "A Guiding Line of Wage Increases", which regulated the minimum wage increment rate in enterprises, with three levels of choice, which is, in effect, the local government putting pressure on the foreign partner firms to pay suitable wages by setting up guideline. Because the weakness of workplace union, a satisfactory agreement normally could be hardly achieved, then the annual wage increase was around 2%-3% before 2008. Since 2007, there has been an enhanced effort on implementing the guiding line policy by Dalian Labour Bureau; and the year of 2008 became the first time that the average increment level hit the guiding line at around 8%-10%.

3.3 Union's limitation in leading strike

Despite some achievements, the scope to use workers' collective leverage to protect the workers' position in workplace labour relations is limited. Taking N for instance, the union delivered booklets to workers explaining the law and regulation every two years, and according to N union president, this was to "make workers aware of their power"; whereas, the outbreak of the 2010 strike took the union by surprise.

"In previous years I educated them to be more active (in struggling for their rights), but now they go too far."

(Interview, N Union President)

In a further exploration, since workers' demands have changed from being concerned with rights to being concerned with interests, as discussed above, this is indicative of greater demands on the workplace trade union's capacity to represent and bargaining this sort of dispute. Because, if it was a rights dispute, the union could utilise the administrative or legal means to resolve it; yet if it was an interests dispute, the union could do nothing but represent workers by bargaining with the employers. In interests disputes, therefore, the key problem is the union's inability to force the manager make further concessions, because of the potent political risk of leading a strike, which renders both unions reluctant.

“Strike may not be a bad thing for the union. However it is difficult to control a mass organisation. It is very easy to start the strike at 2 o'clock; whereas it can be very difficult to end the strike at 3 o'clock. Even though I am capable to control it, I wonder if the government likes it, since both trade union and government are under the Party's leadership, would the government allow you to strike? Would it allow you to disrupt the order? Without authorisation and support from the upper union, the risk of strike is dramatic.”

(Interview, N union president)

“Currently, I don't think the union is capable to lead a strike. To lead a strike, you must be very sure that you can end it. But our workers really don't know about the democracy, the law, the morality. You can only talk about democracy with the one who knows what democracy is, otherwise you cannot come into agreement, and there will be chaos.”

(Interview, S union Vice-President)

The underlying factor, in eyes of union presidents, is that unions' authority over workers was limited, which results in unions' fear of arousing chaos by leading a strike if it cannot properly control workers. Given the fact that there has been a prolonged distrust between union and grass-root in unions' daily functioning, this problem cannot be resolved overnight in a strike. Therefore, to exert its authority in the strike, both the unions sought a new source from the higher level trade unions, whose stance, in turn, became the main influence in union's strategy in intervening in the strike.

4. Union strategy and activities in strikes

Both the unions in these two cases had some institutional strength. The Union Cell Leader system in S serves to provide the union with the pressure incentive by transmitting workers' opinions through the cell leaders. This, in turn, in the strike, became a channel used by the union committees to communicate and influence the grassroots workers. And in N, due to the local tradition of paternalism, union president was more experienced than his counterpart in S in resolving the disputes by employing the administrative resources from above.

In S case, despite trying to keep it a secret, the two strike organisers were identified by the union soon after the outbreak. After the union had promised that only two district union presidents and two company union presidents would present in the meeting, the strike organisers agreed to meet the union officials. In the meeting, union officials emphasised that the negotiation with company should comply with legal process. Then they suggested the organisers to be voluntary representatives in the representative election. The two organisers agreed, but they changed their minds in the election meeting the next day, because “it was not

the right time. If I dare step out at that time, we will be eaten by agitated workers.”

Failing in the attempt of motivating the organisers, in the afternoon of the second day, the vice union president called on all the team leaders to have a meeting,

“I sat with twenty team leaders in a circle, making us close to each other. Firstly, I told them, ‘I am not the company’s representative, if I were, I would not talk to you about this. I merely represent the union’. I then listened to their opinions patiently, and sometimes, I told them, ‘I agree with you’. After that, I said, ‘what can we do? We have to resolve it somehow. Now is the time to bargain as we’ve imposed enough pressure on the company. Firstly they did not accept my points. But I kept talking patiently, and I answered questions they raised, from the legal perspective or from my own understanding.”

(Interview, S Union Vice President)

The meeting lasted more than one hour, which, according to the vice-president, was “an exciting moment. When they did not reject you, even if they might not agree with you, it was actually a sign of approval on some points, as workers need time to express their grievances.”

Because workers did not have a strong coalition, although the strike was ignited successfully, the follow-up was unsustainable, and the union consistently made efforts to break workers’ opposition. On the third day, workers accepted the collective bargain organised by the union. 26 workers were elected as the bargaining representatives who were allowed to observe the bargaining meeting as bystanders.

The trade union collected 623 demands from workers, and the union discussed these demands “piece by piece” with workers. And these demands were then summarised by union into 5 categories, 220 items, including an 800 Yuan wage increase, which were included into the union’s bargaining proposal. In the collective bargain, the union president, as the chief bargaining representative, submitted a written proposal to the company.

By contrast, in N, workers did not get involved in union’s dispute resolution of negotiating with the company. And the occurrence of the strike, the union president simply persuaded workers to go back to work, but it was refused by workers.

“I went to the workshop where they first had stopped the work. I said to them, ‘I know your demands, and the union will response to you tomorrow, can you work now? If you are not satisfied with my response, you can strike tomorrow.’ But they did not listen to me.”

(Interview, N Union President)

Then it promised workers to negotiate with the manager on behalf of them, and collected workers’ demands written as notes before negotiating, but he did not read them.

“Collecting workers’ demands was actually a formality at that time, since the key question is comparisons with the enterprises around. The increase should be determined by the overall situation in the zone. As we figured, it was around 200 Yuan.”

(Interview, N Union President)

After the union's negotiation with the manager, a final offer of a pay rise of 200 RMB was announced by the company. And within half a day, the workers went back to work.

Although the details of how N union persuaded workers to return the work was not revealed to the author, the experience of another company in DDZ was acquired in the interview, where a tough measure was taken to end the strike.

“Taking the risk of losing my job as a union president, I warned the line chiefs to order their men to go back to work, and I swore to them that I will (ask the manager to) fire those who did not enter into the workshop. It was an unusual measure, and I had to take all the responsibility.”

(Interview, Another Union President in DDZ)

In concluding, the roles of two workplace unions' were different. The S union was a “representative” and an “upward channel” to gain workers trust; while in N, the trade union acted as a “third party” that should concentrate on mediating and impelling both sides to achieve an agreement thereby ending the dispute.

5. Union interactions in the strike

As strikes are politically sensitive in China, Chinese governments are usually cautious about strikes. They employed the administrative means, sometimes the military means, to end them as soon as possible. Yet there was a loosened economic and political constraint in these two cases, where governments held a neutral stance by viewing the strike as an economic dispute within the workplace which should be left to the two sides.

“When the strike took place, we knew we should not be nervous but be objective in viewing it. I am not saying we let them to do whatever they wanted, but we must constrain government behaviour.”

(Interview, Vice-President of Dalian Labour Bureau)

The district trade union is the key in this framework. As the CCP is the only ruling party controlling the nation, the local trade union may, for the most part, stand in the same position as the local government, in that both take the party's interests as their ultimate goal. Indeed, the involvement of local trade union in the dispute makes little difference from the involvement of the local government bureaus.

In the case of S, after the outbreak of the strike, the company informed the local economic and trade commission, and the latter immediately reported to the local government. Several hours later, the district government and the party committee held a meeting, with the involvement of the Nansha District Trade Union (NDTU). S union president was called to attend the meeting, who illustrated “the causes of the strike, and the current situations” to the officials in the meeting.

“On that morning, I was phoned by the deputy head of the district administration to attend the meeting. After I got the account of the strike, I said to the deputy head that I would visit

the company, and he immediately agreed. But usually, resolving a labour dispute is the local labour bureau's business, rather than the district union."

(Interview, NDTU President)

Such major involvement of the district union was unusual, since it was usually "the local labour bureau's business". The reason might be that the union president had a 7-year experience in dealing with the local collective actions such as disputes aroused by peasants whose land was forcibly taken to be used for industry. This implicates the choice of the district union president to resolve the dispute primarily based on his experience rather than his formal role of being (or not being) a union official.

Similarly, in N, the DDZ Trade Union (DDZTU) president had a close relationship with the party, considering the president had been the head of DDZ labour bureau for more than ten years before his tenure as the DDZTU president.

In this sense, the union institution is a connector between the government and workplace, through enabling the higher level unions to have a formal authority over the workplace union. This has two merits: the workplace union can use the higher level organisation's resource arising from the formal system to overcome its weakness; while the higher level union can use the bed-rock of the workplace union, as a result of their daily contact with workers.

Hence, during periods of industrial peace, there used to be a discontinuity within the union structure between the higher level union and workplace union, which led to an isolated grassroots trade union being the interface with labour relations reality. By contrast, in the strike, as shown in these two cases, it was the other way around, a re-integration emerged in the union internal structure by bringing alive the local trade union.

5.1 S union

Since it was the first time the S union experienced a strike, the president and vice president kept silent at the outbreak of the incident.

"Frankly, at that crucial occasion, it is necessary for union presidents to possess a sense of political sensitivity: which one should you stand by? Workers or the company? We (union president and vice president) shortly came into a consensus of not intensifying the contradiction, so we decided to firstly stand by workers and then take into account of the overall situation."

(Interview, S Union Vice President)

The president of NDTU arrived in that afternoon, who kept contending the importance for the union to "regain workers' trust in resolving the strike. Three principles the NDTU president requested the union members to tell workers in their communication: firstly, the union represents workers' interests; secondly, the workers' adopted method is understandable, but negotiation is more effective to resolve the problem than the strike; thirdly, it is important for workers to cooperate with the union to elect their bargaining representatives.

"The primary thing for me was to have workers' trust. You claim yourself to be the workers' organisation, but while you are not trusted by workers, isn't it funny?"

(Interview, NDTU President)

Identifying the union's role as the "workers' representative", which was reinforced by the upper level trade union in the whole dispute resolution process, was an impetus for the workplace union to mobilise grass-roots to build its bargaining leverage.

Further, in the whole resolution process, the District union has maintained an independent status from the government, thanks to the higher-level organisation's support that, according to the NDTU president, "they kept sending the message that I should stand up for workers. So I held my attitude firmly and I refused to follow the government's orders." After the union found the strike organisers, the police officer asked the union to take the workers to the police station, which was refused by the NDTU president. This behaviour provoked the displeasure of local government who aimed to end the strike immediately. The deputy chairman of the district government kept condemning NDTU president in public, that "the union president is not responsible."

And this conflict was then deactivated by the president of Guangzhou Federation of Trade Unions (GFTU), a member of the Standing Committee of the National People's Congress in Guangdong Province.

"At that time, I kept silent but felt so upset. In the evening, I made a call to GFTU. The moment I spoke, I wept. Then they said, 'it is not your fault, we support you.' I could not help but cry. On the second day, the GFTU president went to the deputy chairman, and said, 'our district union president works for workers as he is the union president, which offended you.' Then the chairman went out and slapped my back lightly, and said, 'That is all right.'"

(Interview, NDTU President)

Therefore, guidance and support from the upper levels helped the workplace union to be released from pressures of ending the strike imposed by the government and the manager. The workplace union could "take their time" to work.

5.2 N union

When it comes to N, at the occurrence of the strike, the union president appeared to be clearer than his counterpart in S about the union's role in the resolution as a mediator.

"When workers strike, the workplace union should defuse it as soon as possible. How to defuse it? The union should go to collect the workers' demands, and if the workers don't have representatives, the union should help them to negotiate with the manager."

(Interview, N Union President)

The president may have learned from the experience of the strike waves in DDZ in 2005, who had expected the local government to employ its administrative force to resolve the dispute, as it did in past history. However in 2010, the local government changed its strategy by withdrawing from direct intervention, which was criticised by N union as "irresponsible".

"In 2005, the strike spreading was controlled by the governments' command to management

to raise wages by 200RMB in each company. However, this time the government did not learn from the 2005 strike, and no one was responsible for addressing the disputes.”

(Interview, N Union President)

The later involvement of DGTU in the strike was nevertheless a compensation for the government’s absence in directly intervention. Firstly, the president gave the administrative command for a 200RMB pay increase to workplace union presidents, which was a reinforcement of the workplace unions’ bargaining power. Secondly, the DDZ union’s major aim of intervening in the dispute was to maintain the balance of wage increases across the zone. A policy of keeping the wage at a uniformly low level might avoid more disputes being triggered by a sense of unfairness in the same area. Avoiding a sense of unfairness is the priority of the party-state as well as of the district union; hence the advice from the district union to management was not only the minimum of the wage increase in enterprise, but also the maximum.

“The level of wage increment of district union’s demand was criticised to be too low. But at that time, it was imperative to keep balance of wage increment in DDZ. Otherwise, I would go against the Party.”

(Interview, DGTU President)

The president of N had been reliant on the administrative resources from the higher level unions who had a close relationship with the local government. This up-down resolution which provided the workplace union president with adequate resources to resolve the problem might curb the union’s motivation to employ its grass roots power in the strike resolution. Alternatively stated, the administrative authority and resources, which determined the workplace union’s problem resolving strategy, became an obstacle to the union’s willingness to improve its internal union-worker relations.

6. Conclusion

In a strike, because the company severely affected by the strike, the union in effect has lost resources and legitimacy from the company, which are crucial to its daily functioning in the period of industrial peace. Being reluctant to employ its grass roots leverage, the workplace trade union is incapable of resolving the strike by its own efforts, then the higher level unions’ resources become the key in enhancing the workplace unions’ capability, which inevitably renders the higher level’s stance determinant in whether the workplace union is “pro-worker”, or *vice versa*.

In the two cases, there were different strategies used within the union. In N, it was a “top-down” method by using the administrative power to achieve workers’ “passive consent”. The heavy dependence upon resources from higher in the union might be a major cause of the N company union’s reluctance to resolve the conflict by gaining the workers’ trust.

S, unions adopted a “bottom-up” method. Its dispute resolution involved workers’ participation achieved an active control over workers. And the higher union, by employing its privilege within the political system, helped S union to work in a relative independent way in representing workers. Nevertheless, this case is possibly almost unique in China, because it encompassed a number of key determinants, such as the looser local political constraints,

competent union leaders, and an intact workplace union mechanism sensitive to pressures from below. All above are imperative to build up internal democracy of the union and its independence from the outside government and manager.

In addition, S case represents a remarkable degree of co-operation between grass-root workers and the official trade union, by building and developing its relationship with its grass-root members in the strike, and there has been shown an improved union-worker relation after the strike in S.

The success of trade union organization at the workplace in preventing and resolving disputes in China appears to depend heavily on its sympathetic interaction with the higher levels of the trade union and thereby with the wider party and government.

The trade union institution in China is embedded in the corporatist structure, which requires the union to defuse the dispute in pursuit of nation's interests that is the Party's interests of maintaining the social stability. This makes the interaction between the workplace union and the higher level union possible and necessary. A reinforced connection between the workplace union and higher level unions benefits the enhancement of the union's capability in resolving the strike. The local union is in charge of coordinating the union's external relations with other actors, especially the government; while workplace union mainly copes with the union's internal relation with workers.

The underlying arrangement of the union institution in a bureaucratic structure can be illustrated by Chart 2. Generally, the higher levels of the union are more independent both from particular managers and from lower level government administration. And the higher the level in a union that one looks, not only can the officers draw more resources from the system but they can also bear more of the political risk raised by the strike.

Chart 2. Some Characteristics of Trade Union Institution in China.

Unions at different levels	Legitimacy	Resources available (Nature of the state-corporatism)	Connection with workers
The ACFTU	The Party (the central government)	Strong	Weak
Provincial union (local union)	The ACFTU and the party organ/government at the same level	Strong	Weak
Municipal/District union (local union)	The superior union and the party organ/government at the same level	Strong (at the local)	Median/indirect
Enterprise union	The superior union and the enterprise party branch/the management	Weak	Strong