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Power resources and workplace collective bargaining: evidence from China

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Abstract

During the strike wave of 2010, S provincial authority began to support trade unions in experimenting with workplace union elections and collective bargaining. Drawing data from union documents and ethnographic research, the variability in workplace collective bargaining in the context of official union reform in Y City in S Province is explained in this article. By comparing multiple enterprise union collective bargaining cases, four models of workplace collective bargaining in practice are identified in the research: moderated mobilization, technical negotiation, collective consultation, and managerial domination. Using the power resources approach to analyze collective bargaining, the author argues that the various practices result from the dynamic interactions between workers' power configuration and employers' perception of disruption. Furthermore, the author argues that the variability in workplace collective bargaining is not a transient phenomenon but a semi-institutionalized middle ground.

Keywords: Collective bargaining, Power resources approach, Trade union reform, China

Introduction

Over the past two decades, scholars have witnessed a rapid expansion of labor relations institutions in China, including a rise in trade union membership, staff and workers' congresses, and collective bargaining (Lee et al. 2016; Liu and Kuruvilla 2017). Notwithstanding the institutional expansion, many primary-level enterprise unions lacked worker representation, and collective bargaining did not involve genuine negotiation between workers and employers (Clarke et al. 2004; Lee 2009). However, the large wave of labor unrest in the late 2000s, in which workers demanded wage hikes and union representation, forced the Chinese state to make an institutional response on the ground. As Clarke and Pringle (2009: 85) pointed out, "the form and extent of independent worker activism, and the response of the state to such activism, are a much more significant determinant of trade union development than is the legal and institutional framework of industrial relations." In the regions where foreign-invested manufacturing was concentrated, local authorities began to support trade unions to experiment with workplace union elections and collective bargaining (Meng and Lu 2013), efforts that were further

strengthened by the national trade union's campaign for establishing union organizations and collective bargaining in all enterprises.¹

Scholars of Chinese labor relations have explored whether Chinese unions could approach collective bargaining with genuine worker representation and empowerment, and emerging literature suggests a significant improvement in the foreign-invested automobile industry. Nevertheless, there is little evidence indicating that the improvement in the automobile industry would be expanded to other industries. Official union reform has created various workplace collective bargaining practices, but existing studies have only focused on the most compelling cases. While these studies help us see that Chinese autoworkers can mobilize through the elected enterprise union and workers and staff congress and gain wage increases through collective bargaining, we are still left without an understanding of the overall field of Chinese collective bargaining, given the various practices across different factories and industries. It is doubtful that workers in other industries will follow the autoworkers being incorporated into the Chinese corporatist-style labor relations institutions.

In this article, I explore why there is considerable variation in workplace collective bargaining in the context of official union reform in S Province. By comparing different enterprise union collective bargaining cases in Y City, I identify four models of workplace collective bargaining in practice: moderated mobilization, technical negotiation, collective consultation, and managerial domination. I demonstrate that establishing workplace unions itself does not necessarily lead to effective collective bargaining or advancement of workers' interests, but workers' involvement and action are the key factors in shaping collective bargaining dynamics. By employing the power resource approach to examine workplace collective bargaining, I argue that the various models of workplace collective bargaining mainly result from the dynamic interactions between workers' power configuration and employers' response to potential business disruptions. I further argue that the uneven development of workplace collective bargaining is not a transient phenomenon but a semi-institutionalized middle ground.

Collective bargaining in contemporary China

Unlike collective bargaining in most countries, which is conditioned on the union's organizational autonomy from the state and employers and workers' rights to strike, Chinese official unions were the party's mass organizations under the leadership of the Communist Party of China (CPC) (Lee 1986; Chen 2003, 2009; Clarke and Pringle 2009). Because the transition from a planning economy to a market economy created private and foreign-invested enterprises and because the enterprise union cadres are private-sector employees rather than state officials, enterprise unions ceased to be the agents of the state for distributing social welfare and managing the labor force and instead became dependent on company management. Neither official union federations nor enterprise unions can defend workers' rights and interests by organizing collective actions. Given

¹ 2010 Notification on the Further Promotion of the Rainbow Plan for the Implementation of the Collective Contract System; 2010 "Two Universals"—to establish enterprise union organization and collective bargaining in all enterprises; 2011 Work Plan for Promoting Collective Wage Consultation in 2011–2013; 2014 Work Plan to Further Deepen the Collective Consultation System 2014–2018; 2014 Opinions on Improving the Quality of Collective Consultation and the Effect of Collective Contracts.

this institutional environment, how do the Chinese unions approach collective bargaining? Can collective bargaining improve Chinese workers' labor conditions and material interests on the shop floor?

The "appropriated representation" model represents a pessimistic view of collective bargaining in China. Eli Friedman (2014: 22) adopted the term from Max Weber and reconfigured it to "refer to a situation in which the state unilaterally grants exclusive rights of political representation of an entire class to a particular organization in the absence of substantive or formalistic delegation from membership." Under the conditions of the appropriated representation, rising labor unrest strengthens the political status of official unions in the Chinese state. The official unions could push the government to promote pro-labor legislative reform to maintain industrial stability. Nevertheless, weak, unrepresentative enterprise unions are incapable of enforcing legal rights or negotiating collective contracts on behalf of workers.

Many studies in the 2000s supported the appropriated representation model. Scholars have identified a "quota management strategy" that the national union federation used to create enterprise unions and increase the coverage of collective contracts (Clarke et al. 2004; Lee 2009; Wu and Sun 2014; Qian 2014). Upon receiving the quantitative targets assigned by the national federation, local official unions allied with government departments to invite, if not press, employers to fill out and sign a collective contract template with enterprise unions. In the much-praised sectoral collective bargaining in Zhejiang and Jiangsu Provinces, officials and employers used sectoral collective bargaining to standardize wages and working conditions across the homogeneous sector in town, with a dozen employer-picked worker representatives being consulted in the negotiation process (Pringle 2011; Friedman 2014; Wen and Lin 2015). Therefore, state-initiated collective bargaining was mostly a top-down administrative process involving cooperation between officials and employers, and workers were largely excluded from the process if any negotiation took place.

State corporatist representation is another framework for investigating Chinese trade union politics (Chan 1993, 2008; Unger and Chan 1995; Chen 2003; Wen and Lin 2015; Liu and Kuruvilla 2017). Philippe Schmitter (1974: 93) defined corporatism "as a system of interest representation in which the constituent units are organized into a limited number of singular, compulsory, noncompetitive, hierarchically ordered and functionally differentiated categories, recognized or licensed (if not created) by the state and granted a deliberate representational monopoly within their respective categories in exchange for observing certain controls on their selection of leaders and articulation of demands and supports." Chinese trade union politics manifest state corporatist representation as the state created the centralized, hierarchical official union system and forged its organizational dependency on state power. Nonetheless, except for the urban workers before market reform, Chinese trade unions were unable to incorporate workers into the corporatist representation for conflict resolution or economic (re)distribution.

However, the strike wave of 2010 changed the landscape of Chinese labor politics, initiating a state corporatist approach to governing labor unrest. As workers struck to demand higher wages and union representation, the Chinese government recognized the necessity of resolving labor conflicts by allowing workers to elect shop floor representatives and negotiate wages and benefits with employers (Meng and Lu 2013; Chan

and Hui 2014). Recent studies find that elections have created union representativeness and autonomy from management. The reformed enterprise unions are capable of mobilizing workers to bargain with employers based on established procedures. Workers can veto the negotiated contract or even take collective action through the elected workers and staff congress, and when enterprise unions cannot reach an agreement with management, official unions mediate the stalemate (Cao and Meng 2017; Pringle and Meng 2018; Luo and Yang 2020; Deng 2016, 2020).

Notwithstanding, it is doubtful that the recent collective bargaining reform will fully establish a corporatist representation for Chinese labor. The practice and quality of collective bargaining vary considerably across factories and industries. The most studied cases of workplace collective bargaining concentrate on the foreign-invested, capital-intensive sectors where (semi)skilled workers are militant and employers comply with the regulations. Collective bargaining in labor-intensive sectors, to which scholars have paid little attention, presents different dynamics. In some enterprises, elected union cadres rely on professional status and expertise to negotiate with management, while worker participation is limited in electing representatives, collecting information, and revising and approving collective contracts. In other enterprises, enterprise unions consult with management to set up wages and benefits and then obtain formal approval from a controlled workers and staff congress. Still in others, if there is any negotiation, management dominates enterprise unions in setting wages, and workers are excluded from participation. What explains the variability in workplace collective bargaining practice in China? Is this variability a temporary development in a transition to state corporatist labor relations or an institutional arrangement that is neither state corporatist representation nor appropriated representation?

Explain the variability in workplace collective bargaining: a power resources approach

The power resources approach (PRA) has recently emerged as a research heuristic for studying trade union renewal in globalization (Schmalz et al. 2018). In a nutshell, the PRA stipulates that although globalization has weakened organized labor, workers could still draw power from their job and labor market locations (structural power), unions and collective organizations (associational power), the established state regulations (institutional power), and public morality and communication (societal power) to pressure employers to make a concession. While focusing on Chinese state actions cannot explain the diverse collective bargaining practices and workplace outcomes, the PRA can help us understand the variability by analyzing the dynamic interactions between state reform, worker power, and employers' response. To apply the PRA to analyze collective bargaining cases in Y City, we must first place the PRA concepts within China's context.

Structural power refers to the disruptive power stemming from workers' location in the labor process and skill supply in the labor market. The former is workplace bargaining power; the latter is labor market bargaining power (Wright 2000; Silver 2003; Webster 2015). Since the S provincial labor market has been tight since the late 2000s, it is mainly workers' workplace bargaining power that varies across enterprises and sectors. Because Chinese unions are not allowed to organize workers to disrupt production, Chinese workers' structural power is manifested in spontaneous wildcat strikes. According

to past observations and research, Chinese workers' workplace bargaining power has been the most crucial source for institutionalizing genuine collective bargaining. As a senior union official in Y City summarized, "all the cases of effective collective bargaining in Y City result from wildcat strikes."²

Regardless of the strength of workers' structural power, the actual exercise of structural power makes the most difference through employers' perception, giving rise to different attitudes among employers toward collective bargaining in China. Employers who experienced strikes are likely to accept union elections and establish procedural rules of collective bargaining, and then the strength of workers' structural power affects the dynamics and outcomes of collective bargaining. Strong workplace bargaining power is often associated with a stable, (semi)skilled workforce in capital-intensive industries, while weak workplace bargaining power is usually associated with a high-turnover, low-skilled workforce in labor-intensive industries. In enterprises where strikes occur, enterprise unions are likely to pressure employers in wage negotiations with the threat of possible wildcat strikes if workers hold strong workplace bargaining power (Cao and Meng 2017; Luo and Yang 2020; Deng 2016, 2020), but enterprise unions are more likely to coopt workers if workers' workplace bargaining power is weak (Meng and Cao 2017; Froissart et al. 2019). Many employers who have not confronted strikes are unwilling to accept genuine wage bargaining.

Associational power arises from "the various forms of power that result from the formation of collective organization of workers" (such as trade unions and political parties), which can be divided into three levels: workplace, industry, and society (Wright 2000: 962–63). Chinese workers' associational power can emerge at the workplace level but not at the industry or national level, as official union federations (including industrial unions) are state organizations. Nevertheless, because most enterprise unions were created by officials and employers, they did not embody workers' associational power. However, in the 2010s, the enterprise union reform in S Province created an opportunity to build worker representation and organizational capacity, aiming to generate associational power for collective bargaining.³ The reform has created a variety of union autonomy and representativeness, resulting in different levels of worker participation in collective bargaining: in some enterprises, all workers are mobilized for participation; in other enterprises, only worker representatives are allowed to participate; while in other enterprises, only union cadres are involved, or in the worst scenario, the management dominates the enterprise union.

Institutional power derives from the state-legislated labor relations institutions and laws secured through historical labor struggles (Schmalz et al. 2018: 121). In China, the labor relations institutions and laws cannot automatically create institutional power because introducing those institutions and laws is a top-down bureaucratic process led by the state rather than the product of compromise between capital and labor. Chinese labor relations institutions and laws only begin to generate institutional power when

² A conversation with a senior union leader in Y City, April 2014.

³ After a wave of strikes in 2010, S provincial officials began to support electing enterprise union cadres and worker representatives in strike factories. In 2012, the Y City Federation of Trade Unions began to campaign for implementing democratic elections in enterprise unions. In 2014, the S Provincial Federation of Trade Unions made enterprise union election an official policy in the province.

Table 1 Worker power and the variability in workplace collective bargaining in China

Labor power	Collective bargaining			
	Moderated mobilization	Technical negotiation	Collective consultation	Managerial domination
Structural power	S	–	–	–
Perception of disruption*	S	S	–	–
Association power	S	S	S	–
Institutional power	S	S	S	S
Exemplar	YT Union	RH Union	FX Union	WM Union

"S" means "strong," and "–" means "weak." Strong or weak only represents an ideal situation in theoretical analysis

*Employers' perception of disruption can be seen as an actual exercise of workers' structural power (regardless of the strength of the structural power), which is often realized in the form of wildcat strikes in China. Even though workers' structural power is very weak in one case, as long as they exercise structural power by going on a wildcat strike, employers can still develop a strong perception of business disruption

CPC leaders advocate for law and policy enforcement. Collective bargaining has existed in Chinese labor law (1994), trade union law (2001), and collective contract regulations (2004), but until the late 2000s, when CPC leaders and the national union federation mobilized local governments to set up enterprise unions and collective bargaining, and particularly in S Province, when the provincial party leader ordered to address labor disputes by union reform and collective bargaining, did workers begin to receive institutional support to elect enterprise union cadres and representatives and initiate collective bargaining with employers. However, institutional power alone cannot lead to genuine collective bargaining. As I will show later, if workers only hold institutional power, employers may superficially comply with state regulations without offering a substantial compromise to workers.

Societal power refers to the latitude for action arising from a coalition with other social actors or leading public opinion to support trade union demands (Schmalz et al. 2018: 122–23). Societal power hardly applies to Chinese trade unions because the state strictly controls the horizontal coalition and publicity work of trade unions, and so Chinese unions are constrained to network with social actors to defend labor rights. Because the union's publicity work must be kept in line with the party's discourse, there is no point in expecting Chinese unions to have the discursive power to lead public opinion debate. Hence, I do not consider the effect of societal power on the variability in workplace collective bargaining in China.

Most existing labor studies using the PRA examined how one or two sources of labor power influence the collective labor struggle outcome (Fichter 2018; Hinz 2018; Spooner 2018). By employing the PRA to analyze workplace collective bargaining in the Chinese context, this research contributes to the theory of the PRA by showing how the interplay between the different sources of labor power dictates the dynamic process and outcome of workplace collective bargaining. Using the PRA to examine 17 cases collected in the fieldwork, I identify four models that emerged from the empirical comparison (see Table 1): moderated mobilization, technical negotiation, collective consultation, and managerial domination. The column content represents the variant of workplace collective bargaining. The row content is the sources of labor power and employers' perception of structural power, except for the bottom row, which provides exemplary cases that I will discuss in the next section.

I do not claim that the four variants that emerged in this research represent the totality of the variability in workplace collective bargaining in China. Grounded in empirical findings in Y City, my purpose is to use the PRA to understand the institutional means, dynamics, and outcomes of workplace collective bargaining, as well as how Chinese cases could broaden the application and understanding of the theory of PRA. There could be other variants of collective bargaining resulting from different interactions of forces or alternative explanatory factors other than labor power and employers' response.

Data and research method

Data are drawn from documents and ethnographic research in Y City between 2014 and 2017. At the end of 2013, I joined a research team at a Chinese public university to study the trends in Chinese worker organizing. One part of the project was to study the changing role of trade unions in worker organizing. In Y City, China's leading special economic zone, the concentration of foreign capital and migrant labor produced perhaps the most contentious labor conflicts in the world, and the Y City Federation of Trade Unions (Y City Union) has been proactive in reforming enterprise unions and collective bargaining to maintain industrial stability. Through a few rounds of communication between the union and the research team, the Y City Union provided me with access to its daily administration, reform projects, documents and journals.

I collected 17 promotional cases of workplace collective bargaining from the union's work documents, research reports, and internal references and recorded interviews with enterprise union cadres and workers. I compared the processes of unionization and collective bargaining among those cases for which sufficient details were available, and four models of workplace collective bargaining emerged. Then, I select the YT Union, the RH Union, the FX Union, and the WM Union as exemplars to demonstrate the four variants or models. The other 13 cases of workplace collective bargaining are provided in Table 2 in the Discussion section.

To collect enough details and verify the documented cases, I also conducted an independent investigation of the four selected enterprise unions. I talked to the enterprise union leaders and workers in the four companies and local officials when I attended the meetings, training workshops, and inspection tours organized by the Y City Union. The data collected through extended conversations with the enterprise union leaders, workers, and officials enriched my understanding of those cases and made me confident in drawing the analytical conclusions based on the comparison.

Four models of workplace collective bargaining

Moderated mobilization: the case of YT Union

The first model of workplace collective bargaining is "moderated mobilization" (Luo and Yang 2020). In this model, state officials support enterprise unions to achieve organizational autonomy from management through shop floor elections and mobilize worker participation in collective bargaining through an elected workers and staff congress. Workers can meaningfully participate in the bargaining process, as they can make demands for negotiation, veto the union-negotiated collective contract if unsatisfied, and even take collective action to press employers for concessions.

Nevertheless, workers' meaningful participation is granted under three conditions: (1) labor strike experience forces employers and officials to recognize worker representation and collective bargaining rights on the shop floor; (2) a relatively stable, (semi)skilled workforce holds strong workplace bargaining power in a capital-intensive sector; and (3) collective strike experience fosters workers' collective identity and inspires them to use strong workplace power to bargain for their interests, which makes potential business disruption a constant threat to employers.

Thus, even though Chinese enterprise unions of this kind are constrained by the lack of genuine representation (as many managers may be elected to union leadership) and the right to organize strikes, the presence of state support (institutional power), legitimate enterprise union organization (associational power), workers' strong on-job bargaining power (structural power), and employers' perception of disruption leads to a moderated mobilization model of collective bargaining. Most scholarship on the recent development of Chinese collective bargaining has recognized the moderated mobilization model (Cao and Meng 2017; Pringle and Meng 2018; Luo and Yang 2020; Deng 2020).

The YT Union collective bargaining exemplifies moderated mobilization. YT is a joint venture between Y City Port Company and a Hong Kong firm. The investor controls the company, which has more than 2000 employees. On April 7, 2007, approximately 800 crane operators went on strike, disrupting the largest seaport in South China. The workers initially demanded a decade's worth of unpaid half-hours—a substantial amount of compensation. When officials arrived at the scene, the workers' demands shifted to include a pay raise and union representation. Officials and YT managers refused, arguing that the crane operators' income was already higher than the average monthly income in Y City (2,926 yuan in 2006) and considerably above the local minimum wage of 700 yuan per month. However, workers complained that their wages had been stagnant for a decade as the company's profits kept rising, arguing that the company should share its earnings with the employees.

Soon, the S provincial party authority sent a message to demand that the Hong Kong investor negotiate with the workers. The local government's withdrawal from the state-capital alliance forced the Hong Kong tycoon to negotiate with the strikers. Then, the Y City party authority let the Y City Union take the lead in mediating the strike, helping the workers set up an enterprise union, and establishing collective bargaining. After seven negotiating sessions, the company and workers agreed to a 3% wage increase, a 500 yuan monthly allowance, and a company-paid contribution to a housing fund (totaling 13% of monthly income) as an alternative to the half-hour back pay. In total, the employer paid approximately 40 million yuan for the settlement.

At the same time, the Y City Union and YT workers and staff took two and a half months to elect the first YT Union Committee, as there was a disagreement between the workers and the Y City Union on nominations. Many workers treated managers, supervisors, and team leaders as unqualified for the "rank-and-file" union leadership. However, union officials finally persuaded workers to elect a union committee including both workers and managers, with the latter sitting in the union chair position. One practical reason workers accepted this arrangement was that managerial staff have access to company information and good negotiation skills. After successful unionization, the YT

union and management agreed to hold an annual collective bargaining session every November beginning in 2008.

Two major problems emerged in the initial 2 years of collective bargaining. On the one hand, many members of the bargaining team were elected based on aggressiveness in making radical demands during the 2007 strike rather than leadership or the ability to negotiate; on the other hand, except for electing a bargaining team, workers were not engaged in wage negotiation, which made the union's bargaining team rather isolated from members. Management often challenged the YT Union's representativeness in making wage demands, and collective bargaining was quite difficult during the 2 years. In 2008, the YT Union negotiated a 2% wage increase amid the global financial crisis. In 2009, when the port business returned to high profit, the union secured an offer of up to a 4% wage increase, but the YT workers and staff congress vetoed the collective contract.

In 2010, 153 representatives elected a new YT Union Committee, including three managers and 18 workers; Wang, a financial manager, won the chair position. Under the new leadership, the YT Union approached collective bargaining with a relatively participatory strategy. For example, during the bargaining process, the union mobilized workers to collect wage and welfare information across seaport companies, regularly communicated with worker representatives, and published proceedings from the negotiation sessions to maintain workers' collective attention. In addition, Chair Wang purposefully made the workers aware of the ongoing labor unrest in S Province and composed the union's bargaining team of both moderate and aggressive workers.⁴ Later, the YT Union Committee also asked workers to propose negotiation items and voted on the top five demands to bring to the collective bargaining table. Such moderated worker mobilization established the union's legitimacy among the workers and put pressure on the management, who gauged workers' opinions and the risk of logistic disruption. From 2010 to 2012, YT workers won 10%, 8%, and 5% wage increases, respectively.

In addition, another strike episode in 2013 is worthy of attention regarding my analytical purpose. That June, when Wang was reelected as the chairman of the YT Union, workers and the management began to negotiate how to implement the city's new policy on the housing fund contribution. According to the policy, the original company-paid contribution to a housing fund (totaling 13% of monthly income), a benefit workers won in the 2007 strike, became a legally mandatory payment shared between workers and employers. Despite the disagreement, the worker representatives voted on a plan after a few rounds of heated debate—the company and workers would equally share a contribution totaling 26% of monthly income to the housing fund. Effective in August, workers experienced a 13% loss of cash income on wage slips at the end of the month, and the outburst of panic and anger led to a wildcat strike on the morning of September 1, initiated by approximately 200 crane operators and then joined by all employees. Workers demanded an across-the-board 2,000 yuan increase in living allowance.

The YT Union represented workers negotiating with the company for three sessions until 2 am. The company offered a 500 yuan allowance increase; the strikers refused to make concessions but lacked consensus in making their demands. On September 2, the

⁴ Read Pringle and Meng (2018) for details on the mobilization.

Y City Union came to mediate the strike. The official leader denounced the strike as illegitimate, reminding workers that collective bargaining in November should be their way to advance their demands instead of a wildcat strike. Then, he turned to negotiate with the management for a new package of close to a 30% wage increase and a 5,000 yuan bonus for resuming production. In the official announcement, the union official warned all workers that things would go beyond their control if they did not stop or were they to conduct a wildcat strike again. Workers resumed work at 4 pm.

The dynamics of moderated mobilization

The case of YT Union collective bargaining illustrates how the interactions between structural power, institutional power, associational power, and employer response produce the dynamics of the moderated mobilization model of collective bargaining. In one of the world's busiest seaports, crane operators' skills and on-the-job experience give them strong workplace bargaining power to disrupt global trade logistics. Crane operators' exercise of this structural power, manifested by wildcat strikes, pushed the state to respond to workers' economic demands by recognizing their rights to organize a "rank-and-file" enterprise union and negotiate wages with the management. The state's enforcement of labor relations policies and laws generated effective institutional power that forced the employer to accept the establishment of the YT Union and collective bargaining in the company. Because crane operators' highly valued skills and work experience make it difficult for the company to replace them in a short time, the crane operators' strong workplace bargaining power compelled the management, who perceived workers' structural advantages, to recognize the elected representative organization and make concessions in collective bargaining. The YT Union acquired organizational legitimacy and relative autonomy from the state and company management. Thus, workers seem to have acquired associational power through state law enforcement and their elected YT Union and the workers and staff congress.

The YT crane operators formed a "worker identity" based on occupational skills, strike experience, and active participation in union elections and collective bargaining. The initial wildcat strike in 2007 resulted from their shared grievances of wage stagnation and declining social status; as workers complained, "In the 1990s, the crane operators' income and social status could match them to marry school teachers in Y City, but today, no teachers in Y City would like to marry a crane operator."⁵ The crane operators gradually forged a collective identity by participating in representative elections and collective bargaining, such as vetoing the 2009 collecting contract. As a union official observed on the scene, "You can obviously see that the crane operators view themselves differently from other staff and employees in YT." With the formation of workers' collective identity, the crane operators went on strike again in 2013 when the YT Union failed to address their concern about losing the housing fund benefit. Thus, the crane operators' strong structural power may lead to militant workplace unionism.

Notwithstanding, the YT workers' structural and associational power is moderated by the organizational and political constraints imposed by the official Y City Union in

⁵ As paraphrased by an official in the legal department of the Y City Union, May 2014.

China's context. The official union did not allow the workers to fully run the YT Union by nominating managers to union leadership positions based on their employee status and arguing for their administrative and communication skills, which workers need. By creating a legitimate manager-led enterprise union, the YT Union became a de facto intermediary between workers and management and between the official union and the company. However, because the crane operators' structural power is too strong and disruptive for the employer and the government, the company and the Y City Union accepted incorporating the workers into interest bargaining. The YT Union was also pressed to have workers participate in union affairs and wage negotiation openly and transparently in order to release pressure from workers and the company. Meanwhile, such "mobilization" made the YT Union more legitimate and powerful in collective bargaining with the company, thus enabling workers to benefit from the associational power embodied in the manager-led YT Union.

However, not all workers' demands, or grievances, could be addressed through the YT Union's moderated mobilization and wage negotiation, and the YT Union may fail to contain workers' disruptive power when workers' grievances become salient or suddenly erupt. As the 2013 strike demonstrated, when the workers and management could not reach a satisfactory solution on the housing fund payment, although a resolution passed in the union-organized ballot, the crane operators still circumvented the YT Union to start a wildcat strike. When enterprise unions fail to contain labor conflicts, the official union or government agencies intervene to mediate and even punish worker militancy if they can no longer control workers, as the Y City Union leader threatened the YT strikers with public security intervention if they continued to strike or were to strike again.

Technical negotiation: the case of the RH Union

The second model of workplace collective bargaining is "technical negotiation." Like the moderated mobilization model, wildcat strikes pushed state officials to support enterprise unions to acquire organizational autonomy from management through shop floor elections and mobilize worker participation in collective bargaining through an elected workers and staff congress. The perception of strike disruption and state pressure also compelled employers to accept the establishment of worker representation and collective bargaining.

Unlike the moderated mobilization model, worker participation in the bargaining process is limited because it only involves the elected representatives in the workers and staff congress and because a manager-led enterprise union controls the workers and staff congress composed of shop floor supervisors, technicians, team leaders, and office staff—a structure of worker representation imitating the structure of company management. During collective bargaining, enterprise union leaders' technical skills, production knowledge, and managerial authority (these union leaders are, in fact, managers) are central to wage negotiation. Worker representatives passively participate in the process, as they can hardly put forward workers' demands, confront their higher-up managers or take collective action. Ordinary workers give little attention to wage negotiation, as they feel no power to influence the union decision and no compulsion to participate, as they would not stay in the factory for long.

The limited worker participation and technocratic domination in enterprise unions result from workers' weak workplace bargaining power in a labor-intensive industry, where a low-skill workforce and high labor turnover weaken workers' structural power. Thus, the presence of state pressure (institutional power), enterprise union legitimacy (associational power), and employers' perception of past strike disruption leads to a technical negotiation model of workplace collective bargaining.

Perhaps, the RH Union collective bargaining best exemplifies the technical negotiation model. RH Industrial Development Ltd., founded in 1991, employed approximately 4,000 workers to make printers and optical instruments. In 2013, the RH Union was recognized as one of the ten best Chinese enterprise unions; it was the only recipient that was not a state-owned enterprise union. Thus, the RH Union was recognized as a national model for China's foreign-invested enterprise unions.

In 2007, when RH was called on to form an enterprise union, the company nominated nine managers as candidates for seven union committee member positions, and workers contested the election by electing a non-nominated female workshop manager to chair the new RH Union. The RH Union focused on welfare provision and dispute mediation in the first term. For example, the union regularly organized social events, hobby associations, and sports clubs, distributed holiday gifts, and provided financial aid to workers. The union also regularly arranged public lectures to help workers adjust to urban life, covering mental health, makeup and dressing, dating and marriage, sexual health, and communication skills. When a spontaneous wildcat strike occurred in late 2007 due to workers' anger with the company's new work evaluation scheme, which led to an income decrease, the RH Union mediated the dispute between worker representatives and management and coordinated both sides to accept a revised policy. The strike led the RH Union to hold regular consultative meetings with worker representatives and management to process workers' grievances and the company's concerns.

In 2010, the RH Union Committee organized its second election, in which the company did not interfere. The record of the 2010 election shows that there were 248 representatives, with 190 coming from the shop floor and 58 from administration and research units. Workers and staff in small union groups raised hands to elect their representatives, and primary-level supervisors, technicians, and team leaders made up most worker representatives. The representatives and the election committee nominated 14 union committee candidates. Because all the former union committee members were managers, which did not seem truly representative, the election committee decided that at least four candidates must come from the shop floor. In the nomination process, most representatives nominated their managers, whom they thought of as having high authority, strong managerial skills, and a good reputation. By adopting relatively democratic procedures, the election produced a union committee including seven managers and four shop floor supervisors, imitating the company management structure.

Liang and Gang were elected to be the chair and vice-chair of the RH Union and were also the directors of the department of products and the department of quality assurance, respectively. The RH Union held future union elections the same way, and Liang and Gang stayed in the chair positions until the company moved to a neighboring city in 2020. Using their managerial skills, the two leaders built an efficient union

administration. Under the new leadership, the RH Union drew up a full range of rules, standards, and regulations through the workers and staff congress, such as RH Union membership regulations, worker and staff congress regulations, union committee operation standards, union committee meeting rules, union financial management procedures, union procurement procedures, union sport activity rules, and union financial aid standards. Standardizing and institutionalizing union administration became a salient feature of the RH Union.

The RH Union became a well-functioning welfare workplace union focusing on distributing benefits and mediating workplace disputes, playing a comfortable intermediary role between workers and the company. However, the RH Union was still unable to advance workers' interests by allowing workers to negotiate wages and benefits. The greatest challenge for the new RH Union was collective bargaining. In 2011, the Y City Union, with local party and government support, required the RH Union to sign a collective contract with the company, but the company did not want to negotiate wages with the union, and the RH Union was afraid that they might not obtain a result from the company that could pass the vote in the workers and staff congress.

Coincidentally, a wildcat strike gave birth to collective bargaining in the company. On November 3, the molding department, where most employees were skilled workers, went on strike when the company broke an early agreement on raising molding workers' wages. That May, without the RH Union's help, the skilled molding workers had demanded the company increase their wages with a threat of work stoppage, and they negotiated with the company a wage increase that would be effective in October. When the molding workers found the company did not raise their wages upon receiving the wage slips, they planned the strike and let their union representative notify the RH Union on the morning of November 3.

The departmental strike immediately threatened production on the assembly lines by disrupting the supply of molds. The company fired all the strikers the next day, and then the strikers staged a protest in the factory. The RH Union went to mediate the strike, promising that no punishment would apply if they returned to work immediately with no mention of the wage increase. Sixteen protesters returned to work, and 22 received dismissal. Later, when the dismissed workers held a hunger protest in the factory, the RH Union stopped the company from paying compensation for terminating the workers' contracts.⁶

After the strike, the Y City Union officials also met the company management without defending the dismissed workers. The officials pointed at the strike as a warning to management, warning that the company would experience more devastating disruption soon if it continued to reject collective bargaining over wages and benefits—a fate that had befallen several well-known large manufacturers since 2010. Pressured by workers' activism and official warnings, the company and RH Union signed the *RH Wage Collective Negotiation Methods* in December and agreed to begin collective bargaining after the 2012 new year.

⁶ Later, the dismissed workers brought the company to court, but the judge ruled that RH had legally terminated their contracts.

The RH workers and staff congress elected a collective bargaining commission including eight worker representatives and ten union committee members, from which five persons formed a negotiation team. Then, the commission was divided into four task groups: the information group collected data on wages, food, rent, child-raising, and education; the communication group reported the negotiation progress to worker representatives and gathered their feedback; the publicity group was responsible for recording the process and developing proceedings from the negotiation; and the negotiation team focused on strategy-making and bargaining. This division of labor has since been institutionalized for collective bargaining at RH.

The RH Union took a technical approach to balance the interests between the company and workers in collective bargaining, emphasizing data analysis and modeling. Gang had led the negotiation with the company since the first collective bargaining in 2012, and he constructed a mathematical model to estimate the rate of increase in wages and benefits. His model included government wage guidelines, industry-level wages, the consumer price index, rent, family size, child-rearing expenses, and other variables. The union refined the model each year, depending on which items were advantageous to the union's demands. For example, in 2012, the union included infant formula prices in the model because many Chinese parents bought expensive foreign brands after a poisonous infant formula scandal exploded in China. In 2013, the information group sampled 146 employee households in migrant neighborhoods and 200 urban apartments in local neighborhoods. The union found that although the rent for urban apartments was higher, the rent in migrant neighborhoods increased at the highest rate in Y City. The commission, therefore, suggested including rent in migrant neighborhoods in the model.

In 2012, the model estimated a 19% raise (350 yuan), but the management proposed an 8% raise, arguing that Japan's earthquake, Thailand's flood, and the European debt crisis dropped the company's profits (RH was operating in those regions). However, because the union's data were prepared in a convincing way that the company did not expect, the company could not resist the evidence that the past wage was set too low to meet workers' rising living costs. After four negotiation sessions, the RH Union and management agreed on a 15% raise (300 yuan) in the collective contract in 2012. The workers and staff congress were also persuaded to approve the contract, although worker representatives initially demanded a 30% raise, a number the RH Union deemed "irrational," "realistic," and "unscientific." In the same way, the RH Union negotiated a 10% raise (200 yuan) in 2013. In addition to wages, the RH Union negotiated other benefits for workers over the years, including a work program for pregnant workers, child education subsidies, rent subsidies, a factory clinic, a company bus, and an annual field trip.

In fact, however, mathematical modeling might be a game of numbers to generate a moderate percentage of raise that can be justified in front of workers and showcased as a "rational," scientific negotiation to state officials. Insider company knowledge was important for the RH union committee to cap the wage increase and to negotiate new benefits for workers. The RH union chairs were senior managers who had a good sense of company productivity and annual profit. They gauged a "reasonable" wage increase and used the "scientific" method to set up the rate of wage increase as long as the rate did not go above their "reasonable" estimate. Even then, they still felt pressure from the company and increasingly preferred to negotiate new benefits with the company,

rather than a higher rate of pay raise, because new benefits not only sounded attractive to workers but also saved a considerable amount of the company's cost associated with a pay raise, such as overtime hourly pay and the employer's contribution to a housing fund, pension, and social insurance.⁷

Worker representatives gradually discovered the “secret” of the union's negotiation strategy—a low raise plus more benefits. Beginning in the mid-2010s, the RH Union received more challenges in the worker and staff congress when representatives were asked to vote on the negotiated pay raise and benefits. Sometimes, the RH Union leaders had to employ their managerial authority to suppress the sparked challenges, with statements such as, “If you do not agree with the deal, you talk to the company” or “whoever can negotiate a better deal should go to talk to the company.” The challengers and the congress were silenced when receiving these counterchallenges based on the union leaders' managerial positions, but the ballot reflected the increasing dissatisfaction among the worker representatives. While the negotiated collective contract received above 90% approval for a few years, the approval rate subsequently dropped to below 80%.

In 2020, the company closed the factory and relocated the production to a neighboring city, and the RH Union negotiated a compensation package for workers who chose not to move with the factory. The RH Union reported that from 2012 to 2020, workers' basic wages increased by 1,617 yuan through collective bargaining. However, if we take the increase in Y City's minimum wage into account, which increased by 880 yuan during the same period, the real gain from collective bargaining was not impressive, only 737 yuan. A union committee member's and a worker's comments reflected how meaningful collective bargaining was for them. A union committee member said in an interview:

“Our wage level was relatively low for workers, and so the raise looked like a lot to outsiders, but it was not very much for workers. [Nevertheless,] we think it was a good result—if an agreement could not be reached (by workers and company), it would be a failure [for the RH Union].”⁸

Furthermore, a worker representative commented,

“Regarding collective bargaining, before, the wage was totally decided by the company. Now, [we] have only a little voice. In the past, wages increased by about 10 yuan a year, sometimes dozens of yuan a year. We heard about collective bargaining in 2010—union members could bargain with the company—but we did not have real bargaining until 2012. About the wage increase, now it has increased a little more than before. For me, I am not satisfied with the company [...]. For labor strikes, there was a strike before. [You won't go on strike] unless you cannot tolerate it any more or the grievances cannot be addressed.”⁹

⁷ For example, the overtime hourly pay is calculated based on workers' base wages, and the employer's contribution to the housing fund, pension, and social insurance is calculated based on workers' payroll income.

⁸ Y City Union interview with union committee member Lie in 2013.

⁹ Y City Union interview with a group of worker representatives in 2013.

The dynamics of technical negotiation

The case of RH Union collective bargaining exemplifies how a different configuration of labor power and employer perception shapes the formation of a technical negotiation model of collective bargaining. The exercise of workers' structural power, manifested by the molding workers' wildcat strikes, provided the state officials with an opportunity to push the company and the manager-dominated RH Union to institutionalize collective bargaining, as both the employer and RH Union already perceived the possible threat of production disruption. However, the power dynamics on RH's shop floor are different from the moderated mobilization model in the capital-intensive sector composed of a stable, (semi)skilled workforce.

Although dozens of skilled molding workers in RH had strong workplace bargaining power in disrupting the machine assembly, their failure to build solidarity with assembly workers crippled the opportunity to push for a greater representative union and meaningful workers' participation in RH's collective bargaining. Assembly workers in RH were characterized by low skills and high turnover, and they could not form a stable collective or expect to build a long-term career tied to the promotion and wage increases. Moreover, when the molding workers exercised their structural power by organizing a strike, they were disciplined by the manager-dominated RH Union and punished by the company. They were unable to form a stable solidarity network in the company either. Hence, while molding workers' militancy led to an official establishment of collective bargaining, RH workers could not harness the associational power created by the RH Union for their advantage due to their weak structural power.

Without union members' pressure on the company, the RH Union was comfortable playing an intermediary role in balancing labor relations, having no interest in mobilizing workers and forging their collective consciousness. Unlike the YT Union, which was pressed to incorporate worker participation in interest bargaining, the RH Union only included representatives, mostly primary-level supervisory staff, to participate in information collection and go through the procedures, thus legitimizing collective bargaining. Then, the core of RH's collective bargaining was not solidarity-based interest negotiation but manager-dominated technical analysis, insider production knowledge,¹⁰ and managerial authority to obtain approval of the collective contract from the company and worker representatives. The result of collective bargaining was the limited increase in wages and company welfare, a sort of interest balancing between workers and the company, which satisfied the official unions' mission to build "harmonious labor relations." Thus, without strong structural power, a technical negotiation model of collective bargaining developed from the interaction of institutional power, associational power, and employers' perception of threat in a sort of state corporatist institutional setting.

Collective consultation: the case of FX Union

"Collective consultation" is the third variant of workplace collective bargaining, which is also the Chinese official name for collective bargaining. Enterprise unions are supposed to consult with management on employment issues and sign collective contracts on

¹⁰ Not shown in this case. In other cases, belonging to technical negotiation, it is common to see managers as union cadres use their knowledge in company production and productivity to negotiate with the employer for increasing wages and benefits.

behalf of workers without triggering a worker–management confrontation. As a national policy, it was rarely enforced since the national union began to promote collective consultation in 1994.

Similar to the technical negotiation model, state officials formally require employers to establish enterprise unions and collective bargaining. Enterprise unions can build associational power through a relatively democratic election, welfare and service provision, and labor dispute mediation. Unlike the technical negotiation model, because no labor strike ever occurred in the companies, employers do not directly perceive the threat of disruption and do not feel an urgent need to recognize workers' right to collective bargaining. The enterprise unions still lack organizational autonomy from management. With these conditions, collective bargaining becomes a *de facto* consultation between manager-dominated enterprise unions and company management; workers and their representatives are largely excluded from participating in any matters except complying with their union leadership to pass the drafted collective contract. As a result, with no strike experience and the absence of strong structural power, the combination of institutional and associational power produced a "collective consultation" model of collective bargaining in Chinese state corporatist settings.

As RH's largest competitor in Y City, FX Union collective bargaining may be the best example to demonstrate the collective consultation model compared to the RH Union's technical negotiation model. FX employed approximately 8,000 workers to produce printers and other electronics. The FX Union was formed in 1995. In the mid-2000s, Zhou, a young shop floor supervisor, was elected as the union chairman. Seeing that all his predecessors were senior managers who barely ran the union with the workers' interests in mind, Zhou proposed banning senior managers from running for union elections, which the employer accepted. Since then, the FX Union committee has been composed entirely of elected workshop managers, technicians, supervisors, and team leaders. Zhou also persuaded the company to fund entertainment and social events for workers. During his tenure, Zhou's union work offended some managers, who later blocked his promotion in the company, so he chose to resign and started his own business after his term ended.

In 2010, Yu won the union chair election after Zhou. The FX Union election was similar to the RH Union elections. Workers were grouped based on production divisions, workshops, lines, and teams and elected their representatives in the groups. Then, the representatives elected the union committee members, including a chair and a vice-chair. However, since FX had not experienced any strike demanding wage hikes or union representation before, the union did not achieve organizational autonomy from management, and the company maintained its interest in controlling the union by sponsoring union chair candidates. In an interview, Yu acknowledged that the company played a key role in promoting him as the chair candidate in 2010. While many workers knew Yu well because of his active role in participating in various union activities, he could only mobilize workers' support in his division—approximately one-fourth of the company workforce—and it was the company that used administrative channels to promote him as a strong candidate in workers' daily shop floor meetings. In 2014, when Yu retired from the union leadership role as a newly promoted company manager, a chair candidate

backed by him lost the election because the company chose to support a different candidate to chair the union.

Despite company interference in union elections, like the RH Union, the FX Union did well in providing welfare and mediating labor disputes. The union organized many associations and social events for workers, such as sports teams, dance clubs, music bands, yoga groups, and reading societies. The union normally sent gifts and distributed resort tickets to workers on holidays. Before the Chinese New Year, the union even booked train tickets and arranged buses to take workers to train stations. The FX Union also collected and addressed workers' grievances through an internal online platform. When a worker lodged a complaint online, the union committee member brought the case to the relevant managers. Whether or not it could be resolved, the union would reply to the worker with a result. For example, some workers complained that it was unreasonable to deduct a two-day wage for a one-day absence in the employee handbook, and after the union talked to the human resource manager, the company changed the penalty to a one-day wage.

In 2011, like most enterprise unions in Y City, the FX Union was required to initiate wage collective bargaining with the company. Because the union did not have enough autonomy from the company and because the union committee members did not have high managerial status in the company, the FX Union could not bargain in the way that the RH Union did. As Yu said, "Our negotiation team members are weaker than the RH Union's in terms of information collection, negotiation power, and mobilization capacity. Even though we take the same approach as they do and collect the same quality data, we cannot obtain the same results because our status within the company is different." "We do not dare to do the same. They are one team with two brands (union and management), but we are not."¹¹ Nevertheless, the union needed to bargain for some gain to enable the workers and staff congress and union officials to approve the collective contract.

The FX Union approached collective bargaining with a consultative strategy. Before kicking off formal collective bargaining, Yu and other union committee members went to consult with each head of department and the general manager about appropriate union demands on wages and benefits. Through informal consultation, the union collected company information and tested negotiable space on the issues that would be discussed in formal negotiation sessions and secured some support from the management. After the preparation, formal collective bargaining began, but there was only one formal negotiation session between the union and management, as both sides immediately agreed upon the wage and benefit adjustment. Since everything was already negotiated, the formal session was a ritual to legalize the agreement. Then, the union called the workers and staff congress meeting to approve the collective contract. There was no worker or worker representative participation in the process except for voting on the collective contract in one meeting.

The first collective contract in 2011 only won a raise of 50 yuan, a "victory" that disappeared when the municipal minimum wage was raised by 13%. Since 2012, the FX Union has planned collective bargaining only after municipal minimum wage adjustments

¹¹ Interview with Yu, 2014.

and has managed to gain at least an extra 5% raise in addition to the official minimum wage increase. In 2014, when the municipal minimum wage increased from 1,600 to 1808 yuan, the union demanded an extra 5.6% raise, and FX workers' base wage rose to 1910 yuan. During Yu's tenure, the company had no collective labor disputes. Collective bargaining was de facto a consultation process between the union committee and management.

The dynamics of collective consultation

The case of the FX Union collective bargaining demonstrates a collective consultation model resulting from the operation of workers' institutional power and associational power but a lack of structural power and employers' recognition of that structural power. Since the local state enforced the organization of an enterprise union and signing of the collective contract in FX, the official enforcement generated institutional power that pushed FX management to accept unionization and collective bargaining. Then, enterprise union elections placed responsive shop floor managers in union leadership, who then made efforts to improve workers' welfare and working conditions in the company and built some associational power for the FX Union.

However, since there was no wildcat strike in the company's history and because FX's major workforce (like their RH counterpart) had no strong structural power or collective identity due to low skills and high turnover, the company did not perceive a direct threat of production disruption or feel pressure to give up its control over the FX Union and recognize workers' rights to collective bargaining, while the FX Union did not feel it necessary to achieve organizational autonomy from the management. Thus, although the FX Union held formal organizational status and legitimacy among the workers through union elections, welfare distribution, and dispute mediation, it was still more dependent on the company than on its members. It did not engage workers or their representatives in collective bargaining at all. Ultimately, collective bargaining became an internal consultation meeting between the union and the company, and workers and their representatives were excluded from participation.

Managerial domination: the case of WM Union

The fourth model of workplace collective bargaining is "managerial domination." Like the other three models, state officials compelled employers to formally establish enterprise unions and collective bargaining. However, unlike the other three, the institutional power derived from state law enforcement is the only available power source that workers could rely on in collective bargaining. While an enterprise union is created on the shop floor, company management fully controls the union elections and operation, and there are no democratic procedures to produce accountable union leadership. The company-picked enterprise union committee does not serve workers' interests and may not run the union at all. Consequently, the enterprise union cannot foster workers' associational power in the company. Moreover, a docile, low-skilled, high-turnover workforce can neither challenge the management by disrupting production nor pose a potential threat with strong structural power. The enterprise union cannot represent workers, and management dominates the union and collective bargaining.

I find two forms of practices in the managerial domination model of collective bargaining. One form is the widely reported formalistic collective bargaining, in which a company and its picked union leaders fill out a collective contract template that contains little substance but repeats legal clauses, and no bargaining process takes place. The other form is that the company and its picked union leaders are forced to go through a formal collective bargaining process due to high official pressure, but the enterprise union works with management to pass a collective contract that would benefit employers more than workers. In this study, I provide the case of WM Union collective bargaining to illustrate the second form, which has not been well researched.

In 1996, WM set up a Chinese headquarters and opened its first Chinese branch in Y City. While the Y City Union had been persuading WM to set up workplace unions for years, the company had successfully lobbied the city government to avoid creating unions until 2006, when the central party leader instructed the national union to unionize all foreign-invested enterprises. Then, Chinese official unions started by organizing WM workers. Since WM refused to accept unions, the official unions revamped their revolutionary tradition and took a rare bottom-up approach to organizing workers.¹² Soon, WM gave up and allowed official unions to establish branches in company branches and headquarters.

However, when WM began to comply with official unions' requirements, official unions withdrew from grassroots organizing and coordinated with WM management to set up workplace unions. Human resource managers organized union elections in many stores, including nominating candidates and selecting worker representatives to vote for union committee members. There was no ballot in some branches, and the picked representatives raised their hands to vote. As a result, except for a few workplace unions created during the early grassroots organizing campaign, most WM workplace unions were not representative but controlled by the management. Furthermore, the WM workplace unions were independent of each other, and each union reported to the official union federation in the local district or street office. Therefore, the WM Unions had almost no organizational autonomy from management, and they did not have associational power.

In late 2006, the national union federation approved the Y City Union's request to initiate collective bargaining with WM. In November, the Y City Union organized a collective bargaining training session for the WM Headquarters Union constituted by managers. The union officials quickly found that the headquarters union members aligned their interests more with the company than the workers. The headquarters union even prepared a collective contract template without wage specifics but that repeated the basic labor standards. In 2007, the Y City Union turned to WM branches to collect workers' demands and drafted a new collective contract, but the WM Headquarters Union opposed the draft and said they could not agree to it. Back and forth, the negotiations between the Y City Union and WM China made no progress in 2007.

In 2008, the Y City Union threatened to denounce WM's anti-collective bargaining stance at a press conference, which brought WM's deputy global CEO to lobby the national union leaders in Beijing. After the national union leaders' mediation, WM

¹² Chinese official unions established the first WM workplace union in a southern city in July 2006, taking WM by surprise, and within a few days, three WM workplace unions were established in Y City. In early August, WM announced that the company agreed that Chinese official unions could set up unions in all of its branches.

accepted collective bargaining in China. Soon, the Y City Union guided WM workplace unions to elect representatives. Each branch sent three representatives—one union chair, one worker, and one union committee member (or worker)—to participate in collective bargaining. Among 48 representatives in total, each gave a short speech on why they wanted to be a representative and why they were qualified, and then they voted for ten people to form a negotiation team. The WM-D branch union chair, a worker who participated in the early grassroots organizing campaign, was elected as the chief representative.

Before the negotiation began, a senior national union official flew to Y City to supervise the negotiation, and he persuaded WM to offer a 9% wage increase—1% more than WM had budgeted for wage adjustment. In July, WM signed a collective contract with employee representatives in Y City, with a 9% wage increase plus a 1% performance-based increase—lower than the 13% proposed by workers based on the S provincial wage guideline.

Because the headquarters management often adjusted wages without the intention to negotiate and because most WM unions did not truly represent workers, the WM workers heavily relied on the Y City Union to pressure the company to make concessions. In 2010, when the Y City Union found no progress between union representatives and management, the union officials organized meetings with WM workers, who pressured the company to accept an 8% wage increase in the final negotiation. In 2011, when WM asked representatives to accept a 5.5% wage increase, the Y City Union threatened to hold a press conference to criticize WM's bad faith bargaining, which caused the company to offer a 6.5% raise. In 2013, when WM insisted on a 3% raise and ignored workers' demand for 6%, the Y City Union asked the representatives to notify each branch manager that the workplace union would call for a formal meeting with workers to discuss the wage negotiation on the afternoon of May 2, from 2:30 to 3:30 pm, a threat of work stoppage during holidays that forced WM to accept a 6% raise in the end. In 2014 and 2015, the Y City Union did not intervene in WM collective bargaining, and the wage increase for the 2 years was 5.5% and 4%, respectively, but workers were unsatisfied with the outcome. In 2014, a few worker activists established an independent WM Chinese Workers' Association (WCWA) as an alternative organizational vehicle to build associational power, but they were unsuccessful in building workers' solidarity.

While the Y City Union supervised WM's collective bargaining and helped store representatives gain small wage increases over several years, company management still dominated collective bargaining, and WM workers' income and working conditions did not improve. Management often took away workers' subsidies and benefits while increasing wages. For example, with the WM unions' consent, the company removed the 400 yuan monthly rent subsidy in 2012 collective bargaining despite the widespread opposition from the workers. Additionally, not every worker had received a raise as specified in the collective contract; some workers could not receive a raise due to a "bad performance evaluation."

In addition, working conditions in WM became increasingly precarious. For example, by 2015, WM had reduced the number of workers by half and employed a substantial number of part-time workers; it also required suppliers to employ salespersons to replace WM workers. In 2016, without any consultation with unions or workers, the management announced that WM would switch the regular work hours to a flexible work schedule in which store workers could be on call at irregular hours without

overtime pay. While the WCWA tried to organize workers to resist the new policy, WM prevailed when branch management came to intimidate individual workers one by one and when neither WM Unions nor the Y City Union intervened on behalf of workers.

The dynamics of managerial domination

The case of WM Union's collective bargaining demonstrates a managerial domination model. Although the national federation and Y City Union asserted a salient role in unionizing WM and installing collective bargaining in the company, most WM workers did not achieve union representation or associational power through grassroots organizing or shop floor elections. Their structural power was weak, as they worked in a low-skilled sales sector and were easily replaced by the company, and they had not organized any effective collective action to halt WM's business in Y City. Thus, they were unable to compel the management to respect their rights to union representation and collective bargaining.

In the end, due to the lack of associational power, structural power, and the business disruption caused by the workers' strike, the presence of strong institutional power alone through the national union federation and Y City Union's policy enforcement could produce collective bargaining manipulated by WM management. In many other companies where the officials did not supervise collective bargaining closely, workplace collective bargaining simply comprises a formalistic collective contract template filled out by an employer and his or her handpicked union chair.

Discussion

The above cases represent four typical models of workplace collective bargaining in Y City, which are summarized in Table 2. I also included all 17 cases collected from the Y City Union in the table. Although these companies are from different sectors, it is the patterned configuration of workers' power resources that shapes the variability in

Table 2 Variability in workplace collective bargaining in Y City

Labor power	Enterprise unions			
	YT AX transport	RH X precision G technology C man RA tech H finance	FX NV display Y zip S gate BB star	WM Fox tech C footwear RD precision
Structural power	Skilled workforce	Low-skilled workforce with a tiny group of skilled labor	Low-skilled workforce	Low-skilled workforce
Perception of disruption	Wildcat strike	Wildcat strike	No strike	No strike
Association power	Autonomous union elections	Autonomous union elections	Company-influenced union elections	No elections or manipulated elections
Institutional power	Official support	Official support	Official support	Official support
Model variation	Moderated mobilization	Technical negotiation	Collective consultation	Managerial domination

workplace collective bargaining, not industrial characteristics. Similar power dynamics produce the same model even in companies in different sectors. For example, while the YT Union belongs to the logistic service sector, research reveals that moderated mobilization characterizes the auto parts factory collective bargaining in Guangzhou (Luo and Yang 2020; Deng 2020). Although the WM Unions are in the commercial sales sector, the Fox Tech Union, whose collective bargaining is also characterized by managerial domination, is in the manufacturing sector. In another way, different power configurations produce diverse collective bargaining models even though the enterprise unions are in the same industrial sector, as the RH Union and the FX Union have demonstrated in this article.

Based on the comparison, we can see how the interaction between workers' different power resources in Chinese labor relations settings shapes the dynamics of workplace bargaining development on the shop floor. First, workers' associational power is fundamental for any meaningful collective bargaining to take place, and it is created through a certain degree of democratic union elections and responsive enterprise union leadership. A certain degree of democratic elections is the primary condition for generating legitimate worker representation, but it does not guarantee that workers will control the decisions or exercise associational power. In the Chinese union system, responsive, strong enterprise union leadership is often associated with the election of managers into union committees. Like trade union cadres in Western societies, Chinese enterprise union leaders also face the dilemma between their commitment to maintaining the established industrial order with employers and grassroots members' grievances (Hyman 1989[1972]). Unlike Western trade union cadres, Chinese enterprise union leaders as company employees depend on employers for promotions and salaries, and they do not have a union career built into the Chinese official union system.

Consequently, while manager-led enterprise unions in China can mobilize companies' material resources and administer union functions efficiently, the associational power they help build is more restrained from confrontational activities with employers and easily becomes an organizational extension for officials or management to monitor labor relations and control unrest. This construct does not necessarily play to workers' advantage in wage negotiations, and enterprise unions' associational power can be used to tame workers' structural power (Pringle and Meng 2018). Hence, enterprise unions become a contested field where officials, employers, and workers vie to control or use associational power for collective bargaining.

Second, unions' organizational autonomy from company management is critical for workers to benefit from or employ associational power in collective bargaining. Workers' exercise of structural power (such as a strike), not democratic union elections, is most effective for enterprise unions to achieve organizational autonomy. As the FX Union shows, while worker representation was established through elections, the union was still subordinate to management, as the company always sponsored a trusted candidate to compete for the union chair position. For those enterprise unions that have achieved organizational autonomy, workers in those companies had exercised structural power by going on strikes in a more or less disruptive fashion, even though the workers' structural power was weak. Experiencing disruption not only pressed employers to accept autonomous unions but also pressured the manager-led unions to take workers' welfare and

wage negotiation into serious consideration. Although worker participation may still be constrained, the enterprise unions can at least get worker representatives involved and keep wages up with inflation, as the RH Union collective bargaining exemplifies.

Third, meaningful worker participation determines workers' substantial gains in collective bargaining, and strong structural power guarantees meaningful worker participation in the current trade union system. While workers may be loosely organized initially, strike experience inspires skilled workers to realize their strong workplace bargaining power in global production chains and build their confidence to exercise structural power through collective actions. Facing mobilized workers and a high risk of production disruption, manager-led enterprise unions have to engage workers in planning and decision-making related to workers' welfare and wages, and employers are more likely to negotiate with workers in good faith, as demonstrated by collective bargaining in YT and some automotive factories.

My empirical comparison demonstrates that the establishment of workplace union elections itself does not necessarily lead to effective collective bargaining or the advancement of workers' interests, but workers' involvement and action are essential for establishing genuine collective bargaining in China. We have come to see that Chinese workers need to enhance their structural and associational power to improve the quality of workplace collective bargaining, but is this possible in the Chinese union system and in the context of the global decline of organized labor?

As China's industrial transformation and the demographic transition began simultaneously in the mid-2010s, Chinese industrial workers may face a critical juncture of structural power change. In workplaces, local governments and employers have accelerated robotization, digitalization, and artificial intelligence to transform the economy. Whether workers will achieve skills upgrading or be replaced by robots is still under observation. In the labor market, as the population is aging and the young workforce is shrinking quickly, labor shortages have become a severe problem across the manufacturing industry. Hence, Chinese industrial workers may have come to a rare moment when they face a potential power change in workplaces and the labor market.

However, even though workers would achieve greater structural power, the potentially increased structural power may not benefit workers because workers' associational power is severely weakened by the labor dispatch and outsourcing dominating the labor market. In the advanced manufacturing sector, high-skilled workers may prefer to work as independent contractors with individual autonomy. In those factories where low-skilled labor still fills the production line, many workers are now hired and dispatched to workshops by human resource agencies, and they hop jobs between different factories, sometimes even organized by the labor agencies (Liu and Zhu 2020). Neither group of workers is likely to be represented by a workplace union or other labor organization for collective bargaining. If there is a wage negotiation, it is between employers and human resource companies rather than workers. Two consequences may result from the new form of employment relations: (1) workers are more likely to quit jobs than to strike for rights and interests when facing unfair treatment; (2) even when a strike occurs, the strike could hardly lead to the creation of an autonomous enterprise union representing workers.

While my case studies have shown that structural power and the exercise of it are most important to shaping the dynamics of workplace collective bargaining, building associational power or organizing effectively seems to be the most urgent task for Chinese workers to improve working and living conditions as a social class. However, given the official unions' problems of entrenched bureaucratization and the workplace-based organizing principle, it is doubtful that atomized Chinese workers will soon be organized in the labor market dominated by hundreds of thousands of labor dispatch and outsourcing agencies. Although new local union reform is experimenting with organizing workers in residential neighborhoods (Luo and Chan 2020; Wen 2020), thus building associational power beyond the workplace-based organizing principle, no evidence suggests that this new form of labor organizing has played a role in collective bargaining.

Therefore, we may anticipate that the development of collective bargaining in China will stagnate and even decline. For those private and foreign enterprises where worker representation and wage negotiation were not established, workers will be unlikely to push for creating a representative union and collective bargaining in current employment conditions. For those enterprises where union elections and collective bargaining have been institutionalized, the model and outcome of collective bargaining will still be largely shaped by workplace power dynamics if the official unions continue to provide institutional support. Moreover, many foreign-invested enterprises with established unions and collective bargaining have been closing and relocating to new places where unionization may not be legally required. As a result, the variability in workplace collective bargaining will not decrease or converge to the same model in the future. The various models of workplace collective bargaining may not be a transient phenomenon but a semi-institutionalized middle ground in China's context.

Conclusion

In his book on Chinese trade union reform, Friedman (2014) finds that while labor unrest has strengthened the status of Chinese official unions and pushed pro-labor legal and regulatory reforms at the state level, workers can hardly recognize the causal impact of their industrial actions on institutional progress, and they cannot enjoy the gains due to the lack of effective representation in workplaces. Recent scholarship on Chinese collective bargaining has found somewhat effective shop floor mobilization and wage negotiation in the context of trade union reform. However, these studies did not probe the less effective forms and practices, leaving an incomplete understanding of the dynamics of workplace collective bargaining in the country. In this study, I adopt the PRA as a framework to examine the variability in workplace collective bargaining in China's labor relations frontline, Y City, identifying four models of workplace collective bargaining in local institutional settings.

In the "moderated mobilization" model, skilled-worker militancy persistently threatened port logistics, which pushed the state officials to support union elections and wage negotiation, propelled employers to recognize workers' rights, and pressured the YT Union to guarantee workers' meaningful participation in collective decision-making. In the "technical negotiation," past wildcat strikes and state regulatory enforcement pressed the employer to recognize workers' rights to union elections and collective bargaining, leading to the RH Union's organizational autonomy. However,

a high-turnover, low-skilled workforce was unable to appropriate the associational power built by the manager-dominated union leadership, and their participation in collective bargaining was limited to the elected representatives who were inclined to comply with their line managers in union leadership.

Worker participation was further weakened in the “collective consultation” model. Since a high-turnover, low-skilled workforce never challenged the company through wildcat strikes, the FX Union could not achieve organizational autonomy, as the company could still sponsor a union chair candidate, and the union had no pressure to have workers participate in wage negotiation either. Although union elections and collective bargaining were established upon the official request, such a workplace union could only consult with the company on workers’ welfare and wages but exclude the input from workers and their representatives. Finally, the “collective consultation” model was degraded to “managerial domination” when WM management controlled the unrepresentative workplace unions, and state support was the only power resource that workers could rely on in collective bargaining.

Based on the findings, I argue that the variability in workplace collective bargaining mainly results from the dynamic interaction between different workers’ power resources and employers’ responses. Through my discussion of the findings, I further argue that the uneven development of workplace collective bargaining is not a transient phenomenon but a semi-institutionalized middle ground in Y City and the broader Chinese mainland. By employing the PRA to analyze Chinese workplace collective bargaining, I present evidence from China that advances our understanding of the theory of the PRA by advocating for analyzing the dynamic interaction between different workers’ power resources and employers’ perceptions to explain diverse labor movement outcomes.

Abbreviations

CPC	The Communist Party of China
PRA	Power resources approach

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Author contributions

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Availability of data and materials

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Declarations

Competing interests

I declare no competing interests in this research.

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