

CHINA AND THE INTERNATIONAL LABOUR MOVEMENT

By Anita Chan *The All China Federation of Trade Unions defines its main role as the protection of labour interests, which can often place it in direct conflict with the state. In an article originally prepared for an international conference of trade unions in Hong Kong, Anita Chan evaluates the effectiveness of the Chinese trade union federation and considers its engagement with the international community.*

HOW should the international labour union movement relate to the Chinese trade union federation? To answer this question it is necessary to first examine the nature of the Chinese trade unions. The common image of the All China Federation of Trade Unions (ACFTU) is that it is useless – that it is powerless, a so-called “transmission belt”, an arm of an authoritarian party-state, that because it is not independent it cannot protect workers’ rights; the list goes on. Even those within the ACFTU lament the unions’ own problems, low status and ineffectual role. It is seen as so useless that almost no scholars inside or outside China care to do research on it. I, too, had my doubts as to whether I should spend my time studying it. While conducting research on Chinese workers, though, I gradually began to see that the ACFTU is not so useless. It has a function assigned by the state to protect workers’ rights. It is an elephant made up of many parts. Its effectiveness in protecting workers’ rights varies from level to level, region to region, and in many cases comes down to the individual union officials.

It is necessary to place the ACFTU into political and historical perspective. Under the ultra-authoritarian Maoist regime the ACFTU was truly very weak, but then the entire Chinese society was experiencing a very repressive period. What many people don’t know, have forgotten, or prefer not to know is that the ACFTU rebelled a few times under the communist regime, each time ending up badly crushed. Since Deng Xiaoping came to power, however, things have changed and so has the ACFTU. Over the past twenty years the ACFTU has tried with some success to be more autonomous.

Even so, the nature of the ACFTU today is still best encapsulated in this expression – it is a “socialist state bureaucracy”. Let me unpack the contents behind these three words in reverse order – the ACFTU as a bureaucracy, its relationship with the state and Party, and its “socialist” nature.

ACFTU as a bureaucracy

It is true that the ACFTU is still a government bureaucracy. All bureaucracies are assigned with functions, and the ACFTU’s foremost function is to protect workers’ rights. It is not easy for the union to exercise this function, though, because it always has been and still is a weak bureaucracy.

As a government bureaucracy the ACFTU finds itself in an unusual situation. This is because the very function to which it is assigned inherently contradicts the state’s economic goals. This automatically places the union at odds with other bureaucracies

such as those that are assigned to develop the economy, for example the Ministry of Foreign Trade and Economic Co-operation (MOFTEC). That is why, while trying to give the ACFTU some space to perform its role, the party-state also keeps it under tighter control than other bureaucracies. One example is that staff of the ACFTU Labour College (Gongyun Xueyuan) find it hard, even today, to meet freely with foreigners or travel abroad in the same way as academics and officials from other bureaucracies can. Another example is that many foreign business schools have opened business management institutes and run courses in China, transferring, so to speak, “business management technology”, but I doubt that a foreign trade union can go into China and set up a trade union cadre training school to transfer trade union management technology. For Western trade unions to assist in isolating the ACFTU is inadvertently to support the Chinese government’s efforts to keep the ACFTU reined in, uninformed and parochial.

As a bureaucracy the ACFTU has been fighting hard to elevate its status over the last two decades and has attained some success through what we social scientists call the channel of “state corporatism”. In simplified terms this means that the ACFTU tries to share in the government’s decision-making while also trying to maintain some autonomy. This is not that unusual. Even trade unions in democratic systems often want to have a foot in, or at least influence, the political structure. Looking at ACFTU history over the past twenty years the most significant outcome of this influence has been the ACFTU’s ability to insert pro-labour articles in a series of legislation that affects worker’s rights and conditions. For instance, the original drafts of the Enterprise Law passed in 1988 did not include any articles about the staff and workers’ representative congress (SWRC), but these were included after the ACFTU fought hard for them. In my current research using two sets of data from surveys in factories, it emerges that the SWRC today does serve as a check and balance mechanism against management domination in a minority of state and collective enterprises. As a second example, when drafting the Labour Law passed in 1994, the ACFTU attained some success in reducing the maximum number of work hours and helped write other clauses advantageous to workers.

The Labour Law has not been adequately enforced, and some might even question whether its passage makes any difference. But the recent “Zhou Litai phenomenon” indicates that things are changing. Zhou Litai is a private lawyer who is attracting a lot of publicity in his legal battles with foreign investors and local governments for industrial injury compensation for workers in the Shenzhen area. He has become a folk hero known for the belligerent way he argues in court, and for providing shelter for injured workers while fighting their cases. That Zhou and other lawyers like him are allowed to practice is significant. This is a very big step forward in the Chinese government’s tolerance for private initiatives to challenge the system and capital. Chinese society is now turning to the legal system for protection and this shows how important it is to have pro-labour laws in place. Industrial dispute litigation has been sky rocketing in the past decade and the majority of the rulings have been in favour of labour.

Relationship between the trade union, the party and the state

The traditional view of the Maoist political structure was that it was unitarian – the party and the state were one. This can be seen in how we used to hyphenate the two words – party-state. Under this structure the trade union was totally under the party-state. But with the policy of separating the party from the state, the two no longer

overlap as closely as they used to, particularly at enterprise level. Stripped of their administrative responsibilities, with fewer Party edicts to transmit and political meetings to convene, the influence of a Party Secretary within a state enterprise has declined. In most enterprises, managers are the ones in command. These managers of state and collective enterprises are probably Party members and sit on the enterprise Party branch committee, but their job is to manage production, not to espouse the Party line. Under the Labour Law the Party branch is to play a mediatory role between management and labour/union. The situation now is such that Party branch secretaries can be either pro-labour or pro-management. The breakdown of the monolithic nature of the Party means that a much more complex picture is developing. At enterprise level it makes sense not to hyphenate the party and the state any more.

The trade union is supposed to “carry on its work independently under Party guidance”. But due to the unusual nature of the trade union’s assigned function, as pointed out earlier, there is always a tension between the trade union and the state. Let me illustrate this point by using a *Workers’ Daily* report about an inspection tour of Shandong province by the ACFTU president, Wei Jianxing.

Wei Jianxing is a powerful person who wears many hats. He is a member of the Standing Committee of the Politburo (that is, he is one of the seven top leaders of China), a member of the Secretariat of the Party Central Committee, and the secretary of the Party’s Central Discipline Inspection Commission. On 1 November 1999 the *Workers’ Daily* carried a front-page report of the tour with the following headline and sub-headlines:

"WEI JIANXING ON HIS INSPECTION TOUR IN SHANDONG CALLED ON THE TRADE UNIONS TO MAKE GOOD USE OF THE GREAT OPPORTUNITIES TO CARRY ON THEIR WORK CREATIVELY."

"Do not use old ways to solve new problems; the union should strengthen theoretical guidance." [This encourages the union to strike out on its own.]

"If the union only clings onto the party and the state, it has no reason to exist." [This point is truly rebellious; it literally encourages the union to distance itself from the party and the state, saying that otherwise it has no *raison d’etre*.]

"There are regulations and standards in signing collective contracts, but do not allow them to tie you down." [It seems there are regulations preventing the union from signing meaningful collective contracts.]

"Under the complex nature of the industrial relationship, you should establish well the staff and workers’ representative congress." [This is also significant because by law the legal status of the staff and workers’ representative congress (SWRC) is higher than that of the manager.]

All copies of the newspaper were recalled that same day. In its stead, the following day another *Workers’ Daily*, also dated 1 November, was printed. Recalling newspapers in this way is extremely rare in China. In the revised version the report of Wei’s tour was still on the front page. The headline remained unchanged. But at the bottom of the report there was a note explaining that the reporter had erroneously

reported Wei's comments, and that the editors had been careless in not having checked the report against the facts and this had "created a bad influence."

The sub-headlines were completely rewritten:

"Study seriously the spirit embodied in the fourth plenum of the Party Central Committee."

"Implement well the various tasks of the trade union."

"Unite and mobilize the broad masses of the people."

"Carry out reforms and development of the state enterprises."

The revised subheadings essentially call on the union to carry out what the Party tells it to do. What to a foreigner might have sounded like innocuous phraseology in the original version was actually filled with subtle allusions and nuanced barbs. The text of the report was completely rewritten with a different tone and emphasis. The original text made no mention of Jiang Zemin; it emphasised that the union should not let go of the SWRC as its most important instrument, implying that there was strong resistance to the existence of the SWRC; and that the trade unions should not take on all the responsibilities of solving the individual problems of workers in financial difficulties [a task that has been loaded onto the union, turning it more into a welfare relief agency].

The revised version, on the other hand, underlined that the union should follow the Party, and had Wei Jianxing citing Jiang Zemin's "repeated emphases" to carry out various tasks. It no longer had the unions mobilising workers but rather spoke of them in terms of "uniting" the "broad masses of the people." It also had Wei stress the point that "the union should actively support the party-state to help enterprises to downsize to improve efficiency". This sentence did not appear in the original text. We cannot say for sure what Wei Jianxing actually said, or how he said it. But what we can establish with confidence is that there are people within the trade union structure (and inside *Workers' Daily*) who hold a very different view of what the Chinese trade union should be doing.

Socialist ideology as a salvageable oxymoron

We can all be cynical about the Chinese official line of "market socialism with Chinese characteristics". Using "socialism" to describe China is increasingly an oxymoron. Sometimes coming in packaged form with this expression is the phrase that "workers are the masters of the state". To the workers this expression is like rubbing salt into a wound. Within the Chinese trade union circle a debate has been going as to whether this expression should be dropped. One view is that it generates more cynicism among the workers. The other is opinion that this expression is the last line of defence of the trade union and workers and should be retained. I personally support the latter position. My fear is that rescinding this expression will invite even more blatant abuses of workers. What little that is left of workers' moral authority will vanish.

In contrast to China, Russia has dropped all rhetoric about being "socialist". The recent frighteningly regressive revised draft to the labour law in Russia, which may bring work conditions there back to the dark ages, presents a dire warning. The Russian draft proposes to increase the maximum work hours to sixty a week and to legalise child labour. Unlike Russia, Chinese legislation with regard to workers has in

fact improved, though its enforcement poses a major problem. Within this context, the persisting rhetoric of “socialist” ideology has been important for Chinese workers.

The international labour union movement and China

China as a “socialist state” is very different from, say, a country such as Indonesia, a developing country that under Suharto developed a suppressive capitalist system. There are only two countries in the world sharing the unique situation of a one-party communist state with a market economy heading towards capitalism – China and Vietnam. There are certain advantages to the labour cause in this kind of “socialist state”. There is a possibility that the laws that affect labour will continue to improve. But this is not assured because the ACFTU may not be able to fend off the onslaught of pro-capital and pro-management forces, which are much more powerful and better placed and organised to pass anti-labour legislation.

The international labour union movement should accept the ACFTU as it is, as a bureaucracy, but one whose function is to help workers. This does not exclude our support for the emergence of independent trade unionism in China. But we should also acknowledge that it is not possible for us to change the nature of the Chinese political structure. Independent trade unionism in China will emerge when it emerges; our role is very limited. It is impossible to go inside China to establish independent trade unions. But there are several alternatives:

1. To work with the ACFTU, to help strengthen the capabilities of those within it who wish to act on behalf of workers. To a certain extent this has already begun in a low-key way at both high and low levels. My limited contact with some people in the ACFTU structure also points to their willingness to establish contact with the international trade union movement. There is a possibility that the higher levels are ready for more open contact. A short report in Guangdong province’s *Southern Labor News* last year on a meeting between one of the union federation’s vice-chairmen and Robert Collier, a reporter of *The San Francisco Chronicle*, is interesting. This was probably the first time that a trade union official has granted an interview to a foreign reporter – and one who has been quite critical of workers’ conditions in China.

2. Expansion of the five core labour rights. The international labour movement has been critical of the Chinese government and the ACFTU for violating the two main core rights – freedom of association and collective bargaining. Collective bargaining is actually legal in China. As for freedom of association, yes, we still have to continue to press the Chinese government on this, but I have already pointed out its limitations. What seems to me most pressing for Chinese workers are rights that are not currently categorized as core rights. I think there are three very important rights that, if honoured, can significantly alleviate the plight of Chinese workers:

- A right to a limitation on work hours;
- A right to a safe workplace;
- A living wage (this includes no wages deliberately kept in arrears and no bonded labour).

These are rights that the workers desperately need. But almost no pressure is being put on the Chinese government to ensure enforcement of these rights that are

enshrined in the Chinese labour law. It is my hope that the international trade union movement will call on the international community to include these basic rights as core labour rights and to press the Chinese government to live up to its own laws.

3. China, like so many other industrializing developing countries, is genuinely afraid that enforcement of labour laws will reduce its so-called “competitive advantage” (i.e. cheap labour) and drive away foreign investment. The labour union communities of the developed countries should try their best to allay such fears, and to explain to the trade unions of the developing world that basic rights to a living wage, to safe working conditions and to safeguards against overwork should be included in world trade negotiations. We should also find a means to persuade the Chinese trade union and the Chinese government to organise a cartel of developing countries to collectively bargain with the developed world and multinationals over minimum wage standards. Only then will the race to the bottom be arrested. The Chinese Communist Party for several decades has proclaimed itself a champion of the developing world. This would be an initiative by which China can truly realize this claim. If only Wei Jianxing could catch onto this idea there might be some real hope.

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