

Building Capacity in Collective Negotiations and Conflict Management: A Potential Route Forward for China¹

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The title of this track jolts us into pressing the reset button into the 21st century of labor relations. We live in a world of inherited labor laws, relations, conventions and practices that were put into place long before the current universe of ubiquitous social networking, and fluid flow of production orders from the industrialized world to the factories of the emerging world. Instant communication now alerts the globe to the ever more common and troubling violations of national law and international conventions, and above all, reminds us day-to-day of the scourge of worker exploitation.

Encouragement of Dispute Resolution in an Earlier Era

The early industrializing countries legislated systems for assuring that workers were treated fairly through Labor ministries, by enactment of fair labor standards systems, through labor inspection procedures and through procedures encouraging collective bargaining and negotiation of disputes over wages, hours and working conditions. They bolstered the implementation of these rights by establishing public and private agencies providing mediation to resolve disputes, and in some cases arbitration of unresolved disputes.

Internationally, since 1919 the ILO has bolstered such comity, promulgating 189 conventions⁴ achieved by consensus of worker, management, and government representatives from each of the member states. The wonder of that achievement is that despite the disputes among and within countries, corporations, factories, worker groups and trade unions, those Conventions continue to be the hallmark of what should be prevailing practices in the workplaces of the world. Whether or not ratified, the Conventions continue to inspire, they remain, without question, the standards for workplace fairness to this day. The disparity of their implementation between industrialized and developing countries underscores their continued relevance. If universally implemented they would bring international trade to a level of discourse where worker exploitation would become a relic of the past instead of being the all-to-common vehicle for denying worker rights.

So what has happened to this legacy of respectful relationships and peaceful procedures for settling workplace disputes?

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⁴[ILO Conventions and Recommendations on child labour
www.ilo.org](http://www.ilo.org)

From Colonies to Sources of Labor

We suggest that that proud heritage of adherence to established rules and procedures for mutual accommodation to achieve relative workplace serenity in industrialized countries has been supplanted by lax or even ignored application of international rules and processes as more and more of the economic machine has shifted to developing countries.

The logical extension of mother country labor laws to colonies in Africa and Asia had little impact in an era where factory work remained confined to the industrialize homeland, but they took on new significance as these colonies rapidly achieved independence in the middle of the last century. Rational national standards of workplace fairness and systems for dispute resolution provided ready-made machinery and procedures that should have been invoked to avoid or resolve the disputes that became all too common toward the end of the 20th century as these new sources of cheap labor filled factories for production of goods and materials increasingly relied upon by markets in industrialized countries. At the same time the competition of global markets has encouraged companies (what we will refer to here as “brands” i.e., companies that source production in numerous places around the world).

As brands found it cheaper to contract out assembly of products to factories in countries with lower wages, those factory owners experienced increased pressures to enhance their profits, too often by ignoring their obligations to their workers. In some cases with the cooperation of corrupt local government officials and inspectors their less than strict compliance with law and safety rules became an ever more broadly accepted norm. A proliferation of WTO General Agreements on Tariffs and Trade⁵ provided favorable export terms and larger import quotas from commerce with these developing countries. While Intellectual Property Rights were universally protected in the Free Trade Agreements that followed, pressures from labor and worker groups seeking to assure worker protection by protective Social Clauses in Free Trade Agreements were almost universally ignored.

For many years consumers were happy to buy the cheaper products provided by the brands with scant regard for the conditions under which they were made. But as consumer awareness was increased by revelation of child labor, unsafe working conditions and other forms of exploitation, a number of brands sought recognition of their good faith and diligence in providing workplace fairness by adopting Codes of Conduct, and by hiring monitors internally or under contract. Some of these achieved compliance by their local producers and had a substantial impact in improving basic conditions and increasing conformity to international standards specified in the codes. Yet the evidence also showed that, standing alone, these codes and their enforcement by either agents hired by the brand or even independent firms or NGOs specializing in monitoring were not sufficient for protecting key standards such as freedom of association, the right to collective bargaining and violations of working hours. The bottom line of the most comprehensive study of codes of conduct and other factors affecting labor standards in global supply chains concluded that:

⁵http://www.google.com/url?sa=t&rct=j&q=&esrc=s&source=web&cd=2&ved=0CCoQFjAB&url=http%3A%2F%2Fwww.wto.org%2Fenglish%2Ftratop_e%2Ftexti_e%2Ftextintro_e.htm&ei=a8XrVKmgHomhNvXTgPAP&usg=AFQjCNH1id2rCRhOqAH1qfn8UCoqx-j_AA

- (1) private regulatory efforts through codes of conduct and monitoring have been a good start but have not been enough;
- (2) assistance and technical support for management, strong labor and employment laws enforced effectively, and ongoing workplace representation institutions, whether they come from NGOs or labor organizations, are all necessary elements of the system and complements to the codes.⁶

Given this evidence, we now turn to a discussion of how other elements in this system—host government employment laws and their enforcement and efforts to strengthen the role of workplace institutions—have been functioning and/or could be strengthened.

Complicit Governments

Obviously going to poor countries with low wages, also means going to countries with low tax bases, underfunded governments, an undertrained civil service and countries with little or no inclination to implement protective statutes and procedures for workers even lower on the economic totem pole. Gratuities from factory owners to look the other way become the common and rapidly spreading way of fending off inspectors and labor officers and their higher level supervisors. The victims of this pervasive system of dishonesty and corruption are the workers, often migratory within their own country with little resources, little education and no power.

The story is an old one: The laws and procedures may be there; they just don't work for the workers, who consequently have no faith in the government or prospect of fair treatment given the inescapable corruption within the system. In some countries the submission of workers to silence amid a corrupt society leads, as it did in Bangladesh, to pay off building inspectors who certified factories to operate in shoddily built structures until the buildings collapsed, or where fires killed hundreds trying to escape on locked stairways that led inside rather than outside the buildings. Only after the catastrophe of the collapse of the Rana Plaza factory that killed over 1,100 employees did the world begin to learn of and react to these conditions. And even now there is real question of whether the brands which kept those buildings buzzing with subcontracted manufacture of their products are honestly acknowledging their culpability. Some do, others still refuse to cooperate with trade unions even for coordinating remediation or collaborating in efforts to rebuild a system that if it conformed to international standards, might provide for the rehabilitation of the country's primary industry, and salvage the reputation of the country itself.

Workers in a variety of these developing countries are now mobilizing in new ways by using social media to mount and support strikes. Many of these are simply efforts to get to the bargaining table. Some are crushed by government action but more and more they are generating at least enough attention to require factory owners and the brands these factories supply to take notice and deal with these collective worker protests. In today's media intensive world, we can only expect these types of protests and strikes to continue and more likely multiply.

The prospects of trying to suppress the innate efforts of workers to make them heard and to grasp the international norms authorizing freedom of association and the right to collective bargaining have not been

⁶ Richard M. Locke, *The Promise and Limits of Private Power: Promoting Labor Standards in a Global Economy*. New York: Cambridge University Press, 2013.

limited to the colonial powers. The stories of what transpired here, in our host country, South Africa and what is beginning to assert itself in China are also indicative of the irrepressible spirit of workers under siege.

The New South Africa

When the National Party emerged in control in 1948 it assured that better factory and mining jobs were traditionally reserved to whites, while black workers were restricted to performing manual work and even denied access to trade union protection. When the 1982 Wiehahn Report⁷ allowed blacks to join trade unions, rising workplace pride among the blacks led them to decline participation in a trade union movement where inevitably, as at work, the leadership was white. In the mid 1980s they sought to establish peaceful procedures to secure basic workplace rights protested against unfair treatment and banded into unrecognized unions in the textile, auto and mining industries. They turned to leaders of NUSAS (National Union of South African Students) such as Steven Biko and Charles Nupen to speak on their behalf to factory management, many of which rejected their efforts on the grounds that black workers need not be dealt with.

Other management advisors such as Andrew Levy ran contrary to the majority offering training programs to educate management leaders to the practicality if not the necessity of talking to black leaders to create in-house machinery which pointed to the benefits of negotiating with blacks through procedures which could peacefully resolve areas of confrontation. The Ford Foundation funded the creation of the Independent Mediation Service of South Africa (IMSSA), which brought together the black unions and the more open minded white employers to create a system of negotiation, mediation and arbitration which soon became recognized as the monitor and solution broker of workplace disputes as apartheid entered its waning days. Perhaps most exciting and promising of all, the tripartite accommodation of black worker, white employer and former NUSAS facilitator became the paradigm for the writing of the new South African Constitution with many of those same neutrals in leading roles. And their innovative creation of IMSSA to resolve workplace disputes involving dismissal of black factory workers became embodied in the new Commission for Conciliation, Mediation and Arbitration (CCMA), the only governmental institution to our knowledge that provides such services for all workers, unionized or not, including tenant farmers and domestic servants.

The message from our host country in this Congress is that workers want the right to organize into trade unions and the right to sit at the table with representatives of management to discuss wages hours and working conditions and to develop procedures for protecting fellow workers against exploitation and unfair treatment. When management or government regimes deny them such basic rights they properly protest for access to the dispute resolution systems that had been assured to others in the industrialized world.

The ongoing plight of workers who have been ignored or repressed in their efforts to be accepted as participants in the negotiations over their working conditions and treatment as illustrated by these accounts, take on a new vitality when one looks at what is happening to these counterpart workers in China, particularly in the last decade.

⁷ Wiehahn Commission Report tabled in parliament. www.sahistory.org.za › timelines › This day in History

The Workers Push for A Seat at the Bargaining Table Comes to China

To understand how collective negotiations over wages is finally beginning to happen in China, it is helpful to understand the conditions that have delayed it since the Communist Party came to power in 1949. To end millennia of peasant exploitation the party took over the factories and, by so doing theoretically eliminated the universal conflict between labor and capital since all were to work together in state owned enterprises to serve the interest of the people. The All China Federation of Trade Unions (ACFTU)⁸ was established to assume the rather benign role of monitoring workplace tranquility between the managers and the workers. The enterprise manager was to appoint the ACFTU head who received 2% of enterprise payroll. The Communist Party made job assignments; factory managers arranged for housing, medical and retirement benefits but had no right to choose employees, or indeed to terminate them except for misconduct.⁹ The management of the factory for the benefit of its workers precluded the prospect of interest in wages hours and working conditions and any disputes over violation of an employee's contracts of work or other disputes that did arise were considered as individual not collective problems. The government created and imposed on workers a four-step dispute resolution process: consultation, mediation, arbitration, and finally, litigation. All disputes to be handled by government officials.¹⁰

In 1978 Deng Xiaoping opened the economy to joint ventures with foreign enterprises, and the leadership of the party was directed to undertake expansion into the new private sector by "persuading" employers to form unions in privately funded and domestically owned private enterprises. In 1989 the Government announced that "wherever there are enterprises it is necessary to establish union organizations."¹¹ Such FOEs now constitute a third of the nation's total enterprises.

These changes encouraged the development of new factories to assemble and produce the wide range of export products requiring unskilled labor, with millions flooding in from the rural areas of China to join the world economy, to get their cellphones and computers, and to send money back to their rural families. Any assumption that the new factory managers would continue to operate the enterprise for the benefit of the workers and Chinese society, or that the ACFTU would take the side of factory workers in dealings with the employer were illusory.

According to the China Labor Bulletin, "the numerous enterprise unions that (the ACFTU) has set up have, more often than not, become merely empty shells controlled or dominated by management and unable to represent workers interests".¹²

The Impact of Job Losses in the Recession

Working conditions in these Chinese factories made few headlines until the September 2008 recession when it awakened the world. In the first 10 months of 2008, 15,661 enterprises in Guangdong Province closed; half closed in October alone.¹³ Newspapers world-wide were rife with reports of enterprise layoffs, plant closing, absconding

⁸<http://www.google.com/url?sa=t&rct=j&q=&esrc=s&source=web&cd=1&ved=0CCAQFjAA&url=http%3A%2F%2Fwww.acftu.org.cn%2F&ei=f8nrVLSgJcOkNvrgg-gO&usg=AFQjCNGnyvukuwYbQ1naC--sJTdQWMz-DQ>

⁹ Andreas Lauff, *Employment Law and Practice in China*, Sweet and Maxwell, Hong Kong, Chapter One, p. 3

¹⁰ *Regulations in the Procedure for the Resolution of Employment Disputes*, in Lauff, *ibid*, p.305

¹¹ China Labor Bulletin, Research Report, *Protecting Workers Rights or Serving the Party: The Way Forward for China's Trade Union*, March 2009 p.26

¹² China Labor Bulletin op citp.32

¹³ Wall Street Journal, Asia, January 19, 2009,p.1

managers, unpaid wages and the like. Claims taken to arbitration on violation of individual employment contracts skyrocketed. In 2008, 700,000 disputes went to arbitration, nearly double the year before, and that number continued to increase.¹⁴ The government, in some cases stepped in to pay up the contractual obligations of fleeing managers. In 2009, 10 million migratory employees went home over the Chinese New Year, with uncertainty as to their future employment. Then came the reports of 25 million workers coming back to the industrial zones without assured work, high unemployment and stress facing the Chinese economy. On April 22, 2009 Bloomberg News estimated 30 million employees in China lost their jobs in the prior six months.¹⁵

Stirrings of Protest Among the Exploited

But then after the workers had been dispensed and many of the factories closed, the recession came to an end and the economy came back to a China undergoing a labor shortage. The issue took on a different dimension among those still unemployed, leaderless workers, with the ACFTU standing on the sidelines, began to take action to improve their lot. On May 12, 2010 Foxconn a company assembling Apple products and employing 800,000 workers in two factories in Shenzhen reported the first of nine worker suicides resulting from frustration of long mandatory overtime hours, military-like work conditions and confined dormitory living¹⁶.

A few days later the *New York Times* on May 29, 2010 reported on a 9-day strike at the Honda transmission plant in Foshan which resulted in the shutdown of four dependent assembly plants when workers struck for a raise in wages to cover rising food and housing costs. The factory offer of a 40% wage increase was initially rejected by the strikers but they ultimately settled for a somewhat larger increase to \$200 per month.¹⁷ Two days later on June 10, 2010, the *Times* reported that Honda workers at Zhongshan went even further to hold protest marches undertaking to form their own union, a forbidden practice in China. The workers had conspired through their cell phones to mobilize by designating and selecting their most articulate as their shop stewards to represent them and to meet with management as a collective body demanding to be recognized as a union, which the company said it could not do. They then went on strike gathering outside the factory gates until their rally was confronted by black clad police with helmets, face masks and shields. The police left at midmorning and the strikers dispersed an hour after that. Management that had previously charged the strikers with days of personal leave, distributed a flier with an offer of \$7.30 for each day the factory was closed together with a substantial increase to get them back to work¹⁸.

The galvanizing triggers of worker protest continued, and the press spread the word to the world. Articles highlighted the impact of toxic chemicals used in the making of Apple product screens¹⁹ as well as use of child labor in a

¹⁴ As China Aids Labor Unrest is still Rising, NY times June 20,2014,

<http://nytimes.com/2010/06/21/world/asia/21chinalabor.html?sq=china> labor7st=cs

¹⁶ www.nytimes.com/2010/05/27/technology/27suicide.html?sq=china Reports that the family of the first suicide received \$14,600 was cited as the possible cause for the rest of the dozen, one worker allegedly saying that was more money than he could provide his family by staying alive and working since he rarely saw his family anyway.

¹⁶ www.nytimes.com/2010/05/27/technology/27suicide.html?sq=china Reports that the family of the first suicide received \$14,600 was cited as the possible cause for the rest of the dozen, one worker allegedly saying that was more money than he could provide his family by staying alive and working since he rarely saw his family anyway.

¹⁷ www.nytimes.com/2010/05/30/business/global/30strike.html?sq=china Blue collar worker salaries were reported as rising as a consequence of skill shortages from declining birth rate while 1/5 of high school graduates and 1/10 of college graduates from new and expanding colleges found themselves working free in their first jobs

¹⁸ www.nytimes.com/2010/06/17/business/global/17strike/html?Sq=china

¹⁹ Workers Sickened at Apple Supplier in China, New York Times Feb 22,2011 p.1

Apple products at Foxconn's factories.²⁰ Another article reported that two were killed and 16 other injured in an accident involving the use of a chemical used to cool while drilling holes in iPad cases at Foxconn factory. Police kept the hospitalized workers from talking to reporters²¹ A new phenomenon of "boss-knapping" joined our vocabulary as managers and workers were confined to their offices until worker demands were met.

The world wondered at the sudden rash of spontaneous strikes and work stoppages in a country where worker unions are prohibited and where the only authorized union has remained uninvolved. Videos of harsh working conditions, workers being beaten and roughed up, sent to workers in their own factories, and to relatives and striking workers in China, created new concerns for the government.²² They outwitted the censors and made covert activity of persuasion, and they used it to mobilize and organize strikes without the need for mass meetings avoiding police monitoring and arrest. Those department meetings and leader elections at Honda were arranged by cell phone, behind the noses of the factory managers and the ACFTU.

Accommodating to the new Worker Assertions of Self Interest

These developments led us to initiate our teaching and outreach efforts in China, efforts which we hope will contribute to an understanding of the importance of recognizing the legitimate rights of workers and developing procedures which will channel their activism into constructive programs of peaceful workplace conflict management.

In 2010 we began working with the MIT Sloan School of Management's partner business schools in China at Tsinghua, Fudan, and Sun Yat Sen

Universities to develop and deliver courses in workplace negotiations and conflict management. In addition we began teaching the same material to industry executives convened by the American Chamber of Commerce (AMCHAM) branches in Shanghai and in Southern China (the Guangdong Province).

Our goal is to show that negotiation is a viable process for reducing and eliminating workplace conflict. Our approach has been to both demonstrate how these courses can be taught effectively to MBA students and executives and to work with faculty and administrators in these schools to develop the expertise and space in their curricula to teach this material themselves.

Our hope is that given the university environment and encouragement, the business school students will become the experts in dispute resolution, in negotiation, mediation and arbitration. Regardless of the jobs they fill after graduation, the presence of strikers on the street or in the office of the manager will trigger a call for experts in bringing those confrontations to an end. We believe that given the jolts felt by strikes and workplace disruption in the past few years, all the players are eager to find the key to preventing the recurrence of such confrontations. We hope that by such education in the techniques of dispute resolution hopefully extending them to the local governments and the ACFTU, that more and more of those in positions of responsibility will recognize that there is an alternative to such confrontation and conflict and will be accepted as the preferred process for achieving workplace tranquility.

²⁰ Apple's Child Labor Issues Worsen, London Telegraph March 30,2011, p.12

²¹ SACOM's Video Proves Foxconn has been ignoring Work Safety, CSR Asia Weekly May 25,2011

Results and Backlash

Between 2010 and June 2014 we have made eight joint visits to China and jointly presented lectures and interactive case simulations in dozens of sessions running from 3 to 12 hours to more than two thousand students as well as several hundred factory executives. We have also worked with the faculty at Fudan University to develop a full course curriculum that can be taught by local faculty.

The sessions appear to have been very well received by the students and industry executives.²³ Most gratifying was their willingness, both students and executives, to accept the challenge of rising to the task when strikes were threatened or broke out. Instead of standing by they felt qualified to help bring diverse groups together to undertake and effectively utilize the skills and techniques we discussed to employ collective bargaining as a means of encouraging fruitful negotiations toward resolution of workplace disputes. Topics that were previously foreign to them, became familiar through role playing, making them confident that when the occasion arose they could convert paralysis into effective communication to help settle these disputes.

But there have been some severe setbacks, pushbacks from government security forces. Our original intent was to work with colleagues in these universities to establish a single Center that would provide resources, including third party trained neutrals, to support industry and worker representatives in developing negotiations and conflict management capacity and drawing on the expertise of the Center for assistance in resolving disputes when and if they arose. We hoped it would become widely used wherever there was need for the help it offered. This vision was essentially copied from the experiences of IMSSA in its formation and early years of operation before South Africa put in place adequate legal protections for collective bargaining and established its own government agency, CCMA, to mediate and arbitrate disputes.

Initially interest was expressed by colleagues at Lingnan University and plans were well underway to establish a center there. The first sign of a problem arose, however, at a conference held at Lingnan in which, perhaps for the first time ever, we presented our ideas for the Center and the curricula to a mixed group of academics, industry executives, ACFTU officials, and NGO leaders who represent workers in labor disputes. We were told that government security forces had appeared at the session and attempted to shut it down but were persuaded by the session organizers not to do so. Instead the organizers agreed to provide a report to the authorities on the proceedings immediately after the conference ended.

Shortly thereafter we were informed by the Dean of Lingnan Business School that it would not be possible to establish a Center because of concerns of the security forces. It would however be entirely possible, and indeed appreciated and valuable, for us to continue to work with faculty members to develop the curriculum and to teach the types of materials we were proposing.

In a parallel undertaking, the faculty of the Political Science Department at Sun Yat Sen University had been developing an International Center for Joint Labor Research where we had hoped to do some training. Our initial effort to do so with dates set for a Saturday and Sunday last October, was cancelled on the grounds that there were “no rooms” in which to meet. This interdisciplinary center was developed and

²³ See for example a fascinating video put together by students at Lingnan School of Business at Sun Yat Sen University based on one of our classes and a testimonial by the President of the South China Chamber of Commerce. <http://mitsloan.mit.edu/iwer/research-and-resources/projects/projects-tom-kochan/>.

fostered in partnership with colleagues at University of California Berkeley, New York University, and Harvard Law School's Center for Labor and Work Life. Unfortunately, that Center has now also been forced to close.²⁴

We believe we have made substantial progress in introducing new material into business schools in China and demonstrated there is ample interest in executive education among thoughtful business leaders about how to better manage workplace conflicts and achieve what they refer to as "workplace tranquility." Instead of self interest being the driving force for factories to call in the police to fight unions we believe we have persuaded the management people in our sessions that their higher self interest lies in communicating with those they previously suppressed, in permitting them to select their own spokespersons and to openly discuss problems that separate them. Worker suppression, they have recognized only breeds more frustration and escalates unrest without solving any problems. Negotiations, on the other hand brings the issues to the table, permits discussion and is much more likely to achieve their resolution

However, progress comes slowly and not without some pushback. Time will tell whether these curriculum development efforts have staying power and lead to broader education of the next generation of Chinese managers in the basics of negotiations, mediation, and conflict management. And, apparently, it will take considerably longer to overcome the resistance of some within the Chinese government and the ACFTU who continue adhere to old models, to show that it is indeed in their self-interest to turn to advocacy of these practices.

Summary

The idea of running courses for graduate students at business schools is certainly not enough to bring an end the growing problem that China faces in maintaining a peaceful foreign export sector. There are many other dimensions to that issue including coping with the complexity of China's internal priorities in handling its workforce including migratory and dispatch labor and the ever rising competition among foreign firms as to where they can most inexpensively make or build their products for the world market.

However, the linkages that are developing between the business schools where we have talked and the AMCHAMS of both Guangzhou and Shanghai, where we have also talked, provide an encouraging opportunity for the business schools to better understand the problems of their neighboring factories to enhance their ability to communicate better for mutual benefit. The prospect of Lingnan and Fudan developing courses with greater focus on problems of workplace dispute resolution will expand opportunities for students interested in the topic, and hopefully those opportunities will arise in other universities and business schools throughout China.

Recognizing the crucial impact that the internet and social media have had in spreading work of innovation in China, MIT has developed a "China Project" web site where teaching materials, course outlines, important papers and expert comment are being be stored, hopefully available for downloading by those looking for information and tools in trying to resolve immediate workplace problems.²⁵ Together with Harry Katz and Alex Colvin at Cornell, we have also produced a new text on *Labor Relations in a Globalizing*

²⁴ <http://www.wsj.com/articles/china-labor-ties-fray-as-grievances-rise-economic-growth-slows-1423528666>

²⁵ <http://mitsloan.mit.edu/iwer/research-and-resources/projects/projects-tom-kochan/>

World that we hope will serve as a classroom resource for faculty across the country.²⁶ Likewise a new version of Arnold Zack's 1985 book on mediation, *Resolving Interest Disputes in the Chinese Context*, co authored by Professor Zhan Song of Capital University of Business in Beijing, is now being updated to fit the Chinese context and we hope this will also be of use to teachers and practitioners in China.²⁷ Many Chinese universities currently study labor issues in general, but focusing on negotiation and mediation in the schools and at the web site promises to enhance the skills of program graduates, the enterprises where they work after graduation, and the wider audience of academics, workers and managers throughout China.

Our experience has convinced us that exposure to training and role-playing in collective bargaining, provides a new recognition that the preferred exercise of self interest is not in suppressing workers, but in permitting them to come with their spokespersons to the table with a changed perspective of trying to jointly work out their differences.

But also recognizing the fragility of any such undertaking when scrutinized by Chinese authorities, we continue to stress that our efforts are temporary pending the introduction of new, more relevant dispute resolution legislation. An effort has been undertaken by the Guangdong Peoples Congress with its passage on Sept 25, 2014 of new regulations calling for the ACFTU to participate in collective negotiation on behalf of worker groups. While this effort may not fully empower the grass roots "unions" organized by workers themselves, it may give some guidance as to the encouraging role the ACFTU might pursue in legitimizing collective bargaining in the factory areas of China and nation wide.²⁸

The closing of the Labor Center at Sun Yat Sen and the suppression of our efforts to create a Center within the Business School at Lingnan simply serve to restrict the messenger, but will not in any way influence the substance of the message, i.e. the benefits to China in bringing procedures for resolution to the escalating number of collective workplace disputes in its enterprises that have never before been addressed. The likelihood is that without further actions from citizens, university graduates and new employees who have picked up crucial dispute resolution skills, employers will revert to the centuries old practices, of punishing protestors who want merely to get to the table And that of course merely punishes the workers and their fellow Chinese citizens, all of whom presumably want a better tomorrow. . A more peaceful and promising way to get to dispute resolution is, as is the goal universally, by talking about and negotiating differences.

²⁶ Harry C. Katz, Thomas A. Kochan, and Alexander J.S. Colvin, *Labor Relations in a Globalizing World*. Ithaca: Cornell/ILR Press, 2015. Chinese translation in process.

²⁷ *Mediation in the Public Sector*, by Arnold Zack was published by BNA in 1985. PhD Candidate Chunyun Li of Rutgers University was instrumental in securing the Chinese coauthor, as well as the academics who are translating Zack's work into Chinese.. The Chinese version of the book is due to be published in the summer of 2015, followed by the English language version in the spring of 2016.

²⁸ http://www.gdrd.cn/gdrdfb/ggtz/201409/t20140928_142698.html

