

While Chinese experiments with participative management practices in industry comprise perhaps the most radical and massive such effort in the modern world, they are still among the least understood in the West. The present article is an effort to define more clearly the boundaries of worker participation in China and the limits of worker control. Through brief, but strategic comparisons with forms of worker control in different political and economic settings, and through critical scrutiny of the various participative forms employed in China, this article attempts to sketch out the configuration of participation and control in Chinese collective forms, and to place them in a broader context of organizations exhibiting "collectivist-democratic" features. We offer (1) an examination of the political considerations which have shaped these experiments; (2) an account of Party organization and how its control is exercised; (3) an outline of the limits on worker control imposed by China's industrial planning system; and (4) a description and critical analysis of the major participative forms employed in Chinese industry from 1956 to the present.

Participative Management and Worker Control in China

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The Chinese experiments over the past two decades with collectivist organizational practices in industry are widely acknowledged as the most radical and massive effort at participative management in the modern world. Yet for two reasons these experiments are at the same time among the least understood in the West. First, limited Western contact has served to shroud these experiments in mystery, while a difficult language barrier hampers the widespread absorption of the significant descriptive literature and political debate these practices have generated within China. But secondly, and more importantly, those few who have interpreted the Chinese scene in the past generally have not attempted to place these experiments within a larger comparative context of participative managerial forms, nor have they reflected critically and analytically on the amount

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and type of control Chinese forms are designed to delegate to employees (see Andors, 1977; Bettelheim, 1974; Hoffmann, 1974, 1977).

This neglect has had two sets of consequences. First, past writers have too often confused the *act* of participation with the *fact* of control. Chinese workers undeniably experience one of the highest volumes of participative activity in the industrial world—in daily production meetings, yearly workers' congresses, mass rallies, various management committees, and in intensive, periodic mass campaigns. But by failing to reflect critically on these many participative forms, past observers have glossed over at least three characteristics of worker participation in China which set the Chinese experience apart from other efforts.

First, participative management in China is a double-edged sword: Mass participation serves not only as a potential device for the exercise of worker control but also as a powerful technique of mobilization and social control for authorities. Second, worker participation is both solicited and controlled by a Party organization which is the sole legitimately organized body, which penetrates and supervises leadership at each level of the organizational hierarchy, and which itself is organized down to the shop floor.¹ Party support is the crucial power resource for workers who have little independent organizational capacity. Third, except at the shop floor level, this high volume of participative activity has afforded the Chinese worker little actual control over enterprise operations. In sum—as a subsequent comparison with other national experiences with worker control, and as an examination of the Maoist ideology which has supported these innovations will show—a broad range of worker control per se has not been a goal of Chinese Communists, despite high levels of participative activity.

Second, these largely descriptive accounts of collectivist practices in China appear to hold a zero-sum conception of power: if managerial control and status is reduced, then that of workers increases correspondingly. Not only is this a questionable assumption on purely theoretical grounds (see Gamson, 1968; Lammers, 1967; Tannenbaum, 1968), but it tends to obscure a

central problem which has plagued Chinese collectivist forms. China's various mass campaigns—especially when they have reduced the size of office staff, and stimulated regular managerial participation in manual labor—have indeed succeeded in at least temporarily reducing the control exercised by management over the production process. However, the Party led campaign has proved far more effective in restricting managerial power than in building effective, alternative institutions of worker control. From this perspective, the problems of collectivist organizational forms in China have been due not to excessive increases in worker control but in periodic decreases in the control exercised by managers and other specialists.

In short, participative management in China is something of a paradox. It has combined radical collectivist practices with highly centralized Party control over the entire process of participation. Chinese workers, further, do not appear to enjoy a level of control over industrial operations that is commensurate with the amount of participation. One would, therefore, be hard put to place China along a single continuum running from an ideal typical "collectivist-democratic" organization to a "rational-bureaucratic" one (see Rothschild-Whitt, 1979; also Whyte, 1973).

Chinese organizational forms have exhibited a configuration of collectivist-democratic and bureaucratic-authoritarian elements that is unique. The purpose of this article is to sketch out this configuration of contradictory elements, explore the evolving patterns of control within enterprises, and more sharply define the meaning of workplace democracy in the Chinese context. This requires: (1) An examination of the political considerations which have inspired these experiments; (2) an account of Party organization and how its control is exercised; (3) an outline of the limits on participation and control imposed by China's broader industrial planning system, and (4) a description and critical analysis of the major participative forms employed in China from 1956 to the present.

MANAGEMENT AND BUREAUCRACY AS AN ISSUE IN CHINESE POLITICS

The year 1956 marked a watershed in the development of China's industrial system, in two respects. First, the highly centralized Soviet planning system was discarded, and decentralizing reforms instituted. Second, the Soviet "one-man management" system, which vested absolute authority in leaders at each level of the enterprise, was reformed in favor of a more participative, mobilizational approach to leadership. The stimulus for the decentralizing changes in national industrial administration was the denunciation of Stalin in the USSR, and the parallel post-Stalin economic reforms in the USSR and Eastern Europe (see Berliner, 1957: 301-317; Schurmann, 1968: 195-210). It was now possible to acknowledge the many shortcomings and rigidities of centralized Soviet-style economic administration (see Berliner, 1957; Kornai, 1959), without being read out of the world communist movement.

But the Chinese party went beyond these administrative reforms, which had become common in the Communist bloc, and pushed for a reform of authority relations *within* enterprises. There were three major reasons for this. First, the Soviet system of management had been developed over a period of twenty years, during which the original corps of plant managers and experts had been purged and replaced by a corps of Party-trained, politically loyal technocrats (see Azrael, 1966). But the rapid adoption of this Soviet pattern after 1949 required the Chinese to place broad economic and managerial authority in the hands of technicians and managers considered politically suspect. Given the recentness of accession to national power, Soviet one-man management represented a threat to Party control of the industrial system.

Second, the mode of exercising the authority implicit in the Soviet pattern went against the grain of Party leadership traditions developed during the mobilization of the peasantry during

the guerilla period. The Soviet style, where leaders at each level of the hierarchy exercised unquestioned authority (Granick, 1954: 27-34), embodied practices long defined as "commandism" in the organizational life of the Chinese Party. The Chinese cadres were accustomed to a more collectivist style of leadership which stressed group discussion and persuasion before a consensus (usually already determined by the group leader) was reached (see Schurmann, 1960, 1968: 287-293; Townsend, 1967).

Third, the implementation of the Soviet practices had proved difficult throughout the earlier period because China still lacked both the corps of highly trained experts required to fill the slots in the command structure, and the stable economic environment required for the effective operation of the system (Brugger, 1976). Instead, the Chinese leadership opted for a mobilizational style of collectivist leadership spearheaded by a Party organization which paralleled the enterprise administrative structure down to the shop floor.

TWO TYPES OF DECENTRALIZATION

For China, the issue was not whether to decentralize, but how. Two proposals for the debureaucratization of the industrial system were tabled at the 1956 Party meetings. The first called for a wide variety of independent economic powers to be given to production units. Each enterprise would be given rather wide autonomy in production operations. The number of planned targets set by central planning ministries—for output, quality, assortment, value, materials, parts, labor, and so on—would be drastically reduced. Instead, economic decision-making would be based on the criterion of profit, and managers would be given relatively independent powers to pursue this primary goal. After meeting state obligations, enterprises could have discretion over the disposal of surplus profit.

The rigid Soviet-style supply system would be dismantled, and a network of contracts and markets would provide the basis for interenterprise economic coordination (see Schurmann, 1968: 195-200). Within enterprises a graded system of material work incentives and bonuses was to be coupled with Party-led mobilization of workers for productive efforts. The proposed system was designed to reduce the size and power of planning bureau-

cracies, introduce flexibility into the system, and construct incentives for economic efficiency.

It would have led China down a path earlier traveled by the Yugoslav economy (see Adizes, 1971; Hunnius, 1973). In the short run, it would have resulted in a hybrid management system which combined Yugoslav-style enterprise autonomy with Chinese-style participative leadership practices. In the long run, while there is no clear indication that this was ever intended by the Chinese leadership, it would have provided a basis for future evolution into a form of worker self-management and enterprise autonomy, Yugoslav-style.

Mao Tse-tung and those closely aligned with him in the Party leadership were critical of this method of debureaucratization. Their criticisms, which later surfaced publicly in a criticism of Yugoslav "revisionism" (Liao, 1961), break down into two broad groups. The first is a set of economic criticisms. Such radical decentralization of economic decisions, they argued, would impair interenterprise coordination, impair the State's ability to redistribute revenue regionally (see Lardy, 1975), and could lead to price inflation and erosion of worker living standards. The second set of criticisms was political in nature. Economic power would be effectively handed over to a managerial elite within enterprises, leading in the short run to more pronounced stratification of power and material distribution, and in the long run to a full-scale restoration of capitalism (see Esherick, 1979).

Maoists preferred a more conservative approach to economic decentralization, retaining greater State and Party control over economy and society. They proposed a middle course, whereby many planning decisions were shifted from Peking-based ministries to provincial and municipal ministries and planning departments. The size and power of central ministries would be reduced, and more planning discretion and flexibility given to local administrative units.

This was geographic and administrative decentralization, not a full-scale decentralization to producing units. Detailed plans and targets for a variety of aspects of the productive process still were in force, but would now be made by administrators more accessible to the production units (see Donnithorne, 1967; Eckstein, 1977). A more localized state supply system, not markets,

would regulate the distribution of materials and parts among enterprises (see Schurmann, 1968: 195-210).

This revised version of Soviet-style bureaucratic administration was to be balanced in a creative tension with the Party-led, mass political movements which have characterized Maoism. The Party organization was to mobilize workers not only for production efforts, but also for campaigns designed to transform authority relations within enterprises. Graded material incentives and bonuses were to be deemphasized, and more collectivist and egalitarian forms of work incentives and distribution were to be implemented (see Hoffmann, 1967: 57-58; Riskin, 1975). Workers were to be drawn into managerial decisions by continual discussion and study, excessively rigid rules and regulations were to be revised and simplified, and management and technical personnel were to engage in manual labor and in face-to-face discussions with workers about production problems (see Andors, 1977: 68-96).

The overall strategy was to (1) assure that leadership was exercised in a consultative fashion; (2) reduce some of the distinctions between mental and manual labor; and (3) lessen the degree of material stratification. These measures were to counteract bureaucratic leadership tendencies inherent in the administrative structure which the Maoists preserved (see Mao, 1977; Walder, 1979a).²

Here lies the central difference between the Maoist and Yugoslav approaches to bureaucracy and decentralization. Yugoslavia set about to administer change through a series of reforms which radically decentralized economic powers to industrial enterprises, and which legislated institutionalized worker control over these economic decisions. Maoists preferred to retain a good measure of centralized State control over the economy, while creating contradictory impulses in the form of Party-led mass campaigns. The process of debureaucratization was thus politicized: Mass activism and centralized bureaucracy were to exist in a creative tension, a tension which could be resolved only through continual political mobilization and struggle. According to Maoists, social change could not be legislated, it resulted from the resolution of contradictions inherent in society. Mass

political campaigns were the dialectical antithesis of bureaucracy (Schurmann, 1968: 17-104).

THE POWER AND ROLE OF THE PARTY ORGANIZATION

The key to this Maoist strategy is the maintenance of the organizational capacity and power of a Party organization which penetrates to the shop floor. Where the Yugoslav Communist Party took steps gradually to limit its power in society and economy (Hunnius, 1973), Maoists sought to continue to employ the Party as an "organizational weapon" in the classic Leninist sense (see Selznick, 1960). The Party exercises its control over enterprise life in two ways.

First, it maintains a separate organizational hierarchy alongside the administrative hierarchy, and its organs at each level either supervise administrative operations (although the scope of this supervision has fluctuated greatly according to political currents), or overlap with the administrative leadership, since Party leaders often simultaneously hold administrative posts (see Schurmann, 1968: 339-353). Second, Party members lead the regular political study sessions in each of the small groups into which all enterprise personnel are organized. The Party organization controls the agenda of such meetings, and employs such political rituals as study and criticism session to draw employees into offering opinions, after which erring views are subject to criticism. During periods when such groups have functioned as they were intended, a "strict political atmosphere" is maintained where passive or nonparticipation is not tolerated. During a campaign such criticisms can turn into denunciation and social isolation. These study groups and the participation within them can act as a powerful means of political pressure and social control (see Vogel, 1967; Whyte, 1974).

When a political campaign begins, the activity of the Party organization intensifies. Campaign documents and political study materials are distributed throughout the enterprise. Political study groups, which usually meet once or twice a week, begin meeting daily, sometimes during work hours.

The political atmosphere within the study group intensifies, and criticism rituals increase. Conferences and discussions are organized by the Party organization at all levels of the hierarchy, especially within sections and production groups, where workers engage in intensive discussions of the chosen political topic and also of production problems and measures. Various Party branch secretaries lead groups of administrators to the shop floor to participate in manual labor and engage in group discussion with lower-level leaders and workers about production problems.

Depending on the political intensity of the campaign, individuals whose opinions are at variance with current Party policy—and who make the dual mistake of expressing them in political study groups and then refusing to make an acceptable self-criticism—will be taken to mass denunciation rallies where they will be exposed to humiliating public criticism (see Bennett, 1975). These “political problems” are entered onto the individual’s dossier, and can adversely influence future chances for advancement and promotion. Such was often the fate, for example, of technical specialists who warned about the unfeasibility of some of the Great Leap Forward innovations designed to speed and simplify production.³ Party power, in short, has been used as an organizational weapon that penetrates and periodically shakes up the administrative structure and the activity and thinking of the people within it.

THE FORMS OF WORKER PARTICIPATION AND THE SCOPE OF WORKER CONTROL

These two factors—the relatively conservative course of economic decentralization pursued by Maoists, and the continuing basic-level power of the Party—mean that there is a limited range of issues over which workers can exercise control, and that such control is crucially dependent upon Party support. Unlike worker-owned collectives in market economies, and autonomous enterprises in a Yugoslav form of decentralization, a large number of economic decisions are previously specified in administered plans. Quality, quantity, variety, wage bill, total number of employees, profits, and other planned targets are annually set

outside the enterprise, although the number and variety of targets has fluctuated over the years (Donnithorne, 1967: 140-175; Richman, 1969: 671-720).

Therefore there is no opportunity for Chinese workers, as there is for their Yugoslav counterparts, to participate in decisions about wage raises, reinvestment levels, and shifting product lines. Worker participation in management in China tends to be focused on questions of *how* to fulfill previously set plans, not on shaping these basic economic decisions. Generally speaking, not until one moves down the enterprise hierarchy and toward shop floor production issues does participation yield a degree of worker control.

What follows is a brief discussion of four major institutional forms of worker participation in China, and an analysis of the amount and form of control each form potentially affords workers.

WORKER CONGRESSES

The closest structural counterpart to Worker Congresses in Chinese industry are the Workers' Councils in Yugoslavia. But the functions of the two institutions are quite different. Where in China it is the Party organization which parallels and checks the administrative structure of the enterprise, in Yugoslavia this function is fulfilled by a legislative structure centered around the Workers' Council (Hunnius, 1973; Sturmthal, 1964). The members of the Yugoslav Workers' Councils are elected by secret ballot by basic-level working units, which are small groups of workers and staff. Council members have a limited tenure and are subject to recall. They meet monthly, elect the enterprise management committee (who in turn have limited tenure), and have formal powers to recall members of the Management Committee, and even the Plant Director. They have formal veto power over decisions made by these administrators, and exercise this influence over a wide variety of economic issues, including the pricing of products, production plans, budgeting, and the allocation of net enterprise income (Kolaja, 1965).⁴

China employed Worker Congresses from 1957-1965, and has revived them since 1977 and placed them at the center of a revised

version of participative management. Delegates are elected in each production group, usually by informal, open discussion and acclamation rather than by ballot. The group discussions to elect delegates are guided by group leaders, who stress that the delegate must exhibit both correct political thinking and good work behavior. The same workers tend to be chosen repeatedly for each Congress, largely due to the guidance of the selection process by group leaders. Selection as a delegate carries an implicit official commendation—it is much like the honorary title of model worker.

The Workers' Congress itself has virtually no powers, official or otherwise. It is an annual affair where the delegates meet for a week, spending most of the time listening to speeches by plant administrators and Party officials, usually about the coming year's production targets and the problems encountered in the past year. Materials are distributed for study. The delegates have the right to suggest ways to overcome obstacles which stand in the way of the effective completion of the plan, but the plant leadership is not bound by their suggestions.

After the delegates return to their production groups, they report the proceedings and transmit the messages of the plant leadership. This topic then becomes the center of small group discussion for several days. Workers' Congresses, in short, are a form of mobilization and transmission of information where individual delegates act as "transmission belts" in the Leninist sense, carrying information from the plant administrators and Party leadership to the workers on the shop floor. Given the centralization of many plant economic decisions at the national or provincial ministry level, and the underlying reality of Party control in China, there is very little power left to be exercised by an institution such as a Workers' Council.⁵

REVOLUTIONARY COMMITTEES

Workers' Congresses, after all, were never promoted as organs of worker control. Revolutionary Committees, however, created in the heat of the Cultural Revolution (1966-1968), have been described both inside of China and outside as organs of worker supervision over both plant administration and Party Com-

mittees. The glowing accounts of some writers, based on readings of Party editorials and brief visits to model factories in China (Bettelheim, 1974), have prompted others to liken China's Revolutionary Committees to European forms of co-determination (see Espinosa and Zimbalist, 1978).

The reasons for this interpretation are not hard to understand. Revolutionary Committees were created at a time when both the administrative and Party organizational structures had been shattered by mass activism and Mao-sanctioned rebellion on the part of workers (see Lee, 1978). The committees were composed of representatives of three groups: leaders of mass organizations of workers, Party members who had survived mass criticism and purge, and enterprise administrators with proletarian or peasant-class backgrounds. Members of Army Propaganda Teams directed their activities. The Revolutionary Committee was to exercise political leadership in place of the discredited Party Committees (see Andors, 1977). At last it appeared that top officials and even the Party organization itself might be subject to direct mass supervision in a system of checks and balances (see Nee, 1975).

This rather sanguine view is undermined by three considerations. First, it is not entirely clear how Revolutionary Committee supervision was to take place, or how and over what issues it was to exercise its control. Secondly, it is not clear how workers sitting on this committee exercised influence, if any. Since during the Cultural Revolution enterprises were given no greater autonomy in economic matters than previously, the power of Revolutionary Committees suffered the same structural limitations as did the Workers' Congresses—planning, distribution, and investment were still controlled by planners above the enterprise level.

Further, after the rebuilding of Party organization and power in the early 1970s, and the previous disbanding of the mass worker organizations whose representatives sat on the Revolutionary Committee, it is unclear whether the worker members (a minority), had the capacity to exercise influence within the committee. In the absence of knowledge about the inner workings of such committees, one may assume that decisions were made by discussion and general acclamation, and guided by the Party

secretary who invariably chaired the committee, somewhat akin to the way delegates to Workers' Congresses were chosen in production groups.

In the later years, it appears that the Revolutionary Committee evolved into an organ through which the Party organization exercised control over the administrative structure of the enterprise. Even if we accept the rather daring assumption that Revolutionary Committees were organs of power independent of the Party hierarchy, there was no legal or organizational basis by which worker members could enforce their preferences in the face of resistance by Party members. If a worker representative happened to be a Party member, then he or she was naturally subject to Party discipline on any issue involving industrial relations.

Third, it is unclear how workers on the shop floor were to exercise influence or control over worker representatives on these committees. Workers originally became members of Revolutionary Committees by virtue of their leadership in officially approved mass organizations during the Cultural Revolution. They were selected by Army Propaganda teams, not by workers. Afterwards, there was no fixed system of mass elections of worker representatives, nor did the terms of office appear to have been limited. Revolutionary committee members, of course, were to keep in close contact with workers and continually solicit their suggestions, but this is no different than the ideal relationship between top Party officials and workers.

Revolutionary committees, in sum, do not appear, since the Cultural Revolution, to have exercised control independently of the Party organization, and were not necessarily an arena where worker influence could be effectively exercised, nor were they themselves responsible to the workers in the enterprise. Former residents of China interviewed by the author in 1979-1980 have characterized the Revolutionary Committees in their enterprises as arenas where the Party secretary exercised control and supervision over the administrative structure. The institution has been labeled "redundant" and abolished during the current post-Mao reforms.

COOPERATIVE TECHNICAL INNOVATION TEAMS

One of the major stimuli for collectivist management practices in China was the Maoist urge to reduce the distinction between mental and manual labor. Cooperative technical innovation teams were designed with this goal in mind. Used throughout the two decades since 1958, they were most actively propagated during the Great Leap Forward of 1958-1960, and the decade beginning with the Cultural Revolution of 1966-1968. They were designed to bring technical specialists, administrators, and experienced workers to face-to-face contact with production problems on the shop floor.

This practice has taken two forms. In the first, a select group of technical specialists and administrators was led by plant Party officials into shops which had experienced notable production problems. A period of intensive discussion and study meetings with all the workers in the shop would ensue. Worker suggestions were solicited, and test solutions tried. With the solution of the problem through some technical or other innovation, the delegation of specialists would return to their respective staff offices.

The second form of cooperative problem-solving was more restricted in scope, but less temporary in nature. In this second form, a few experienced workers would be chosen from a work group to participate in relatively permanent technical innovation teams (literally "small groups"—*xiaozu*), along with technical specialists. These teams would discuss and study production problems, and test experimental solutions, often after working hours. If successful, their experience would be the subject of study by production groups throughout the enterprise.

These groups were clearly no organs for the exercise of worker control, nor were they intended to be. While workers certainly exercised some degree of influence in the resolution of problems with which they were intimately familiar, the structure of control within these groups is still unclear. In any case, the Chinese have never claimed that specialists and administrators were bound by worker suggestions. Instead, much like the Quality Control

circles now popular in Japanese industry (see Cole, 1979: 156-223), these problem-solving groups are arenas where workers can participate in the resolution of production-related issues, and exercise abilities which are not utilized in their everyday jobs.

Unlike their Japanese counterparts, however, these Chinese forms are designed with the specialist and administrator in mind just as much as the worker. In China, these organizational forms are designed not only to capture and mobilize worker abilities and enthusiasm—they are places where office personnel gain more intimate knowledge of the production process and of the workers themselves. These groups capture the essence of Maoist participative forms—they are not necessarily organs of worker control per se but are places where the authority that flows from formal leadership roles is exercised through a web of face-to-face contact and consultation.

WORK GROUP SELF-MANAGEMENT

It is at the level of the individual production group that participative management practices have begun to afford workers some control over enterprise operations. Since the 1956 economic reforms, the shop-floor production group has been the basic unit of enterprise management, and has been the arena where each employee participates in daily production meetings both before and after the work shift. These meetings, directed by group leaders, who are also production workers, are the place where work assignments are made, plans relayed, complaints aired, and problems discussed. But these daily meetings and discussions do not necessarily imply worker control. They are places where leadership is to be exercised in the consultative, collectivist fashion long favored by the Chinese Party. Group leaders and administrative personnel above the production group level still set the agenda for discussion, and are not bound by worker suggestions.

It was not until the Great Leap Forward of 1958-1960 that the Maoist political leadership attempted to transform these basic participative institutions into arenas for the exercise of genuine, if often limited, worker control over the production process.

There were two aspects to this transforming impulse. The first was referred to as “the downward transfer of powers” (quanli xiafang)—the delegation of greater autonomy to individual production groups in the planning, inspection, and monitoring of their own work. The second was referred to as “direct worker participation in management” (gongren zhijie canjia guanli)—the appointment or election of workers to perform inspection and problem-solving tasks usually performed solely by technical specialists from shop offices. The first of these aspects involves higher-level management control over production group activities. The second involves worker control over production group activities. While each of these two aspects were combined in policy pronouncements, they tended in practice to vary relatively independently of one another.

Thus work group self-management in China has varied along two lines—first in the degree of autonomy delegated work groups relative to higher management levels; second, in the degree of control over the production process afforded workers within their work groups. Production group autonomy has varied along a continuum ranging from a situation where work groups are given monthly targets and the autonomy to fulfill them as they wish, to a situation where work groups are given detailed plans for several aspects of the entire production process, and where specialists from shop offices inspect and monitor production group performance in detail. Worker control over work group production has varied along a continuum ranging from a situation where workers themselves plan and inspect their work group’s efforts, to a situation where workers can do no more than raise suggestions at frequent production meetings. These two independent lines of variation permit the construction of four ideal types (see Figure 1). Work group management practices in China over the past 25 years have tended to approximate one or another of these ideal types, depending on the current political and economic policy pursued by the Party.

Centralized Democracy. This is the basic, unadorned form of worker participation that was the starting point of the 1956 reforms, and which has been the “bottom line” of the heated political disputes within China about participative management.

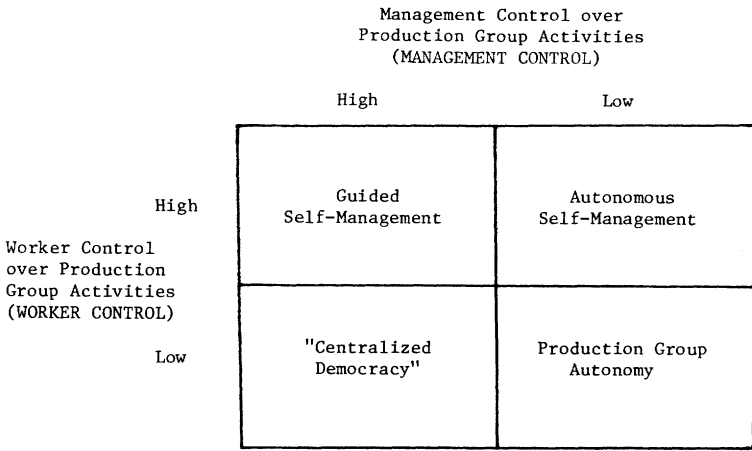


Figure 1: A Typology of Shop-Floor Participative Forms

Even those within the Party who dissented most strongly from Maoist innovations accepted this basic participatory framework. This form is based on a classic Leninist conception of democratic centralism, albeit revitalized by the Chinese emphasis on regular and active discussions of decisions within the production group. Directed by the production group leader, discussions take place in daily production meetings before and after the shift. Workers can offer suggestions and opinions before a decision is reached or a plan is made, but thereafter any discussion will largely be for the purpose of understanding the decision or of devising ways to fulfill the plan.

Workers participate actively in management through these discussions, but do not occupy positions of responsibility which afford them control over the management of production. Quotas, norms, and plans both for the production group and for individuals are set by staff outside the production group, and outside inspectors and technical specialists enforce these plans and regulations. In sum, "centralized democracy" affords the production group little autonomy relative to staff management, while participative practices afford workers little actual control over decisions.

Production Group Autonomy. As in “centralized democracy,” this is a form where workers actively participate in discussions and offer suggestions about the management of production, but where they occupy no organizational positions which afford them some formal control. Unlike centralized democracy, however, management control over production group activities is markedly reduced—production groups become autonomous in certain crucial respects. Inspectors and technical specialists from shop offices have no formal powers within production groups. Production group output targets are sent down from above, but the production group is itself responsible for making its own monthly production plans and setting individual quotas for meeting these targets. In sum, management control is markedly reduced relative to centralized democracy, without any marked increase in worker control. The bulk of increased responsibility and control falls to production group leaders.

Guided Self-Management. This is a form where, in addition to continued participation in daily production meetings, workers are delegated increased control over production group management by occupying positions as “worker-managers,” where they are responsible for performing management tasks within the group. This worker control is exercised under the direction of the production group leader, and also within a matrix of continuing management control over production group activities. Specialists and inspectors from outside the production group have the power to enforce plant regulations, and this ability is exercised in cooperation with worker-managers. Worker-managers in fact, are under the tutelage of these outside specialists, who are charged with training the workers in the conduct of their tasks.

Workers most often occupy positions within the work group where they are responsible for the procurement and custody of raw materials and spare parts, quality inspection, tool custody, production group accounting and record-keeping, and decisions about technical aspects of production (see Table 1).⁶ Workers tend to occupy positions where they are responsible for the drafting of the production group plan, the making of work assignments, or the evaluation of worker performances. Plans and

TABLE 1
Content of Production Group Self-Management

Management Function	Percent of cases of each type reporting worker responsibility for the function	
	Autonomous Self-Management	Guided Self-Management
Materials Procurement and Monitoring	68%	46%
Quality Inspection	65%	52%
Tool Procurement and Custody	63%	43%
Work Evaluations	63%	25%
Work Assignments and Dispatching	63%	28%
Production Group Accounting	60%	57%
Production Group Planning	58%	34%
Safety Inspection	48%	34%
Political and Educational Work	33%	7%
Technical Reforms	33%	41%
Attendance Records	28%	11%
Equipment Inspection and Maintenance	23%	21%
Wage Calculation and Disbursement	23%	8%
Welfare Supplements	23%	13%
Waste Control	18%	26%

norms for the group and for individuals are still set outside the production group, and while worker-managers may have the immediate responsibility for enforcing these plans, outside inspectors have the ultimate formal authority to do so. Workers, in other words, take over most routine management responsibilities in their area of the shop floor, while staff management continues to guide the entire production process, especially when nonroutine problems occur.

Autonomous Self-Management. This is a form where workers are delegated increased control over production group management as “worker-managers,” and where the production group is simultaneously given greater autonomy relative to higher levels

of management. Production group output targets and quality norms are set outside the production group, but the production group independently draws up and enforces its own monthly plans and individual quotas for meeting these targets. Inspectors and technical specialists have no formal powers in the production group. Worker-managers tend to take part in a wide variety of management functions, including not only material procurement, quality inspection, tool custody, and group accounting, but also the making of work assignments, the drafting of the group's production plans, the evaluation of worker performance, and safety inspection (see Table 1). This configuration of worker shop floor control and work group autonomy, while relatively rare in the Chinese experience, most closely approximates some of the well-publicized Swedish experiments with autonomous work groups (see Cole, 1979b).

SUMMARY

Since a central feature of the major mass campaigns through which the Chinese Communist Party has attempted to implement work group self-management has been a political attack on the authority and expertise of technicians and administrators, the major lines of variation through time have been between the right- and left-hand columns of Figure 1. The Great Leap Forward and Cultural Revolution were both marked by rapid shifts toward forms of group autonomy, while the periods 1960-1965 and since 1977 have been ones where administrative controls over production group activities have been largely restored. While the periods of political attacks on administrators and technicians tended initially also to be ones where what we have termed "high" levels of worker control have predominated, the relationship between the levels of worker and managerial control does not appear to be a close one. Within any given period, forms of work group participation exhibit variation between high and low levels of worker control, and this distribution does not appear to change drastically after 1958.

Political opponents within China of the Maoist impulse toward work group autonomy have been more than willing to

accept high levels of both worker participation and control within the work group. The issue which has generated the most ideological heat has been the one of control by management and technical experts. The release of management control over work group quality inspection, production planning, and materials use also appears to have been that aspect of radical Chinese shop-floor practices that has had the largest and most immediate deleterious effect on industrial production. The current post-Mao reforms, especially during 1978 and 1979, appear designed to remove any lingering political stigma attached to control over production groups by staff experts, thus strengthening even further what we have termed management control. But these reforms have at the same time pushed forms of work group participation which reinforce the predominant pattern of guided self-management (see *Workers Daily Special Commentator*, 1979).

Aside from this general point about the fluid relationship between worker and management control in shop-floor participative forms, there are two other special characteristics of these Chinese efforts that require reemphasis. The first is the fact that it is the Party organization (or a faction within it) that formulates management policies and enforces changes. Changes in levels of worker or management control take place throughout the nation as a result of concerted efforts by the Party apparatus. Any increase (or decrease) in worker control, and any decrease (or increase) in management control, is crucially dependent on Party mobilization and support. Second, worker control is largely limited to the execution and supervision of the implementation of general production and planning decisions which have been made above the work group level. Such control, further, does not extend beyond the boundaries of the work group or beyond immediate production-related issues.

CONCLUSION: CHINESE PARTICIPATIVE FORMS IN PERSPECTIVE

In comparing participative or collectivist organizational forms, writers commonly pay closest attention both to the form and

scope of participation and to the value rationality underlying various participative forms (see Dachler and Wilpert, 1978). Two additional factors, however, separate Chinese from other collectivist forms—the institutionalized power base for enforcing these changes, and the relationship of the individual enterprise to the national economy. These two factors simultaneously explain much that is unique about the configuration of collectivist and bureaucratic elements in Chinese organizational forms.

First, the institutionalized power base for enforcing these patterns of organization in China is not collective ownership and control of productive resources by the employees involved, as is the case for employee-owned enterprises or worker production cooperatives embedded in market economies (see Johnson and Whyte, 1977; Rothschild-Whitt, 1979). Nor is it the support of either corporate executives, labor unions, or employers' associations as in Scandinavia or Japan. Nor is it, as in Yugoslavia, a system of laws and regulations which are designed to safeguard the autonomy of federated republics and enterprises, and the economic rights of employees.

Instead, Chinese collectivist forms are directly enforced by the activities of one of the largest organizations in the world—the Chinese Communist Party—which maintains a separate organizational life down to the shop floor in each state-owned enterprise, and which has been used as a powerful “organizational weapon” to induce rapid changes in organizational practices.

Second, Chinese industrial enterprises do not enjoy the economic autonomy of worker collectives or private corporations in market economies, nor have they enjoyed anything approaching the autonomy of enterprises in a Yugoslav-style economic system. China has not been a “self-managed” socialist economy, either in theory or in practice (see Horvat, 1975; Vanek, 1975). Relatively early in its reform of Soviet-style administrative practices, China's leaders ruled out the path of decentralization earlier taken by Yugoslavia. For the next two decades they opted instead for a distinctively Maoist approach, which preserved contradictory tensions between a centralized industrial administrative system and mass political campaigns spearheaded by the Party organization.

These two factors have had two broad sets of consequences for forms of worker participation and control in China. First, workers are effectively excluded from control over decisions outside of their immediate work group. Broader economic decisions at the enterprise level—the distribution of net income, investment decisions, new product lines—are not subject to worker participation, much less control, unlike the experiences of many western production cooperatives and some Yugoslav enterprises. These economic decisions are made above the enterprise level.

Further, Chinese workers have had little institutionalized control over the top leadership of their enterprises, again unlike the experience of western collectives and Yugoslav enterprises which preserve at least a formal system of election of administrators who have a limited tenure. The Party organization, the self-appointed vanguard for instituting workplace social change, retains control over the selection and tenure of administrators, especially since many administrators are simultaneously Party officials.

In sum, the continuing levels of central political and economic control inherent in the Maoist conception of administrative decentralization effectively exclude workers from control over decisions which are at the center of other collectivist forms. Worker participation and control, consequently, is markedly skewed towards routine production management within shop-floor work groups.

The second set of consequences, largely the result of the institutionalized power base through which change is implemented, is that Chinese forms have at times exhibited far more radical and egalitarian practices, and far greater reductions in managerial control, than have other collectivist forms in modern industries—despite the encapsulation of worker control in shop-floor work groups. Unlike work group self-management practices adopted by Japanese and Swedish employers, and far more so than for the reforms in Yugoslavia, Party-led campaigns in China have had consequences which were quite undesirable for enterprise administrators. Egalitarian wage practices (Hoffman, 1974) and regular participation by administrators in manual labor have made at least temporary inroads into managerial prestige.

Further, the politicized attacks on management experts during major campaigns, and the at best ambivalent Party attitude toward them in many other periods, have often made the exercise of administrative leadership impossible or at least politically risky. Thus the presence of a well-organized and powerful third party in management-labor relations explains the unique configuration of elements which characterizes Chinese participative forms—an unusually radical attenuation of management prestige and authority, high levels of participative activity by workers, yet forms of institutionalized worker control which are limited to the immediate work group. In China the political choice has been not solely between management and worker control; it has simultaneously been between administrative and Party control.

Thus the Chinese version of worker control has for the past 25 years embodied the contradictions inherent in the Maoist political conception which first spawned it. Centralized political and economic control is combined with high levels of participative activity—which serves simultaneously as a form of mobilization and social control—and a degree of worker control only over the conduct of routine production within groups. Those who advocate worker participation and control on the basis of liberal-democratic theory (see Pateman, 1970) will find little that is attractive in Chinese forms.

The conception of countervailing powers, of a Madisonian system of checks and balances, is quite foreign to the Chinese experience. In its place is a notion that centralized power must be exercised in a participative, consultative fashion, with status differences kept to a minimum. Within this conception, when power ceases to be exercised in this collectivist manner, administrative and political leadership ceases to be a vanguard for further social change, and becomes a new privileged stratum.

Despite this absence of certain democratic elements which have so often been identified with collectivist organizational forms, and despite our rebuttal of some of the more extravagant claims made for these Chinese experiments, the changes introduced in Chinese shop-floor management since 1956 have been significant. The various forms of work group self-management employed in Chinese industry share many of the features of work groups in Japanese industry (see Cole, 1979).

Relative to forms of shop-floor organization in Western industry which have so often been taken as models of modernity, job boundaries are less clearly defined, and workers perform many management tasks which would otherwise be the province of line and staff management. At the very least, these participative work group practices represent an alternative form of social control to that embedded in Weber's ideal-typical modern bureaucracy (see Ouchi and Jaeger, 1978; Rothschild-Whitt, 1979). But more importantly, these organizational forms indicate that there is a considerable, but as yet undefined, realm of authority relations which can vary independently of the purely technical relations of production. Experiences such as those of the Chinese help us to conceptualize this realm, and the lines of possible variation.

NOTES

1. The one exception to this pattern was the Cultural Revolution of 1966-1968, where workers were permitted to organize themselves and criticize Party officials and their leadership practices. After the removal from leadership of a minority of these enterprise leaders, and the public criticism of others before they resumed their Party posts, the Party organization was quickly rebuilt and its original power restored after 1969. The Cultural Revolution represents more of a Party purge with mass participation, rather than a permanent dismantling of Party control over industrial administration.

2. The Maoist approach to decentralization was adopted during the 1957-1960 period, which included the Great Leap Forward. In the period of readjustment which followed from 1961-1964, elements of the first decentralization strategy were tried. The Maoist approach was reasserted during 1965-1975, and has quickly been eclipsed by a return to the politically maligned "enterprise autonomy" strategy soon after the death of Mao (see Ahn, 1974; Andors, 1977; Schurmann, 1964; Walder, 1979b).

3. This characterization of campaign activities, and subsequent descriptions of participative forms, are based on two sources: Chinese press articles which describe activities within enterprises, and interviews in Hong Kong during 1979-1980 with former employees of industrial enterprises in China.

4. These, of course, are the formal properties of the system. As in all organizations, the formal and informal do not always coincide, and participants in Yugoslav enterprises are apparently aware of this (see Tannenbaum et al., 1974). Our sole purpose here is to point out that a legislative framework of worker control exists in Yugoslavia, and can potentially be used by workers if they are sufficiently mobilized, where in China there is no such framework.

5. Since early 1979 the Party leadership has begun to reform the industrial system by giving more autonomy to enterprises in making economic decisions. At the same time, there have appeared a series of highly favorable discussions of the Yugoslav Workers'

Councils, and calls for moves toward a similar conception of democracy. Press reports and recently arrived emigrants have also described apparently democratic secret-ballot elections for production group and shop leaders during 1979 and early 1980, where a number of incumbents lost their positions. These new trial policies challenge the Party's traditional power within enterprises and question past conceptions of economic administration. Should they be carried out successfully over the next five years, workers may begin to exert some degree of control over plant-level economic decisions.

6. Table 1 is based on a sample of 332 Chinese press accounts which describe work-group management practices in individual enterprises during the Great Leap Forward of 1958-1960. Since this table is offered here solely for purposes of illustration, we spare the reader the details about sampling procedure and operational definitions, which we intend to publish in future reports.

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ERRATA

Please note the following corrections to "Sex Segregation and Salary Structure in Academia," which appeared on pages 39-60 of the February issue of *SOCIOLOGY OF WORK AND OCCUPATIONS*:

Page 42, the sentence beginning on line 24 should read: "If female composition of a profession or employment unit has injurious effects upon the salaries of men, discrimination behavior may represent more than 'normative preference' for males; it may be an economic response and defense."

Page 58, the first sentence to footnote 2 should read: "Our 1971 *data* show that, among academics, the ratio of female:male salary ranges between a high of .89 for associate professors to a low of .78 for instructors, with lecturers (.88), assistant professors (.83), and full professors (.82) falling between that range."