

Emancipatory Accounting in China: Does Alternative Social Reporting of Non-governmental Organisations Address Corporate Social Responsibility Problems?

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Abstract. With the increasing number of corporate scandals such as Enron, Corporate Social Responsibility (CSR) movement has become a global phenomenon and attracted ever more attention nowadays. Although a large number of corporations have begun to choose corporate social reporting to provide social and environmental information for proclaiming their social responsibilities, corporate social reporting is widely regarded as a public relation opportunity to respond to social pressures. Treating corporate social reporting as an addendum to conventional accounting which serves for ruling classes in society, critical accounting researchers suggest radical changes of current social accounting practices and alternative accounting practices to go beyond the conventional accounting practices and to have positive impact on CSR development. Focusing on the potential transformative nature of accounting and alternative social reporting of Non-governmental Organisations (NGOs), this paper investigates roles of NGOs' social reporting in generating emancipatory changes of accounting as well as promoting CSR development in China, from both theoretical and empirical ways. On the basis of empirical work, the paper concludes that NGO's social reporting, as a form of emancipatory accounting practices in China, plays a positive role in CSR development; however, its influence is restricted due to several reasons.

Keywords: emancipatory accounting, social reporting, corporate social responsibility, non-governmental organisation, China.

1 INTRODUCTION

Nowadays, Corporate Social Responsibility (CSR) issues have become a global topic and been concerned widely throughout the world. Early since the 1970s, corporations have begun to publish CSR reports or disclose environmental and social information to the public in order to defend corporations against critiques and relieve the pressure from social community. Then ever more corporations started to choose corporate social reporting for proclaiming their social responsibility obligations ranging from environmental protection, employee health and safety, stakeholder relationships etc. (Cooper, 2010; Parker, 1986). However, from the corporate perspective, social reporting and disclosures are considered as a tool of public relations rather than solutions to CSR problems. Gaps remain between what corporations have professed to undertake social responsibilities and what they actually have done in practice; and their social reporting is selectively used for only proclaiming positive effects of their activities on society, while neglecting conflicts between their business and social welfare (Gray et al., 1987; Unerman et al., 2007).

This paper focuses on the transformative nature of accounting to go beyond the conventional accounting and generate radical changes of social accounting practices. In the study of emancipatory changes of accounting in dealing with CSR problems, roles of Non-government Organisations (NGOs) in effecting accounting mobilization are highlighted. The paper discusses roles of NGOs and their alternative social reporting practices in effecting emancipatory changes of accounting to promote development of CSR in the context of China,

from both theoretical and empirical perspectives, and both primary and secondary data are collected and analyzed for supporting the research. This paper is divided into four sections. After a brief introduction to the research, demand of alternative accounting practice, roles of NGOs in social movements as well as current situations of NGOs in the context of China are discussed. Following the theoretical investigation, this paper illustrates the research methods and then discusses empirical findings about roles of NGOs in CSR development in China. Finally, on the basis of the previous discussion, conclusions are made about positive roles of NGOs' alternative social reporting practices in resolving CSR problems.

2 EMANCIPATORY ACCOUNTING AND NGO

2.1 Emancipatory changes of accounting

Critical accounting researchers consider conventional accounting research as interpreting reality partially through privileging capital's interests over social interests in analysis, which sources from political and social context in which conventional accounting operates. They suggest that diversity of social interests which are conflicting with each other are confronted by accounting, and accounting practices, socially constructed and enactive, are evolved in the broad processes of economic and social changes (Chua, 1986; Cooper and Sherer, 1984; Puxty, 1986; Tinker, 1985; Tinker and Gray, 2003). Therefore, in terms of CSR problems, due to limitations of conventional corporate social reporting which sources from the exploitative social relations and unequal rights of classes under capitalism, critical accounting researchers suggest the need to go beyond conventional accounting and utilize the potential transformative nature of accounting in making social changes and developing CSR (Gambling, 1974; Gallhofer and Haslam, 2003). Through social analysis from critical contextual appreciation, accounting as a social practice is considered as being able to function as a contradictory force to promote social transformative changes and emancipatory development by means of social interaction. Especially through serving radical democratic forces as a systemic communication and informing practice, accounting is able to seek to challenge and go beyond current economic arrangements and dominant theories so as to engender transformative changes in society, to open up a better social system featuring a new and better accounting (Cooper and Sherer, 1984; Gallhofer and Haslam, 1993; 2003; Tinker, 1980). As a result, facing up to social conflicts such as CSR issues, unlike conventional accounting only focusing on interests of ruling class, alternative accounting would provide an open and democratic approach for benefiting the whole society (Gallhofer and Haslam, 1997; Lowe and Tinker, 1977).

In researching accounting mobilization through critical approaches, as a result of imperfect market and society, social structural factors emphasizing on relationships between social conflicts and accounting practices are important (Tinker and Gray, 2003). As mentioned above, although corporate social reporting practices emerged and developed for decades of years, much existing social disclosures are hijacked corporations as a public relation opportunity to respond to social pressures. Therefore, in the interests of protecting shareholders and capitalist socio-political order, corporation can only behave as a very mildly progressive force towards radical social accounting practice and mobilizing alternative accounting which reflects interests of the whole society. Argued by Arnold (1990) and Gallhofer and Haslam (1997; 2003), government is committed to regulate social accounting for serving the interests of community, and it can engender positive actions against CSR issues. In practice, governments have often encouraged corporations to take their social responsibilities and provided requirements on governing the social and environmental information disclosure in corporate reports (Murray and Gray, 2006). However, due to repressive social relations in capitalism, emancipatory possibilities of accounting have been largely displaced, and government can only has a mild progressive impact on mobilizing

accounting, for the purpose of managing societal governance instead of shaking or even destroying the socio-political order. Therefore, more powerful players (such as NGOs) are needed in order to engender more effective and progressive activism for promoting alternative accounting and developing CSR.

2.2 Roles of NGO in social movements

Since the late 1980s, the number, power and influence of NGOs have improved greatly and their participations in social changes, especially in socio-political and economic movements (Yaziji and Doh, 2009). CSR issues offer NGOs great potential for seeking their social transformation goals, and some radical ones have attempted to affect social accounting practices and engender emancipatory changes through disclosing counter corporate information (Gallhofer and Haslam, 2003; Gautney, 2010). On the basis of their dyadic relationships with governments and corporations, NGOs have had directly impact on business and government policy and behaviour, and even forced radical changes through their social campaigns and reporting on swaying public opinions (Doh and Teegen, 2003).

In cooperation with corporations in terms of developing CSR, NGOs are working on setting and monitoring standards for improving corporate social and environmental practices of corporations through their active campaigns concerning labor, environmental standards and human rights in trade agreements. From such a perspective, NGOs are regarded as a powerful agent for changes within the context of CSR and counter-weights to business and global capitalism (Moon and Vogel, 2008; Spar and La Mure, 2003). In terms of impact on governments, although NGOs have no direct ability to change government policy, their roles of creating the public force on reflecting voice of demands which are ignored by market mechanism have pushed policy makers to make changes. And governments have encouraged NGOs to enter partnerships in terms of governance, especially focusing on corporate social involvement in the community through philanthropy and local economic development (Keck and Sikkink, 1998; Moon and Vogel, 2008).

2.3 Development of accounting and NGO in the context of China

As the largest developing country in the world, China has a long history over thousands of years, and traditional culture, socio-political and economic situations have had profound impacts on the development of accounting in the country. Since the establishment of the People's Republic of China (PRC) in 1949, economic development pattern in the country experienced a transformation from planned economy to market economy. Before the 1978 Reform, the country operated under planned economy in which production targets for companies were all set by the government, function of accounting was only accumulating and reporting financial data. Thus, accounting, solely as a tool of government for controlling the planned production, played no roles except for bookkeeping (Chan and Rotenberg, 1999; Lawson, 2009; Pacter, 2007). After the 1978 Reform, China's economic development changed to distinctive development model through combining Western advanced ideas with China's distinct social conditions, in which market dominates the economic development with assistance of government regulations from macro perspective. Accounting profession changed and gained a fast-growing improvement since then. Roles of accounting in Chinese companies was evolving to taking responsibilities similar to Western accounting, although bookkeeping and financial reporting were still a great emphasis (Chen et al., 2002; Tang, 1997). However, due to direct government involvement in accounting regulation originated from the planned economy era, accounting profession is still politically weak, and the government is still the main user of accounting information in China (Xiao et al., 2004).

NGOs emerged in China from the unique socio-political and economic context, which makes them different from Western-style NGOs. NGOs in China are tied more closely to the government than in many other countries, providing opportunities for them to play important

roles in social movements and development within the Chinese context (Kunp, 1997). After the establishment of the PRC, highly centralized economic and governmental administrative system combined the government and society, and endowed the government more functions to govern almost all aspects in social life. All social groups except for those officially sanctioned ones were not permitted by the authorities. After the 1978 Reform, pluralistic interests emerged and individuals began to set up genuinely non-state social organisations which were tolerated by officials, providing opportunity for development of NGOs (Burns, 1999; Liu and Hu, 2004). Nowadays, the Chinese government supports NGOs' activities more than before at various aspects in order to assist disadvantaged groups and decrease social conflicts. Moreover, along with the rise of market economy, social relations in China become more pluralistic and people have more diversified policy preferences instead of supporting government policies without any question. Therefore, NGOs have more political opportunities and social space to play a more active role in participating policy-making and implementation (Zhan and Tang, 2013).

3 SOCIAL REPORTING AND CSR PROBLEMS IN CHINA: ANALYSIS AND DISCUSSION

3.1 Methods

In order to investigate roles of NGOs in promoting CSR proceeding and accounting mobilization in China, semi-structured interviews were conducted on corporate managers and NGOs' staff in order to obtain first-hand data about their thinking of CSR, social disclosure as well as social accounting. Corporate interviewees are from both State-owned Enterprises (SOEs) and private companies in different industries including metal, petrochemical, coal mining, food and retail, and all interviewees' companies have released CSR reports for at least two years. NGOs interviewees are from international and grass-root NGOs focusing on CSR related issues. All interviews were conducted in Chinese, and then translated into English by the researcher carefully, where necessary, amendments are made in writing the paper. Qualitative analysis on responses from semi-structured interviews can suggest insight into attitudes of corporations and NGOs in China on social accounting and social disclosure as well as impact of NGOs on corporate behavior.

Apart from gaining primary data from interviews, relevant corporate and NGOs' reporting documents were reviewed and analysed to support further investigation on roles of NGOs in dealing with CSR issues. The case of Foxconn's labor rights issues was chosen for documentary analysis. In the analysis, Foxconn's Corporate Social and Environmental Responsibility Reports from 2008 to 2011 and investigation reports as well as verification reports published by Fair Labor Association are main source of secondary data. Comparison between corporate social reporting of Foxconn and social disclosures of the NGO provided support on the analysis of NGO's impact on corporate behavior in terms of CSR issues.

3.2 Empirical analysis

3.2.1 Broad view of CSR and NGO activism in China

Since the 1978 Reform and implementation of 'Opening-up' policy in Mainland China, advanced Western ideology of CSR was introduced into the country. After China's accession into the World Trade Organization (WTO) in December 2001, Chinese corporations, especially those multinational ones began to confront ever more pressures from the global market. Taking social responsibility became a trend for corporations in order to obtain competitive advantage and good reputation in fierce international competitions. On the basis of the semi-structured interviews, no matter SOEs or private companies all agreed that social

responsibility should be taken in their business, and CSR activities are significant for their sustainable development and competitions in the market. However, considering the direct reason or the most significant driver for their CSR practices, requirements of governments on SOEs and listed companies are the first and foremost factor highlighted by the respondents. As explained by a SOE's senior manager: "There are a series of environment protection indicators for standardizing our production such as waste disposal, machine usage, energy consumption and so on. The government also requires us to take charitable responsibility like poverty alleviation. For example, according to profitability of one plant in our company, the local government set target for us to invest eight million Yuan within three years to assist anti-poverty of a nearby poor village"(COM1). Winning competitive advantages and good reputations, coping with pressures from the public are also main drivers for corporations to taking social responsibilities in practice. As stated by a company: "Our company established through merger of one SOE and two private companies years ago, left several problems about employee treatment, transformation, pension and welfare. Since employee dissatisfaction may result in social problems against our further development, we consider employee issues as the key social responsibility in practice"(COM2).

Apart from conducting CSR practices, Chinese corporations have begun to release CSR reports and disclose environmental and social information to the public since 1999, in order to summarize their CSR practices, communicate with relevant stakeholders and obtain competitive advantages. Corporate respondents explained corporate social reporting in a similar way to their CSR practices, while NGOs had some different opinions. Generally speaking, international corporations have a higher consciousness on CSR than domestic companies, and large domestic companies are confronting fewer difficulties in taking CSR into practice than the small and medium ones. However, CSR practices are deformed in some companies and even considered as a tool of 'green wash' which depends on using profits gained from polluting environment to establish charitable foundation and wash their unethical behaviour. As mentioned by a domestic NGO: "A large number of companies publish CSR reports for acquiring some benefits, for example, listed ones can acquire 'extra points' on their performance; unlisted ones can gain 'green-light' for some business. Moreover, some companies disclose CSR reports only for coping with short-term problems or external pressures"(NGO6). In addition, although foreign international corporations normally perform better in corporate social reporting and CSR disclosure than domestic companies in practice, NGOs detected problems in their social reporting as well as practices, such as: "We found some foreign companies take totally different measures towards social responsibility. For example, in S company's CSR reports, they listed their CSR activities in Europe, and claimed the same activities were also taken in China. Actually, through our investigation, effectiveness of their CSR practice implemented in China was very poor, but this aspect was evasive in their CSR reports"(NGO5).

For dealing with CSR problems and promoting CSR development in China, both international NGOs and domestic grass-root ones have cooperated in various forms and perform actively in communication and cooperation with corporations with regard to CSR issues. For instance: "We are cooperating with other 46 domestic NGOs and establishing Green Choice Alliance, working on promoting green supply chain management through pushing large foreign international companies in China to concentrate on environmental performance of their suppliers"(NGO2). As a result of restrictions on international NGOs' activities, they cannot get access to some fields in China so that in the cooperation between NGOs, international ones often focus more on generating a broad and macro idea towards one aspect of CSR and attracting attentions from government, companies and society for seeking solutions; while domestic NGOs normally pay more attention to one specific issue and attempt to solve problems through practical work. Conceptual communications between domestic grass-root NGOs are rare and they normally work together to handle specific CSR issues. Besides, some international NGOs are providing platform for other NGOs to gather

and communicate, and also assisting domestic NGOs' activities thorough professional trainings.

Communications between NGOs and corporations are relatively few, especially between grass-root NGOs and corporations. Through the interviews, all five interviewees from domestic NGOs acknowledged that there is no company contacting with them for solving CSR problems voluntarily and it is usually the NGOs to actively get in touch with companies discussing about CSR issues. However, international NGOs have received some enquires about CSR practices, normally from international corporations and some innovative domestic companies. Two main reasons can be considered for lack of cooperation between companies and NGOs in China. On one hand, companies are unwilling to discuss with NGOs about issues inside of their operation, especially issues towards CSR, which are relatively sensitive to their business. Thus, most of companies choose not to cooperate with NGOs voluntarily and even refuse NGOs' requirements of communication for the excuse of commercial confidentiality. On the other hand, from NGOs' perspective, a large number of grass-root NGOs in China are incompetent to conduct common projects with companies for detecting, supervising or resolving CSR problems. Most of them are confronting problems of lacking staff and funds, resulting in their ability falling short of their wishes of resolving CSR issues. For example, a large number of grass-root NGOs are struggling to survive facing many requirements of a government: they are required to register in local Department of Civil Affairs, submit report for annual inspection, accept annual financial inspection and so on. Even for international NGOs, flexibility of their activities is very weak in China and they have to change ways in working to adapt to government requirements. As stated by an international NGO: "We only concentrate on companies rather than Chinese government. We support policies of the central government and sometimes provide some suggestions to local governments about specific issues. We normally present problems of a company or an industry to the government and then communicate or influence the company with the help of government's attention"(NGO1). Therefore, most of domestic grass-root NGOs can only focus on propaganda of CSR concepts and environmental education activities, but have great difficulties in communication with companies for discussing and solving specific CSR issues. Only some international NGOs and large-scale domestic NGOs which have considerable influences and sufficient ability are likely to cooperate with companies towards CSR issues.

Although confronting many difficulties, NGOs in China still perform enthusiasm in dealing with CSR problems and have been involved in promoting CSR development and urging companies to undertake their social responsibilities. All NGO respondents believe that they are working as an exponent and assistant for company's CSR practice through integrating company, government, public, and mass media for promoting CSR development, and they emphasize that media are playing an indispensable role in assisting their activities concerning CSR issues. Currently in China, awareness of the public for protecting their legitimate rights has been gradually enhanced and ever more people have begun to concentrate on company's social responsibility fulfillment and even expose their irregularities by means of the network and the public media for the purpose of exerting pressures on the government and companies to solve problems. One domestic NGO set an example: "Our major working mode is to communicate with the public media first, then communicate with companies with the help of media attention and exposure. Such as our communication with D company, our doubts and open letters on their grassland pollution were ignored at first. Then, we contacted with the National Business Daily and exposed such an issue as well as our open letters, then, we received responses from the company's senior manager. The company finally promised to investigate the problem and disclose this issue in their CSR report after our negotiation"(NGO4). In addition, apart from several requirements on NGOs' registration, all NGO respondents agreed that there is little pressure from Chinese government on their practical activities concerning CSR. The Chinese central government has begun to pay more attention to NGOs' activities nowadays, and is supporting more on activities of domestic

NGOs in policy. As explained by a domestic NGO: “The central government supports us by and large since our work has no direct influence on tax charge, but our work on companies’ environmental pollution behaviour is not welcomed by some local governments due to regional protectionism. However, some local governments take supportive attitude and cooperate with us actively, such as Hangzhou local government”(NGO2).

In summary, although ever more companies in China have begun to undertake social responsibilities in various degrees since the 1978 Reform and several companies have attempted to publish CSR reports and shared their CSR concepts and working results with stakeholders, social responsibility fulfillment and quality of CSR reports are still in low level. Requirements from government, reporting and pressures from NGOs and the mass media urged companies to focus on taking social responsibility to some extent, which indeed have promoted CSR to be accepted and further development in China. However, actual effectiveness of CSR practice implementation as well as reliability and value of CSR reports and disclosure are doubted and need to be further improved. During the process of CSR development, NGOs undoubtedly have played positive roles from micro level, through supervising company’s business operation and CSR practice, detecting problems and communicating with corporations to solve the problems energetically. However, NGOs’ roles in effecting transformative changes of accounting in the context of China are restricted as a result of various requirements and restrictions of government as well as their own relatively weak capacity in influencing social changes. In the following section, impact of NGOs’ social reporting on CSR development in China is discussed through a specific case on the famous Foxconn’s labor rights issues.

3.2.2 Impact of NGO’s social reporting on CSR development in China: a case

In 1988, Foxconn Technology Group (Foxconn for short) was set up as Hon Hai’s subsidiary in Mainland China, and it is currently cooperating with major American, European and Japanese electronics and information technology companies for joint-design, joint-development, manufacturing, assembly and after-sales services, and its notable products manufactured include iPhone, iPod, iPad, Kindle, Xbox 360, Wii U etc. Since 2008, based on GRI G3 Guidelines, Foxconn has begun to release its Corporate Social and Environmental Responsibility Report for disclosing its progress in its employee management, occupational health and safety, stakeholder engagement, energy saving and environment protection and community contribution and supply chain social & environmental responsibility management. Apart from releasing CSR reports, Foxconn also sets up a special column for introducing its CSR policies and actions towards its social and environmental responsibility on its website, together with showing many photos on employee care, employee education and community philanthropy.

In recent years, Foxconn is involved in several controversies relating to its employee management in Mainland China. From January to November 2010, fourteen employees of Foxconn killed themselves in the factories, and the news of Foxconn’s over-intensity work was widely spread on the Internet at the same time. In 2012, under great pressure from the public, as a main client of Foxconn, Apple Inc. hired the famous international NGO, Fair Labor Association (FLA), to conduct an audit on working conditions at Foxconn’s factories in China. Through an independent investigation in February 2012 lasting for almost one month to assess working conditions and the treatment of workers at Foxconn’s three Chinese factories in Shenzhen and Chengdu, FLA published investigation report in March 28th, 2012 and provided recommendations of improvement for Foxconn. This research made an analysis on both Foxconn’s CSR reports and FLA’s investigation report in terms of six main aspects (including hours of work, compensation, social insurance, interns, industrial relations, and health, safety and environment) examined by FLA in its investigation. Comparison on employee management and treatment was made between what were proclaimed in Foxconn’s

social disclosures and what were found through investigation and released in the social reporting of FLA and further analysed.

The first aspect audited by FLA is the working hours of employees in the three factories. Working hours' information was disclosed in corporate social reporting for at least one time per year during the investigated period. In the CSR reports, Foxconn highlights that decrease of working hours is a policy of the company for protecting human rights and the company considers this aspect as an important evaluation indicator in improving supply chain social and environmental responsibility management. Particularly in 2011 CSR report, the company stated: "Foxconn has taken measures in increasing pay and reducing normal work hours so that its workers have more opportunity to enjoy quality time with their loved ones and to have a rich social life" (Foxconn Technology Group, 2011, p. 16). However, in FLA's investigation report, Foxconn is regarded as not comply with its policies of control working hours. As displayed by FLA, overtime working is widely detected in all three factories being investigated: "During peak production periods, the average number of hours worked per week exceeded the FLA Code Standard of 60 hours. Also, there were periods in which some workers did not get one day off in seven days. This is confirmed by the worker survey" (Fair Labor Association, 2012i, p. 8).

Compensation was explained in Foxconn's CSR reports every year for introducing its policy about individual compensation at work including illustration of performance management, working safety and environment, and employee training sections. Particularly in 2011, employees' compensation in China was proclaimed to be increased in corporate social reporting. FLA's investigation confirmed that wages, sick leave payments and overtime hours premium were all paid on time in the three factories, and sick leave compensation was 10% higher than the local law requirement. However, based on surveys on workers, around 65% workers thought their salary was not sufficient for basic needs, and this problem was worse in Chengdu factory. In addition, system used for calculating overtime working hours was doubted to have drawbacks harming workers' legitimate rights. According to FLA's investigation: "The system used to measure overtime has an issue in that it uses a unit of 30 minutes for unscheduled overtime and does not pay workers for fractions of a unit they may have worked. In other words, a worker who puts in an extra 29 minutes may not get paid for that time.... A similar issue regarding payment arises with respect to team meetings that take place before or after work and training that takes place outside working hours.... [M]anagement did not see these as work and accordingly did not pay for them" (Fair Labor Association, 2012i, p. 9).

Foxconn disclosed social insurance information in every year's CSR reports, and the company stated that various social insurance were provided to employees, including medical insurance, security insurance, various insurance and assistance funds. FLA confirmed Foxconn's statements on social insurance; however, problems of social insurance brought by weaknesses of national social insurance net about migrant workers were also pointed out in the investigation report, such as around 99% of workforces at the Shenzhen facilities are migrant workers who cannot be enrolled in the unemployment and maternity insurance systems (Fair Labor Association, 2012i, p. 9).

Information about interns or internship has never been disclosed in corporate social reporting of Foxconn during the investigated period. On the basis of FLA's investigation, in 2011, 2.7% of the workforce of Foxconn Group consisted of interns, an average of 27,000 interns per month, and average tenure was 3.5 months (Independent Investigation of Apple Supplier, Foxconn, p. 10). According to FLA, interns in Foxconn cannot protect their legitimate rights in working sometimes: "[I]nterns worked both overtime and night shifts, violations of the regulations governing internships"(Fair Labor Association, 2012i, p. 9-10).

Industrial relations were mentioned more frequently than the former aspects, normally in sections of stakeholder engagement, labor union establishment, employee relations etc. From Foxconn's CSR report, in its factories, labor unions and employee relations departments have

been established for the purpose of protecting employees' legitimate rights and improving communication between employers and workers. Moreover, according to Foxconn's disclosure, in 2011, a large number of employees have participated in a total of 15 labor union organizations at the various sites in China, and the membership rate has exceeded 86% of the workforce (Foxconn Technology Group, 2011, p. 18). However, based on FLA's field investigation, industrial relations as well as effectiveness of labor unions were not as optimistic as description of Foxconn: "Workers had very limited knowledge of the structure, function and activities of the worker participation bodies within Foxconn. Only 32.7% of the respondents in our perceptions survey stated that workers elect worker representatives, while 20% believe that management elects them. Another 42.3% do not know how the committees are formed.... A majority of the members of union committees are drawn from the ranks of management.... [I]t does not meet the standards of the relevant ILO Conventions or of the Trade Union Law of China and the Regulations on Collective Bargaining"(Fair Labor Association, 2012i, p. 10-11).

Information about health of workers, working safety and environment was mentioned frequently in Foxconn's CSR report, which mainly includes protecting workers' health in working as well as providing safety and comfortable working environment for employees. Besides, in the CSR reports, Foxconn also mentioned it provided several working safety trainings for workers and established a health monitoring system and an employee healthcare website for solving workers physical and mental health problems. However, effectiveness of such an aspect in Foxconn was not as good as being described in its CSR reports on the basis of FLA's investigation. According to FLA, Foxconn's health and safety policy, procedures and practices were inconsistent and such an inconsistency can harm safety of employees in working. Additionally, low worker participation in safety and health committees was also a problem to weaken its effectiveness in practice.

On the basis of findings of investigation, FLA provided many suggestions to Apple and Foxconn in order to improve working conditions at its facilities. Foxconn finally accepted FLA's suggestions and implemented a remediation plan lasting for 15 months in response to the findings of FLA. In the following 15 months, FLA was invited to verify the implementation status of remedial actions of Foxconn in those three factories in scanning working conditions and compliance with Chinese labor laws and published three verification status reports on August 2012, March 2013 and December 2013 respectively. According to the verification status reports of FLA, Foxconn and Apple have continued to carry out actions on improving working conditions over the 15 months and made steady progress. However, although progress has been made concerning working hours, the three factories are still not in compliance with Chinese labor law in terms of hours of work. In summary, on the basis of qualitative analysis on Foxconn's corporate social reporting and FLA's social reporting regarding labor rights issues as well as impact of FLA on Foxconn's improvement actions, it can be summarized that NGO's social reporting played an important role in disclosing more reliable information about CSR than corporate social reporting, and promoting progressive changes of corporation's CSR practices, although some problems are still unresolved which demonstrating limited power of NGO in effecting transformative changes of corporate social accounting practices.

4 CONCLUSION

On the basis of discussion and analysis in the former sections, it is apparent that, from theoretical aspect, although accounting has emancipatory nature of mobilizing from conventional practices to more radical alternative practices, emancipatory changes of social accounting practices are difficult to be generated without assistance of external factors. NGO is a necessary factor in effecting emancipatory accounting changes and social movements. Especially in current China, as a result of mild interventions of government and corporations

in mobilizing alternative accounting and radical social accounting practices, NGO becomes the only legitimate ways in promoting radical changes of accounting in dealing with CSR problems. Through empirical analysis, it can be concluded that NGOs in China have played positive roles in detecting CSR practices of Chinese corporations, exposing CSR problems to the public and forcing corporations' improvement to handle CSR issues. They have also acted as an important exponent of CSR as well as integrating different actors in the society such as corporations, government, community and public media to promote CSR development. However, it cannot be denied that power of NGOs are largely restricted as a result of the particular social and political context in China, such as the power of government in regulating every aspect of social life including regulating patterns and contents of NGOs' activities, requirements on registration of NGOs, local protectionism on corporations and so on. As a result, it is difficult for NGOs' to carry out activities strong enough to effect transformative social changes or radical changes of accounting in order to get rid of weaknesses of conventional social accounting practices. Moreover, sometimes NGOs' social reporting for exposing corporations' CSR problems is not only based on the public interests, and corporations' adverse behaviour may be overstated by some NGOs for the purpose of self-promotion or attracting more public attention. Some NGOs even make use of false reporting to reap ill-gotten gains. Therefore, NGOs' roles in promoting CSR development still need further investigation, especially from empirical perspectives.

APPENDIX A: LISTS OF INTERVIEWEES

Table 1. Interviewees from companies

No.	Type	Industry	Position of interviewee
COM1	SOE	Petrochemical	Deputy general manager: fertilizer production
COM2	SOE	Metal	Senior manager: international trade
COM3	Private	Coal mining	Senior manager: supervision
COM4	Private	Auto	Manager: new energy automobile
COM5	SOE	Metal	Secretary of the Board of directors
COM6	SOE	Metal	Manager: finance
COM7	Private	Retail	Secretary of the Board of directors, deputy general manager
COM8	Foreign	Paper	Senior manager: production
COM9	Private	Food	Senior manager: securities

Table 2. Interviewees from NGOs

No.	Type	Main Focus	Position of interviewee
NGO1	International	Air pollution; Energy saving; Forest protection; Food safety; Climate change	Head of forests campaign
NGO2	Domestic	Waste management; Green choices; Ecological restoration; Environmental education; Asian NGO cooperation	Project officer: Green supply chain choice
NGO3	Domestic	Water pollution; River protection; Environmental education; Green volunteers.	Office manager
NGO4	Domestic	Environmental monitor; Carbon emission; Electromagnetic and metal	Project officer: Environmental monitor

		pollution; Environmental science popularization	
NGO5	Domestic	Pollution map in China; Green choices	Deputy director: Pollution map
NGO6	Domestic	Environmental and ecological protection; Waste and emission reduction; Environmental education; Domestic NGOs support; Environmental information disclosure	Senior member of project

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