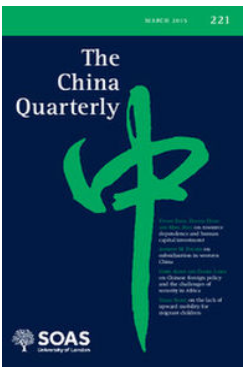

Workers, Managers and the State: The Reform Era and the Political Crisis of 1989

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In May of 1989 urban workers burst suddenly onto the Chinese political scene. They marched by the tens of thousands in huge Beijing street demonstrations, in delegations from hundreds of workplaces – acts repeated on a smaller scale in cities throughout the country. While organized strikes were rare, small groups of dissident workers formed dozens of independent unions and other political groups from Sichuan to Shanghai, and from Inner Mongolia to Guangdong. The most visible, the Beijing Workers' Autonomous Union, set up in mid-April, had an organized presence on Tiananmen Square beginning in the week of the student hunger strike, claimed thousands of members, published dozens of handbills and political manifestos, and played an important role in organizing demonstrations after the declaration of martial law. The workers' unprecedented political response helped transform a vibrant student movement into the most severe popular challenge to Communist Party rule since 1949.

Why such a political awakening among workers in 1989? This is something of a puzzle, because the 1980s have been viewed widely, despite inflation, as a period of unprecedented rises in worker living standards, and also because an equally vibrant student movement at the end of 1986 did not elicit such a large response. Many observers have quickly focused upon levels of worker dissatisfaction as the key to this puzzle. The post-1986 inflation is commonly singled out, and this certainly was among the grievances mentioned first and most often by workers during the movement. Such inflation is often asserted either to have led to a rapid rise in the level of worker dissatisfaction or, more generally, to have led to a frustration of material expectations stoked by a decade of material progress.

Yet an aggregate rise in worker dissatisfaction or in levels of frustration due to dashed expectations, real as both may be, will take us only part of the way towards an understanding of what happened in 1989. Popular dissatisfaction with incomes and prices is merely one plausible source for workers' political motives. But motives are only part of the picture: they do not help us to understand how and why workers were able to act on their motivations. China's system of work unit control failed to prevent dissatisfaction from turning into widespread popular protest, as it had despite prevalent dissatisfaction and scattered labour protest during the mid-1970s and early 1980s. Moreover, knowledge about motive does not help us to understand why wage issues would become so widely expressed in the form of a *political* critique of corrupt officialdom, and as a demand for greater democracy. Clearly, some other changes must have taken place in the 1980s to make workers more responsive to student political appeals,

and to make work units less effective in averting collective protest. This article is about the changes, their consequences in 1989, and their implications for the future.

Factory Politics on the Eve of the Reforms

Those inclined to attribute 1989 to widespread worker discontent with material conditions and government performance would do well to recall the end of the Mao era and the beginning of Deng's. By 1976 real wages for urban wage earners were some 20 per cent lower than they had been two decades before. The wages of the labour force had been frozen since 1963. By 1978 average housing space in China's cities had shrunk to only 3.6 square metres per person, down from an already-crowded 4.3 metres in 1952. Housing conditions were abysmal and had not improved for many years: much of the urban housing stock was in severe disrepair; modern indoor plumbing was rare. Basic foodstuffs were distributed through a spartan system of rationing; such primitive consumer goods as were available were rationed and scarce. Spot shortages of such daily necessities as matches and toilet paper were very common.[1]

These conditions, combined with the arbitrary and sometimes brutal victimization of workers typical of the campaigns and searches for political enemies in the preceding period, bred widespread worker demoralization and political cynicism. The abuse of power and special privileges of factory officials who put on a public face of extreme political rectitude, and the favouritism they showed towards their loyal followers in the workforce, led to a pronounced feeling of "us" versus "them" in the attitudes of workers toward the Party. Periodic slow-down strikes, inattention to quality, breakdowns, absenteeism and pilfering of supplies prevailed in factories.[2]

This dissatisfaction periodically erupted into major strikes and street protests in many industrial cities. In 1975, a late spring strike wave in Wuhan paralysed public transport and closed the massive Wuhan Steel Corporation, and workers staged a large-scale sit-down demonstration in front of the Hubei Provincial Government headquarters.[3] The railway system also suffered periodic disruption in

1. See Andrew G. Walder, *Communist Neo-Traditionalism: Work and Authority in Chinese Industry* (Berkeley: University of California Press, 1986), ch. 6.

2. *Ibid.* chs. 4 and 6.

3. This is based on a report by Gong Xiaoxia, now a graduate student in sociology at Harvard University, who was at that time working as a Guangzhou textile worker, and who witnessed these events while travelling through Wuhan. She reports that the streets were littered with abandoned buses, some being driven along haphazard routes by citizens. Two friends of hers who worked at the Wuhan Steel Corporation told her that the strike was motivated by pay and working conditions, even though the protests became part of factional politics in the city. She had also heard, from people directly involved, of similar labour protests in Sichuan province during the same period.

many locations.[4] In the best-known labour event of the period, political unrest in several large Hangzhou industrial plants crippled production for much of the summer and was eventually quelled only after the intervention of the armed forces.[5] The next year, workers were well-represented in the Tiananmen Square events of April 1976 and associated protests in Nanjing and elsewhere. And in the summer of 1976, Xi'an was paralysed for weeks by street barricades and worker pickets as a "worker rebel movement" comprised of a collection of groups from separate factories cordoned off and held large sections of the city.[6]

These outbursts, however, were short, isolated, and quickly repressed, even if they were sometimes large and threatening. This is to a great extent due to the fact that the central authorities in those years, with the exception of such localities as Hangzhou whose administrations were thoroughly racked with factionalism, could rely upon the integrity of their systems of repression and control, both police and workplace. Professional managers were politically isolated and demoralized, and had little effective authority. Factories had very little autonomy in the conduct of business. The political officials who ruled factories were firmly subordinated to political officials in the state structures above them. Labour discipline may have been lax, but the Party and security organs of the factory and local government reacted swiftly to acts of overt protest or collective insubordination. Emigrés of the late 1970s told of extensive security investigations touched off by political graffiti in their factories, and of harsh reprisals against workers absent from work on the days of the April protests of 1976. And the strict controls over travel and information of those years prevented widespread and accurate knowledge of events in different parts of the country. Despite widespread worker disaffection, and occasional opportunities for collective action provided by factional

4. Li Minghua, "Observations on recent labor unrest in mainland China," *Issues and Studies*, Vol. 11, No. 10 (October 1975), pp. 2–15, at p. 9.

5. See Keith Forster, *Rebellion and Factionalism in a Chinese Province: Zhejiang, 1966–1976* (Armonk, New York: M. E. Sharpe, 1990), pp. 214–228. Forster makes clear that the Hangzhou outbreak was closely tied to factional divisions dating back to the Cultural Revolution.

6. This is based on a report by Søren Clausen, now teaching at Århus University, who witnessed these events while travelling as a Beijing University student at the end of July. The movement had originated among workers in the city power plant over the persecution of a young couple who worked there. According to a wall poster read by Clausen, in 1974 the young couple had been discovered while engaged in sexual activity in the plant. Party cadres sought to make an example of such blatant bourgeois immorality by ordering a severe administrative punishment. When co-workers protested, the cadres took the case to court and had the man convicted of rape and sentenced to 10 years. When co-workers protested further that it had not been a rape, the woman was given two years of labour reform as an accomplice to a criminal act. Thus began a long struggle against the plant cadres that would blossom when factional divisions split the national and local leadership. While the protests were expressed as opposition to Deng Xiaoping's "revisionist line," each group within the larger coalition had specific grievances against their factory leadership. Corruption, abuse of power, and living conditions were common complaints. I would like to thank Professor Clausen for providing me with a translation of some of his notes in Danish.

strife among national or local leaders, the structures of the state could still effectively contain and isolate workers' collective action.

China's leaders in the late 1970s were acutely aware of widespread worker discontent and its potential political consequences. It is no coincidence that shortly after leading Maoists were deposed in 1976, the new leaders announced the first general round of wage increases since 1963, and the first of any kind since 1973. Reminders of the urban workers' conditions emerged in 1980 and 1981, just as Deng's reforms got under way. After widespread and objective reporting in the Chinese media of the Solidarity movement in Poland, China experienced a small wave of work stoppages and several local attempts to form independent trade unions.[7] A small group of working class dissidents, exemplified by Shanghai's Fu Shenqi, stood up to speak on behalf of workers and promptly disappeared into China's labour camps.[8] These events reinforced the characteristic Dengist urge both to improve worker living standards through vigorous economic reform, and to repress firmly any stirrings of independent political activity.

Workers' Material Lives in the 1980s

By the end of the 1980s many urban workers had come to feel that they had benefited little from the reforms. However, the 1980s appear to have been a decade of rapid growth of income and rising living standards for urban residents. In the decade after 1978, average nominal wages in state and collective sectors almost tripled.[9] There was a virtual consumer revolution: ownership of electric fans grew 12-fold; television sets 38-fold; refrigerators 131-fold; and the number of washing machines in households grew from around 1,000 to 5.7 million.[10] Average housing space in urban areas more than doubled, from slightly over 4 square metres per person in 1978 to 8.8 square metres in 1988.[11]

The impressive progress portrayed in official data makes it difficult

7. See Jeanne L. Wilson, "'The Polish Lesson': China and Poland 1980–1990," *Studies in Comparative Communism*, Vol. 23, Nos. 3/4 (Autumn/Winter 1990) pp. 259–280.

8. Fu Shenqi was a factory worker who had been active in Shanghai in the 1978–79 "democracy wall" movement, and who in 1980 sought election to the local People's Congress as a representative from his factory. One of the main planks of his platform was improvement of workers' housing. See the materials collected in Xianggang zhongwen daxue xueshenghui (Student Association of Chinese University of Hong Kong) (ed.), *Minzhu zhonghua: Zhongguo dalu minjian minzhu yundong beibuzhe wenji* (*Democratic China: Collected Writings of People Arrested in the Popular Democracy Movement on the Chinese Mainland*) (Hong Kong: Xianggang zhongwen daxue xueshenghui/Yuandong zhiwu pinglunshe, 1982), pp. 350–52, 358–361, 370–77.

9. In 1978 average state sector wages were 644 *yuan*, in the collective sector, 506. In 1988, the respective figures were 1,853 and 1,426 *yuan*. Guojia tongji ju, *Zhongguo tongji nianjian 1989* (*Statistical Yearbook of China, 1989*) (Beijing: Zhongguo tongji chubanshe, 1989), p. 138.

10. Guojia tongji ju, *Zhongguo tongji nianjian 1988* (Beijing: Zhongguo tongji chubanshe, 1988), p. 804.

11. *Zhongguo tongji nianjian 1989*, p. 719.

to understand how workers could be anything but profoundly grateful for the Deng reforms. Inflation, however, cut deeply into the large increases in nominal incomes. The cumulative increase from 1978 to 1988 in the official cost of living index for urban residents was 88.7 per cent.[12] In official terms, therefore, the tripling of nominal wages becomes instead a still-impressive increase of 50 per cent over 10 years.[13] Very important for subsequent worker perceptions, however, is the fact that inflation accelerated sharply from 1985. Between 1978 and 1984, inflation averaged only 2.8 per cent a year, but from 1985 to 1988 the average rate jumped to 12.1 per cent, the highest year by far being 1988, at 20.7 per cent.[14] By *official* standards, in other words, real incomes in the state and collective sectors overall fell slightly between the end of 1986 and the end of 1988.[15]

This picture, however, is based upon aggregate national data that merge the effects of many different processes: large scale retirements from and entries into the labour force, the creation of new enterprises in rapidly-developing regions of the country, and possibly widening income gaps between regions or economic sectors. It would be more relevant to the question of how workers have experienced income changes in the era of reform to be able to trace a representative sample of individuals through time, and measure changes in their incomes, adjusted for inflation. Such data, of course, are not widely available. However, we do have data for a representative sample of 740 employees in the city of Tianjin, and they help us to explore this question in an admittedly less than comprehensive fashion.[16] Tianjin is by no means representative of urban China as a whole, although it is one of the large industrial cities in which worker protest emerged in 1989. The sample, moreover, consists solely of people who were already in the labour force in 1976. Such a sample therefore can tell us little about aggregate trends, but it may provide us with some insight into the varied impact of wage trends on different urban sub-populations. For this sub-population, nominal wage increases were large, but they barely outpaced the rate of inflation for the decade after 1976. The blue-collar workers in the sample fared only slightly worse than the work-force as a whole; instead of a 50 per cent increase in nominal wages, incomes rose in real terms by only 6.5 per cent between 1976 and 1986, less than one per cent a year. These figures are sobering if we keep in mind that the survey was conducted in

12. Calculated from *Zhongguo tongji nianjian 1989*, pp. 687–88.

13. In constant 1978 *yuan*, average state sector incomes rose from 644 to 982 *yuan*; collective sector incomes from 506 to 756 *yuan*. Calculated from *Zhongguo tongji nianjian 1989*, p. 138.

14. *Zhongguo tongji nianjian 1989*, pp. 687–88.

15. *Ibid.* p. 138.

16. The source is a 1986 survey of 1,011 urban households conducted in collaboration with the Institute of Sociology, Tianjin Academy of Social Sciences, and the Bureau of District Affairs, Municipal Government of Tianjin. See Andrew G. Walder, *et al.*, "The 1986 survey of work and social life in Tianjin, China: Aims, methods, and documentation," Working Paper No. 25, Center for Research on Politics and Social Organization, Harvard University Department of Sociology, 1989.

October 1986, *before* the period during which real wages fell according to official statistics. While it is impossible to generalize from these data, a sub-sample of this kind reminds us that variations in wage trends among cities, occupations and age cohorts are still very poorly understood. Aggregate trends may mask important variations that bear on the experiences and political motivations of key sub-groups in the urban labour force.

However important real incomes are in evaluating living standards, other direct measures are available. Housing and commodity ownership are also important physical indicators. Here, the presence of a commodity in the household and the actual amount of living space for family members need not be adjusted for inflation. Do aggregate national data significantly overstate improvements actually enjoyed by blue-collar workers? The Tianjin survey, which gathered data on commodity ownership and housing conditions, offers some insight into this question. Tianjin's blue-collar workers do indeed appear clearly to have benefited from the consumer revolution of the 1980s. Some 26 per cent of working class households owned a colour television set (compared to 30 per cent of the entire sample); 76 per cent a black and white television set (74 per cent for entire sample); 18 per cent had a refrigerator (21 per cent); and 62 per cent had a washing machine (64 per cent). These are striking improvements from the late 1970s, when only a tiny percentage owned black and white television sets, and washing machines, colour televisions and refrigerators were almost unheard of. The reforms of the 1980s appear clearly to have brought a new generation of consumer durables into ordinary working class households.

National data on urban housing space, however, probably overstate improvements in the larger cities. Rural and small-town housing has long been less crowded than in the larger cities, and there was a large reclassification of formerly rural areas into the "urban" category in the 1980s.[17] In the Tianjin survey, which sampled only the urban districts of the municipality, the respondents lived in households that had an average of only 5.7 square metres per person, or 2.3 persons per room. Only 15 per cent said they were satisfied with their housing, and 52 per cent said they were dissatisfied (the rest in between), while 35 per cent said that they had no hope of getting a larger apartment (blue-collar workers in the sample fared only slightly worse than these averages).

In sum, the reforms improved workers' material lives primarily by making widely available a new generation of consumer goods and more plentiful, varied, and higher quality foodstuffs. There were impressive increases in purchasing power, but these increases mainly

17. For example, in 1984, average per capita housing space was 25% higher in county towns than in municipalities. See State Statistical Bureau, *A Survey of Income and Household Conditions in China* (Beijing: New World Press/China Statistical Information and Consultancy Service, 1985), p. 140.

took place before 1986. After that year, real wages began to decline under the impact of inflation, and workers found it progressively more difficult to sustain the patterns of consumption they enjoyed in the middle of the decade. Finally, housing conditions, long the most acutely-felt source of dissatisfaction for urban wage earners, appear to have improved somewhat in the larger industrial cities, but dissatisfaction with housing and despair over future improvements nevertheless remain deeply ingrained features of the urban experience. The record of the 1980s was one in which sustained – even unprecedented – material progress was mixed with continuing disappointment over housing and rising dismay over inflation. Yet one would not be able to predict workers' political response in 1989 solely on the basis of this information. Clearly, workers' perceptions mediate between the conditions and political action. To understand the sources of these changing perceptions – and workers' willingness and ability to act on them in the ways they did – we might profitably examine changes in factory institutions and the experience of work in the decade of reform.

The Changing Politics of the Factory

The reforms of the 1980s also appear to have affected workers' interests and perceptions by transforming politics within factories. Managers have been released from the tight restrictions of the past system of central planning and Party supervision, and they are now increasingly responsible for the performance of their firm and the welfare of their employees. The Communist Party's formerly central role in the enterprise has declined significantly, especially the politicized reward system that characterized Chinese enterprises in the 1960s and 1970s. In place of the mass campaigns of the past, practical issues of pay and benefits have come to dominate factory life, and workers have developed newly-effective means to influence managers over these issues. Managers, still unable freely to lay off or fire significant numbers of workers, have been forced to develop new ways of punishing those who fail to perform, or who challenge their authority, by transferring them to lower-paying jobs inside and even outside the factory. In so doing, they have begun to encroach upon workers' formerly sacrosanct job security in threatening ways; and the issue of job tenure and punishments has become a new source of tension. In such an atmosphere, management–labour antagonisms have sharpened over the past decade, enmeshing many factories in endless rounds of slowdowns, concessions, and lingering animosities.

The essential first step in the emergence of heightened labour contention was introduced by the planning and financial reforms of the first half of the 1980s. While these reforms arguably have not achieved their aim of creating truly autonomous firms with sufficiently hardened budget constraints, they have detached industrial enterprises from the structures of the state in two highly visible and

politically important ways.[18] First, managers' former role as disciplined agents of Party and state organs has been exchanged for a new role as representatives of the interests of their enterprise including, to a considerable extent, the interests of their employees. Secondly, these reforms have shifted the determination of wages and other benefits away from national ministries and local planning bureaus and placed them firmly at the level of the enterprise. These changes have had a series of political consequences within the firm.

The decline of the Party organization. The first of these consequences has been to detach the enterprise from Party discipline. The 1980s have marked the progressive erosion of the authority and organizational integrity of Party branches within factories, and of the responsiveness of enterprise Party organs to their superior organs in local and central government. The new profit retention schemes, tax obligations, and loan repayment contracts have made clearly visible to all parties concerned – local government agencies, banks, managers, and their employees – the respective costs to all of the Party's political interference and of politicized reward systems. This is one important reason why the several political campaigns of the 1980s have reverberated only weakly, if at all, within enterprises. Local government revenues, the liquidity of the financial system, enterprise profit, and employee pay and benefits are all visibly harmed by political interference, and this has strengthened managers' hands in resisting contrary directives from above.

As enterprises have become detached politically from the structures of Party and state, Party organizations within them have withered into a shadow of their former selves. The beginning of this withering was already evident in the early 1980s,[19] but has now progressed much further, as reflected in interviews with managers in China in the middle years of the 1980s, and with a small group of emigré workers interviewed at the end of the decade.[20] This withering is evident in two ways. First, factory Party organizations have largely abandoned their former political presence on the shop floor, even to a great extent their still-sanctioned vestigal role of engaging in "thought work" (*sixiang gongzuo*). The testimony of two recent emigrés summarizes accurately the conclusions one may draw from a number of sources:

The work groups hardly ever have meetings for politics or anything else. Sometimes they will have a meeting to greet the New Year or something like

18. This account of the altered position of firms and managers draws on two of my earlier papers, "Wage reform and the web of factory interests," *The China Quarterly*, 109 (1987), pp. 22–41; and "Factory and manager in an era of reform," *The China Quarterly*, 118 (1989), pp. 242–264.

19. Walder, *Communist Neo-Traditionalism*, ch. 7.

20. See the 1984–1986 interviews cited in Walder, "Factory and manager." The emigré workers were interviewed in mid-1990 in Cambridge, Massachusetts, and are cited individually below. Three were production workers, one a ticket seller on a bus, and another had advanced from repair worker to manager over an 18-year career. They all left China after October 1989.

that. Other than that, we only have meetings if there is an important document or speech to be covered, or if there is some kind of political crisis, like 4 June. The time for criticism and repudiation meetings has long passed. Workers think that sort of thing is laughable now. They were still trying to do this in the early 80s, but even then it was superficial and formalistic. Workers didn't absorb it, just got it over with and it had no effect on them at all.[21]

There is no longer any political study for the masses, only for Party members themselves. People are more realistic (*shiji*) these days. There is no more spiritual (*jingshen*) goal now, no more slogans.[22]

Secondly, this decline in the Party's political role has led to a greatly-reduced prominence of Party loyalists and activists on the shop floor, and a decline in the prestige and value of Party membership. As two Beijing production workers put it,

The Party doesn't have much of a role in the workshop. They still have activists, but not like before. They want to enter the Party – mainly it's just a matter of developing *guanxi* with the shop leaders.... The only real advantage is to become a cadre later on. That's the only advantage I can think of.... Party members are just average people, nothing outstanding about them. They aren't any smarter, they don't work any harder. They're just people who want connections with leaders, maybe they want to become cadres, and get some security for themselves. Their quality is not that high, just average.[23]

In the past advanced producers could enter the Party, and people wanted to get in. Now they don't really have high standards to enter the Party any more. People have an attitude toward the Party and the behaviour of its members, the corruption. They don't want to be Party members these days, and they don't have a lot of respect for the Party. To enter the Party today, you have to have a good work attitude, good work ability, willingness to take responsibility. Political thought means something different now. It means generally that you respect the Party, have a proper understanding of its task. Now you just fill out an application form if you're interested. If they think you are qualified, or are close to being qualified, they will try to develop you.[24]

This represents a striking depoliticization of the "activist" role. In the past, these Party loyalists took unpopular public positions; they were the most vocal and orthodox in meetings; and they would sometimes criticize and inform on their more "backward" co-workers. For this they earned the enmity of their co-workers in the Mao era, and many of the animosities workers felt toward the Party and factory leaders were directed towards them.[25] Now one gathers a contrary impression of the Party loyalist as simply an obedient and reliable worker, someone who, quietly and unobtrusively, seeks to improve his or her career prospects by gaining the approval of leaders. This appears to

21. Interview no. 140, former fitter in a Beijing machinery plant.
22. Interview no. 137, production line worker in a Beijing electronics factory.
23. Interview no. 137.
24. Interview no. 140.
25. See Walder, *Communist Neo-Traditionalism*, ch. 5.

have blurred the prominent cleavage between activists and non-activists on the shop floor that characterized factories in the Mao era: "There is no real contradiction between Party and non-Party people now. The Party people don't stand out like they used to. All of us are workers, no more activists like in the past. There are no big conflicts and contradictions [among workers] on the shop floor anymore."[26]

The rise of pay and equity issues. As the politicized reward system operated by the Party branches of the Mao era shifted decisively to production bonuses at the outset of the reforms, China's industrial enterprises quickly became engulfed in a new wave of conflict over issues of pay and equity. By what criteria are salary rises and large money bonuses to be distributed? Initially, China's managers attempted to use the methods of the Mao era: laborious collective work group evaluations whose results could be manipulated by factory leaders. No method could have been calculated to generate more discord on the shop floor, and many factories became paralysed by emotional arguments and work slow-downs touched off by dissatisfaction with the process.[27] These conflicts helped spawn a wave of strikes and several attempts by dissident workers to form independent labour unions.[28]

Managers adopted a different strategy after this experience and for the rest of the decade sought to keep differences in bonuses to a minimum and keep them and pay rises linked only loosely to individual and group performance. Instead, they sought to win the co-operation of labour by bringing about steady increases in compensation and benefits. Workers, in turn, came to expect such increases and these expectations were construed by managers as pressures from below.[29] This appears to have quelled the wave of conflict that accompanied the first years of reform. However it did not put an end to issues of equity in pay and benefits.

As the reforms began to lead to wider differences between enterprises in various sectors, and especially as private entrepreneurs visibly amassed remarkable sums, the equity issue was reborn as a feeling that the average worker was falling behind, which led in turn to heightened discontent and to increased pressures upon managers to deliver more benefits. By the late 1980s, most workers could claim

26. Interview no. 137.

27. See Susan L. Shirk, "Recent Chinese labour policies and the transformation of industrial organisation in China." *The China Quarterly*, 88 (1981), pp. 575–593, and Walder, "Wage reform."

28. See Jeanne L. Wilson, "Labor policy in China: Reform and retrogression," *Problems of Communism*, Vol. 39, No. 5 (September–October 1990), pp. 44–65, at p. 54; and a statement in an unofficial publication by a Changsha worker and democratic activist (arrested shortly thereafter) that attacked the wage readjustment process: Zhang Jingsheng, "Baifenzhi sishi de zhigong zengjia gongzi he gongzi zhidu gaige" ("Raises for 40% of employees and the reform of the wage system"), *Zhongsheng* (*The Clarion*) [Wuhan], No. 4 (1980), reprinted in *Minzhu zhonghua*, pp. 473–75.

29. The process of reaching a new accommodation is described in Walder, "Wage reform," and Walder, "Factory and manager."

personal knowledge of individuals who were reaping enormous incomes in other sectors, or of enterprises in their city rumoured to pay much more than their own. In Beijing, it is widely believed (and perception, not fact, is crucial here) that workers at such enterprises as Capital Steel or Beijing Jeep may make two or three times as much as workers of the same pay grade at poorer enterprises, and it is also general knowledge that joint venture enterprises and "people-run" (*minban*) enterprises such as the electronics companies in the Haidian district, pay considerably more than the average state factory.[30] One former Beijing worker could name five people who had left his factory in the early 1980s and were now private entrepreneurs, and he felt certain that they averaged 1,000 *yuan* per month (compared to his 120).[31] Truck drivers in a freight-hauling company made an average salary, with bonus, of 150 *yuan*, but averaged 500 *yuan* per month in illicit tips.[32] In addition, many state enterprises today will allow workers to become independent entrepreneurs under the guise of working for their "labour service company" (*laodong fuwu gongsi*), or by taking a leave without pay (*tingxin liuzhi*); workers pay a negotiated fee to the company, and in return they keep their housing and state benefits. Some of them reap large net incomes as a result.[33]

Knowledge of these opportunities appears to have affected the thinking of workers in urban enterprises in two opposing ways. On the one hand, many workers are deeply envious of these incomes and feel left behind by the reforms. On the other hand, they are usually unwilling to take the risk of leaving their jobs: they do not want to leave their factory apartment; they do not want to risk their steady income; they feel they do not have marketable skills, or start-up capital, or connections with important people in enterprises or government who can bestow success upon them.[34] This in turn causes heightened dissatisfaction with the job assignment system and the dead-end nature of jobs in urban China: "This leads to imbalances in people's minds (*xinlu bu pingheng*). Because you know that others have better work, better wages and benefits. They have left and you

30. Interview no. 137. There is some factual basis for such beliefs. In 1988 the average annual wage in ownership forms other than the state and collective sectors (excluding private entrepreneurs) was 2,382 *yuan*, and in joint state–private enterprises 3,229 *yuan*, compared to a national average of 1,747 *yuan*. The number of enterprises in these special ownership forms are, however, very small. *Zhongguo tongji nianjian 1989*, pp. 139, 143, 146 and 149.

31. Interview no. 137.

32. Interview no. 142, a repair worker promoted gradually to director. The workers demanded the tips from customers before picking up the job, "in order to make sure the goods got there, and in good shape." Customers rarely refused, though they sometimes would complain afterwards to the company.

33. Many, however, make little money, making a transfer to a "labour service company" a new and pernicious form of punishment (see below). This new informal practice was described in all the 1990 interviews with workers.

34. These are the reasons mentioned in interview nos. 137, 140 and 142. In a large national survey in 1986, 83% of the respondents specified a preference for a state sector job. "Gaige de shehui huanjing: bianqian yu xuanze." ("The social environment of reform: Changes and choices"), *Jingji yanjiu*, 12 (1987), pp. 52–62, at p. 61.

are still stuck in the old job. It affects your performance on the job, you become less active at work, you become very passive and lack initiative."[35]

The issue of job security. While managers still find it very difficult to dismiss individual workers or to reduce unilaterally the size of their labour force by laying off workers, the reforms have created new threats to worker job security. The chief mechanism appears to be the "labour service companies" that have been formed by large numbers of urban enterprises. In the early 1980s, these companies were organized in order to provide jobs for children of employees. Sometimes these jobs were favours granted to the academically-indifferent children of factory employees: they became service personnel in guest houses, or drivers of factory cars and buses. Employees who wanted to become private entrepreneurs were also transferred to these companies and allowed to ply their trades in return for a monthly fee, often around half their former salary, that maintained their benefits.

By the later 1980s managers discovered that these labour service companies could be used to punish recalcitrant or rebellious workers, or reduce the size of the wage bill without actually laying off workers. One worker described a new "system of job appointments" (*pinren zhi*) whereby shop directors had the power to expel a worker from the shop. If no other workshop head wanted the worker, he or she would be sent to the labour service company. If the labour service company did not have a job for the worker, which was common, he or she would be sent home at 60 per cent of the normal salary and no bonus – a cut of more than 50 per cent in the worker's original earnings.[36] One manager reported that it became common practice in the later 1980s to send "those who had a bad attitude, poor health, or low skills" to the labour service companies, where they would get full salary but lose their bonuses (which averaged around 30 per cent of total compensation). In a variation on this practice in the same firm, women who took maternity leave were required to take 18 to 24 months leave (instead of the state-mandated 56 days) at 80 per cent of their salary (again, no bonus). Workers who refused the deal and insisted on their state-mandated rights would be assigned to a more arduous, lower-paying job on their return.[37]

In addition to these new threats to job security within enterprises, the 1980s have also seen some lay-offs in financially-troubled firms or sectors that have been targeted by planners for contraction. The lay-offs are characteristically given such euphemistic names as "improvement and reorganization" (*youhua zuhe*) or "selective reductions"

35. Interview no. 140.
36. Interview no. 137.
37. Interview no. 142. This is one example of a widespread pattern of infringement on the rights of female workers; see Wilson, "Labor policy," pp. 50–51.

(*caijian*). Workers are typically sent home on a living stipend set at a percentage of their former salary (again, no bonus). These lay-offs began in the early 1980s, but they appear to have increased in the last half of the decade, although no hard data are available about their scope. Knowledge of such measures, coupled with reformers' constantly repeated desire to close unprofitable firms, reportedly led to a "job security panic."[38]

Cadre power and privilege. In view of the rise of many new issues about pay, equity and job security, it is remarkable that there have emerged no new means of negotiating labour issues, either collectively or individually. China's enterprises ended the 1980s with the same powerless trade unions and workers' congresses with which they began them. Workers speak of these organs in the same way they spoke more than a decade before about their Mao-era predecessors: "The representative committee of workers and staff is not really representative. It's just like the National People's Congress.... There are a lot of middle-level cadres in it. It's an empty shell (*kong jiazi*). Workers still don't really dare raise serious opinions. Still they are a little afraid of cadres."[39] In view of the new labour issues created by the reforms, the failure to devise some means of interest representation and grievance resolution would appear to risk chronic dissension and deliberate slow-downs and sabotage on the shop floor. Left unresolved in factories that still have very low rates of turnover, such issues deepen collective antagonisms toward those cadres who abuse their power and position and, perhaps, towards all factory cadres as a group. Some evidence suggests that this is precisely what has happened.

While in the 1980s managers sought to keep pay differentials among workers small, and to link them rather loosely to performance, the largest pay differences in the factory have become those between cadres and workers. These pay differentials are in fact quite low by international standards, but by the standards of the Mao era they are large. A worker in an electronics plant described a typical situation: despite the fact that cadres had significantly higher salaries than workers, they gave themselves larger monthly and year-end bonuses by a fixed formula: 1.7 times the average bonus of workers for shop directors, and 2.2 times for plant directors. In addition, cadres allotted themselves monthly "work post supplements" (*gangwei jintie*): 50 *yuan* for plant directors and 30 *yuan* for shop directors.

38. *Jingji ribao*, 16 May 1989, as cited in Shaoguang Wang, "Deng Xiaoping's reforms and the Chinese workers' participation in the protest movement of 1989," unpublished paper, Department of Political Science, Yale University, 1990. This paper contains a long and well-documented account of the kinds of worker dissatisfactions publicized by Chinese social scientists and newspaper reporters.

39. Interview no. 137. The problem was so self-evident that leaders of the All-China Federation of Trade Unions admitted their failure with surprising frankness at their 1988 congress. Wilson, "Labor policy," pp. 55–56.

Given out quite openly (in this case they were ratified at a meeting of the congress of workers and staff), these new pay advantages appear to invite enhanced collective antagonisms towards cadres.[40]

The allocation of factory housing has become easily the greatest source of conflict in factories in the 1980s, and as such it throws into bold relief the way in which the abuse of power and privilege by even a small minority of factory cadres can create seemingly insoluble conflicts and deep-seated antagonisms. In the Mao era, housing assignments were often given preferentially to cadres and their loyal followers in the factory, but the decisions were made behind closed doors, one at a time, and were not announced publicly. In the reform decade, however, managers commonly sought to defuse conflict over housing allocations by creating more "democratic" forums to make even-handed decisions based on such "hard" criteria as years on the waiting list, seniority, and metres per person in the current apartment. The members of these "housing allocation committees" (*fenfang weiyuanhui*) are chosen in a wide variety of ways, and the proportion of workers and managers who sit on them, and the criteria they employ to allocate new apartments, also vary considerably. However, the new committees have instead often heightened worker anxiety over housing allocations and their awareness of cadre privilege. This is so for two reasons. First, the committees have turned the periodic allocation of apartments into a public spectacle, in which the attention of the majority of the workforce is for several weeks focused firmly on the decision-making process and the name list that results. Secondly, regardless of the integrity and good will of some cadres, there seem always to be others who cannot resist manipulating the process to the advantage of their families and friends. The consequence, of course, is to make cadre privilege and abuse of power more transparent than before, and since this is open subversion of the democratic process promised by the committees, it may make cadre privilege appear to be even more illegitimate and intolerable than in the past.

In one characteristic case, a Beijing worker reported that his factory built a new housing block in the late 1980s and created a committee to assign the apartments. The committee created an elaborate point system, which considered the metres per person in the current apartment, whether three generations lived under one roof, whether the employee's spouse had a work unit that distributed housing, the employee's seniority, whether both spouses worked in the unit, and the "importance" of position in the unit (cadres, of course, got more points). After the committee deliberated, the final decisions were made by the factory director personally, in consultation with one or more of the vice-directors. Despite the fact that rank was only one of many criteria, most of the apartments went to middle-level cadres. When the results were announced a number of distraught workers

40. Interview no. 137.

whose applications had been denied ran immediately to the director's office to scream and plead, while others simply became depressed and angry. The director finally extricated himself from the throng at his door by quietly allocating to several of them an apartment to be vacated by one of the middle-level cadres.[41] Another worker, after relating a similar story, observed, "There are always conflicts after they make the decision. This is the most important thing in people's lives, the most sensitive of all social issues."[42]

One individual, who rose through the ranks to director during the 1980s, described his struggle to reduce labour discontent by making housing distribution more open and fair. The enterprise had three distributions in the 1980s. In the first, the committee members were pressured by cadres, and new apartments were given to several of their young relatives. When the list was released, a wave of anger swept through the unit. Several years later the informant was elected by the employees of his team to sit on the next housing committee, and the committee members elected him head. Wanting to avoid the problems of the last time, he laid down two conditions to all the cadres in the enterprise: they could not come to him with special requests for themselves or anyone else, and they could not talk to him privately about housing matters. He was relieved to find little objection from the officials, and the committee distributed 50 apartments strictly according to the regulations, with only three cases near the bottom of the list causing extended debate. He later discovered, however, that before turning over the 50 apartments to the committee, the cadres had kept six for themselves to solve "special cases." When the third committee was formed in 1987, the informant, now director of his enterprise, was soon to be transferred. One of the more venal vice-directors took over the committee, and forced through allocations to two young sons of officials in the company and bureau above their enterprise. The outraged committee members held their tongues in the meeting for fear of retaliation, but reported fully to their co-workers. The result:

> When the drivers heard about this, there were about three days or so when no work was done at all. The unit was thrown into confusion. Everybody did nothing except talk about the housing decisions, from the top of the unit to the bottom. The two vice-directors had a lot of people run to their office to complain and yell, cry, and try to reason with them. About six or seven got really angry and yelled. The two cadres said it wasn't their decision, it was the committee's, and they couldn't interfere in the committee's decision. No one listened to me, or came to complain to me, because they knew I was almost gone. After I left, the unit began to lose money for the first time, and I think this was mainly because of the cadres' workstyle problem and the workers'

41. Interview no. 137.
42. Interview no. 140. Many managers interviewed in China in 1986 gave identical accounts.

anger about it.... This is also a major reason why the drivers began to demand tips all the time from the customers.[43]

In the same unit, workers had long been angry about one of the older cadres, a corrupt character who obtained jobs for his wife, other relatives and friends, and got better housing for all of them. Many workers found this intolerable, and wrote letters under assumed names to the discipline inspection commission of the company informing them of what was going on ("If they signed their names, of course, they would certainly suffer revenge"). The old cadre, however, had strong relations with other cadres in the company, so nothing was ever done. Attempts to complain within the unit earned only retaliation. One worker complained to other cadres that the man's wife used the unit's vehicles for her personal errands, and routinely came to work late, left early, or never turned up at all. Moreover the man himself came to the unit storeroom regularly to pick up items for his home, and would always hug the women there and behave in an inappropriate and impolite fashion. The woman who complained was transferred from the storeroom to a repair garage. "This shows that workers are unable to take direct criticisms to leaders, they can't bring things up to their faces without fearing revenge. These are things that cadres should know, they would be able to improve the unit if they could hear these things... but revenge is so common workers don't dare.... Workers were upset because nothing was ever done about it. Workers are just as upset about these things as the students [who demonstrated in 1989]. This is a very serious problem and they have not yet found a way to control it."

All the changes in the political life of the factory described here – the erosion of the Party, the rise of new issues of pay and equity, the new threats to worker job security, and heightened sensitivity to cadre privilege and abuse of power – have contributed to one very important change in industrial politics. During the Mao era workers were effectively divided among themselves, constantly monitored, rewarded and punished according to their loyalty, and competed with one another for advantage while devising strategies to escape the intrusion of Party politics into their lives. Over the era of reform, however, antagonisms formerly focused on the Party and its activists appear to have become focused increasingly upon factory cadres as a group, and workers have developed a heightened awareness of their collective interests and the ways in which the actions of factory cadres affect them directly. Quietly but surely, this has helped to lay a foundation for group-based identities and antagonisms among workers, just as it creates a heightened interest in legal procedure and other "democratic" reforms within the enterprise. When in 1989 university students marched on the streets of Beijing to denounce special privileges and corruption among national leaders, and to demand

43. Interview no. 142.

greater "democracy" and legal protections for citizens, many workers drew direct analogies to their own lives in the factory. One worker articulated a connection likely to have been evident to a great many: "Why do a lot of workers agree with democracy and freedom? ... In the factory the director is a dictator, what one man says goes. If you view the state from the angle of the factory, it's about the same, one man rule ... we want rule by laws, not by men. .... In work units, it's personal rule."[44]

Managers and Work Units in the Democracy Movement

When the student movement emerged in the spring of 1989, it quickly struck a responsive chord among workers. Many had concluded that the reforms largely benefited other groups – private entrepreneurs, suburban peasants, and especially cadres and their families – while leaving the ordinary workers to cope with dead-end jobs, inflation and declining real incomes.[45] Workers' homes were adorned with new consumer goods, but these homes were still overcrowded and poorly equipped. Heightened perception of job insecurity, and the chronic dissatisfaction evoked by the privilege and abuses of some factory cadres, intensified awareness of how vulnerable workers were, and how undemocratic their workplaces.

The impact of the student movement in factories. Throngs of workers lined the streets, cheered on the student marchers, and helped clear police barriers in the pivotal and defiant demonstration of 27 April. Workers performed the same roles, while also donating money and food to students and joining in behind the student ranks, in the huge march of 4 May.[46] But factories were not greatly affected by the movement until after 4 May, the day that Zhao Ziyang declared the

44. Interview no. 141, a former ticket seller for the Beijing Public Bus Company who later became active in the Beijing Autonomous Workers Union.

45. The survey data reported in "Gaige de shehui huanjing," pp. 60–62, suggest that inequality of opportunity was the main source of dissatisfaction with reform, something confirmed repeatedly in my recent interviews. It was clear well before 1989 that there was widespread discontent about inflation and corruption. A series of public opinion polls illustrated this dramatically. The 1986 survey just mentioned found inflation to be second only to official corruption as the matter about which citizens were most dissatisfied, and both issues far outpaced all others. An internal Tianjin city government survey in the fall of 1987 found that 98% of the respondents named inflation as their primary concern, and that almost 80% considered their income to be either unsatisfactory (26%) or barely adequate (52%). Wang Hui, "Municipal administration in China and sociological studies," unpublished paper, Tianjin Academy of Social Sciences. And a large 1988 survey by the Sociology Institute of the Chinese Academy of Social Sciences and State Statistical Bureau found inflation to be by far the most serious problem in people's social lives, with 94% of respondents mentioning it. Zhu Qingfang, "Yijiubajiu nian dalu chengshi zhigong xintai lu" ("The state of mind of mainland urban workers in 1988"), *Liaowang* (haiwai ban) 2, 1989, pp. 7–8, at p. 7.

46. See Andrew G. Walder, "The political sociology of the Beijing upheaval of 1989," *Problems of Communism*, Vol. 38, No. 5 (September–October 1989), pp. 30–40. The account here will trace events in Beijing since the movement there was by far the best documented case.

student demands "patriotic," permitting national newspapers and television stations to broadcast objective (and later openly sympathetic) accounts of the student movement. At this point workers began to receive abundant information about the student protests and their aims.

The first response among many workers was sympathy, a feeling that was intensified by the nature of the media coverage. "A lot of workers supported the students, almost all of us sympathized with them, even if we never went out on the streets.... Workers thought that inflation was caused by corruption, and that if there was more democracy, there would be less corruption. That's why workers supported the students; the students' slogans appealed to them. In our unit, workers didn't really participate until the newspapers and TV came out to support the students. Then we really got involved."[47] Much of the sympathy workers felt for the students was not only because the students appeared to articulate workers' feelings; it was also because workers felt that with families and jobs, they could not afford to risk all to protest the way the students were. This led to gratitude toward the students, a feeling reinforced after 13 May by the media portrayal of student hunger strikers as risking themselves for the good of the nation.

> Of course the workers were interested in the movement.... We all talked among ourselves, and said that the students were representing our own inner thoughts and desires. On corrupt officials, the students were calling for an end to it and the workers agreed very much with that. We wanted the situation to change. But workers are not the same as students. We have families, a steady job, social relationships.... Workers always have a burden on their minds: work, family, and so forth. So we aren't willing to stick our necks out against the government. But we were happy to see the students speak up against the things we opposed too.[48]

A second worker response, common especially after the beginning of the hunger strike on 13 May, was surprise and wonder at the spectacle unfolding on the square. "All the workers were very dissatisfied, so when the movement first began they realized it was necessary and weren't surprised. But we never expected that it would develop so fast or so far. So the workers all stood around to talk about what the students were saying, demanding and doing. We talked during work, after work, all the time.... We paid very close attention to developments and we were very interested."[49] As May progressed,

47. Interview no. 137.
48. Interview no. 140.
49. Interview no. 140. The impact was felt immediately after the large demonstration of 27 April. At a 28 April meeting called by the Municipal Trade Union headquarters of Beijing, a cadre from Guanghua Lumber Company complained that all workers wanted to do as soon as they arrived at work was to talk about "rumours." Xuan Yan (ed.), *Jingdu xuehuo: xuechao, dongluan, baoluan, pingbao quan guocheng jishi* (*The Capital in Blood and Flames: A Factual Record of the Entire Process of Student Movement, Turmoil, Rebellion, and Pacification*) (Beijing: Nongcun duwu chubanshe, 1989), p. 62.

work slowed as workers talked excitedly in groups about what was going on. As many of the former pillars of Party rule – newspaper and television stations, retired generals, university presidents, members of the National People's Congress and the democratic parties, and even the All-China Federation of Trade Unions – expressed public sympathy for the student demands for negotiation, or donated money to the student hunger strikers, groups of workers in hundreds of workplaces throughout the city began to form "sympathy delegations" (*shengyuan tuan*), make up banners, collect donations, and request that their factory directors lend them trucks to drive to the square in a show of support.[50]

The response of managers to the movement. Some managers publicly supported the student demand for negotiation and urged moderation on the part of both the government and protesters. Ten directors of large enterprises in Beijing published an appeal to this effect in *Guangming ribao*.[51] Managers of at least one Beijing factory – the Beijing Coking Plant – personally led the entire workforce out to march on the square.[52] And the Beijing workers I have interviewed all relate that many of their managers, from shop director up, expressed sympathy for the students in unmistakable ways, and would often permit groups of workers to use factory vehicles and supplies for their activities, although they cautiously refrained from taking any open public stance or organizing any activities themselves.

This is the point at which the gradual relaxation of bureaucratic controls over factories, and the weakening of factory Party organizations, played an important role. Once it was clear that a major popular challenge was under way, and that sectors of the Party and state sympathized with the students and dissented from the elders' hard line, many managers prudently stepped aside to await the outcome.[53] They did so despite a prior series of Beijing municipal government regulations strictly forbidding any factory personnel to participate in demonstrations or show any other expressions of sympathy, and

50. The All-China Federation of Trade Unions donated 100,000 *yuan* to the Beijing Red Cross for the hunger-striking students. Guojia jiaowei sixiang zhengzhi gongzuo si (Political-Ideological Work Office of the State Education Commission) (ed)., *Jingxin dongpo de 56 tian* (*A Soul-Stirring 56 Days*) (Beijing: Dadi chubanshe, 1989), pp. 131–35. On 14 May a delegation from the union marched to the square in support of the students. Li Yun *et al.* (eds.), *Diankuang de shenian zhi xia* (*The Tumultuous Summer of the Year of the Snake*) (Beijing: Guofang keji daxue chubanshe, 1989), p. 114.

51. Wu Mouren *et al.* (eds.), *Bajiu zhongguo minyun jishi* (*A Record of the 1989 Chinese Democracy Movement*) (New York: n.p., 1989), p. 251, which reprints the appeal.

52. Interviews no. 138 and 141, both of whom were active in the autonomous union.

53. The same thing occurred in the early stages of the Cultural Revolution, allowing rebel factions very quickly to disrupt factories. See Andrew G. Walder, *Chang Ch'un-ch'iao and Shanghai's January Revolution*, Michigan Papers in Chinese Studies No. 32 (Ann Arbor: University of Michigan Center for Chinese Studies), ch. 2.

despite Li Peng's personal visit of 13 May to Capital Steel to ensure that workers remained at their posts.[54]

> The cadres didn't know what to do once the newspapers came out this way. Should they support the students or not? After 4 May, when the newspapers changed, they were not sure what to do. In our unit they neither prevented people from going, nor encouraged them to go. They just said, "if you want to go, go." ... Cadres let them go because they weren't sure what to do. If they acted to stop them, they might get in trouble later on.[55]

> Nobody stopped the workers from going down to the square. Nobody tried to control them.... A lot of factories would send representatives and a truck to express their support. Our factory sent down a truck with some representatives, only about 30 in all. They had a banner with the factory's name on it. This was just to express support. The leader said you can go, but not everybody, just a few representatives, and he let them use one truck. This was for two days.[56]

It is not possible to characterize the political attitudes of managers as a group. Whether sympathetic to the student movement or fearful of its impact on Party unity, factory managers in Beijing appear commonly to have reacted with instinctive caution. However, just as it was evident that many Party and government officials sympathized openly with the students' aims and dissented from the direction taken by the Party leadership, there were certainly many factory managers who harboured serious doubts about the direction the Party had been taking the country. One manager I interviewed clearly fell into this category.

> Cadres' thinking is even more complicated [than the workers']. They have more information, can think things through more. They almost all realize that if we continue to do things in the way we do now, we'll never get anywhere. Everyone has their own point of view, but there's a general feeling that the current way of doing things won't work. When we get together to talk, we often talk about our worries for the country, the problem of corruption, the fear of a political campaign from above.... So many people don't trust the Party, or any party, any more. The Party can't handle China's problems, but I don't think any other party can either. Look at the fact that so many of the children of high level cadres are in America.... What are the people back in China supposed to think about this? With one side of your mouth you talk about Marxism–Leninism and socialism, yet your children are all abroad! ... Every country has its problems, but China! Unless things change, this country will get nowhere.[57]

Factories as organizing centres for protest. By mid-May, the support for students evident in the news media and among other government

54. Wu Mouren, *Bajiu zhongguo minyun*, p. 267; Jingji ribao (ed.), *Jieyan ling fabu zhiqian: 4.15–5.20 dongluan dashi ji* (*Before Martial Law was Declared: Major Events during the Turmoil of 15 April to 20 May*) (Beijing: Jingji ribao chubanshe, 1989), pp. 131–33.
55. Interview no. 137.
56. Interview no. 140.
57. Interview no. 142.

institutions, combined with factory cadres' general hesitance to enforce standing orders not to permit workers to demonstrate, allowed workers in Beijing and many other cities to stage a massive show of support. Long the lynchpin of social and political control in urban China, in mid-May 1989 work units suddenly became centres of political organizing and protest. The characteristic form of protest in the week preceding the declaration of martial law was the organized work unit delegation. As hundreds of such delegations from factories and other work units filled the streets in the huge demonstrations of 14 to 18 May, the student protests were transformed into a broad popular movement.

According to official accounts published after 4 June, over 700 work units sent delegations into the streets that week, at least 160 of which were industrial plants or other enterprises.[58] In the demonstrations of 17 and 18 May, both of which were estimated to number more than a million people, Beijing Jeep Corporation sent over 3,000 workers in identical uniforms, all marching and shouting slogans in a co-ordinated fashion.[59] Beijing No. 2 Chemical dispatched a huge delegation riding in 60 trucks, all the same colour.[60] Among the factories that sent large delegations were some of the city's largest heavy industrial concerns: Beijing Crane, Beijing Construction Machinery, Beijing Internal Combustion Engine, Beijing Electrical Machinery, Beijing No. 2 Computer, Beijing No. 3, 4, and 5 Construction Companies, and (on several occasions) the Capital Steel Corporation. As heavy rain began to fall during one of the demonstrations, employees of the Municipal Bus Company drove 90 buses to the square for the students to use as shelter; the Beijing Plastics Factory sent dozens of rolls of plastic sheeting; and the Beijing Oxygen Bottling Plant sent tanks of oxygen with which to revive hunger strikers.[61]

The Beijing scenes of mid-May were repeated, albeit on a smaller scale, in other large cities throughout the nation. On 18 May alone, over 50,000 people marched in Shanghai and Xi'an, with delegations of factory workers prominently represented. Marches of around 10,000 people, with prominent worker representation, were reported in Tianjin, Hangzhou and Lanzhou, and demonstrations of comparable size also took place in Wuhan, Nanjing, Shenyang, Changsha, Harbin, Lhasa, Changchun, Chengdu, Nanning, Huhehaote, Fuzhou, Kunming, and elsewhere.[62]

These work unit delegations were expressly political. They marched to the square in support of students, not as workers with separate grievances of their own. They demanded that the government

58. Guojia jiaowei, *Jingxin dongpo de 56 tian*, p. 137.
59. Wu Mouren, *Bajiu zhongguo minyun*, p. 251.
60. *Ibid.* p. 251.
61. *Ibid.* p. 264.
62. These reports were all from official sources, and published after 4 June. Guojia jiaowei, *Jingxin dongpo de 56 tian*, pp. 135–37.

negotiate student demands, and expressed the heartfelt support of the "elder brothers." They repeated student slogans that called for an end to official corruption and speculation, and called for greater democracy and freedom. In light of the evident sympathy expressed by the mass media, some Party leaders, officials in the planning and trade union structures, and often their own managers, these workers must have felt that their actions were supported from above and therefore had a real chance of success.

Workers in the Democracy Movement

As work unit delegations filled the streets, other workers were already busy organizing independent associations that brought together people from different places of work. One typical kind of organization was the "workers' support team" (*gongren shengyuan tuan*) or "city people's support team" (*shimin shengyuan tuan*). These were loosely-defined associations whose purpose was to mobilize workers into marches and demonstrations. Another kind of common organization was the "workers' picket team" (*gongren jiucha dui*) or "city people's picket team" (*shimin jiucha dui*), usually a few dozen workers who policed demonstrations and marches, seeking to maintain public order and protect student protesters. After martial law in Beijing and other cities, they manned barricades to prevent the advance of troops. A third type of organization was the "dare-to-die corps" (*gansidui*). Similar in some respects to the picket corps, these groups of young male workers had sprung up mainly in response to the declaration of martial law, were quite numerous, though small and informal in nature, and travelled widely throughout the city or even to different provinces. They were mobile, and travelled to wherever action or violence was reported in order to block troop movements.

The most important of the independent groups, and certainly the most threatening to the authorities, were independent associations that aspired to represent workers' interests. A preliminary survey of public arrest reports yields the names of close to 30 "illegal organizations" that evidently made an effort to form an independent union or workers' association. They emerged in virtually every corner of the country. Beijing (several), Shanghai (at least two), Hefei, Lanzhou, Guangzhou, Guizhou, Harbin, Wuhan, Zhengzhou, Changsha, Nanjing, Shenyang, Huhehaote, Xi'an, Jinan, Tianjin, Hangzhou, and Nanchang (the only one to name itself "Solidarity Union," *tuanjie gonghui*).[63] Very little is known about most of these groups,

63. These names were culled primarily from the following sources: Xianggang gonghui jiaoyu zhongxin (Hong Kong Trade Union Education Centre) (ed.), *Gongren qilaile: Gongren zizhi lianhehui yundong 1989* (*The Workers Have Arisen: The Autonomous Union Movement of 1989*) (Hong Kong: Xianggang gonghui jiaoyu zhongxin, 1990); Zong zhengzhi bu xuanchuan bu, Jiefang junbao bianjibu (Propaganda Office of the General Political Department, Editorial Office of People's Liberation Army Daily) (eds.), *Hanwei shehui zhuyi gongheguo* (*Protecting the Socialist Republic*) (Beijing: Changzheng chubanshe, 1989); Xuan Yan, *Jingdu xuehuo*; and Guojia jiaowei, *Jingxin dongpo de 56 tian.*

but many of them are known to have printed hand bills, making demands that typically included the right to represent workers in negotiations with managers.

A profile of known independent workers' organizations in Beijing will give a sense of the variety of such political activity. There were at least two organizations of the "picket corps" variety, both with a continuous presence on Tiananmen Square from mid-May onward. The Beijing Workers' Picket Corps (*Beijing gongren jiucha dui*) was a quasi-independent offshoot of the Beijing Workers' Autonomous Union (see below), and was made up almost entirely of factory and construction workers. The Capital Workers' Picket Corps (*shoudu gongren jiucha dui*) was formed at the apparent instigation of teachers at the Workers' Movement Institute under the All-China Federation of Trade Unions, and included workers and other urban wage earners.[64] There were several organizations of the "dare-to-die corps" variety, primarily the Beijing Workers' Dare-to-Die Corps, and the Beijing City People's Dare-to-Die Corps, both of which mainly comprised ordinary wage earners. In this category should also be included the large motorcycle brigade of some 300 known as the "Flying Tigers" (*feihudui*). Headed by a worker from Beijing Jeep, it consisted primarily of young workers and private entrepreneurs who owned motorcycles. They rode prominently and loudly in the many street demonstrations of May; after martial law, they formed smaller teams of messengers that helped co-ordinate the blockade of army trucks; on at least two occasions they clashed with the security forces, and one afternoon invaded the grounds of the Capital Steel Corporation in an effort to call the workers out on strike.[65] Beijing also teemed with small dare-to-die corps of unknown origin, for example, the "Manchurian Tigers" (*dongbei hu gansidui*) and the "Long White Mountain Dare-to-Die Corps" (*changbai shan gansidui*).[66]

There were also efforts to organize at least three independent labour unions in Beijing. A group from Capital Steel attempted to form a Beijing Steel Workers' Autonomous Union (*Beijing gangtie gongren zizhihui*) in order to represent steel workers at the industry level. They marched at one major demonstration under a banner that said "Beijing Steel Workers," and made contact with the organizers of the Beijing Workers' Autonomous Union, but little is known of how far their organization developed.[67] A second organization, the All-China Urban Construction Workers Autonomous Union (*Zhongguo*

64. Xianggang gonghui jiaoyu zhongxin, *Gongren qilaile*, pp. 152–54; and a hand bill issued by the Institute of the Chinese Workers' Movement Committee to Support the Students, and Temporary Headquarters of the Capital Workers' Picket Corps, "Zhi shoudu gongren shu" ("Letter to the workers of the capital"). Undated wall poster, but contents establish date as 13 May 1989. Reprinted in *Zhongguo minyun yuan ziliao jingxuan (1)* (*Selected Source Materials from the Chinese Democracy Movement*) (Hong Kong: Shiyue pinglunshe, 1989), p. 31.

65. Interview no. 141, and Li Yun, *Diankuang de shenian zhi xia*, pp. 189–193.

66. Interview no. 141.

67. *Ibid.*

chengjian gongren zifa lianhehui), announced their desire to represent construction workers and established a presence at the eastern reviewing stand of Tiananmen, after a number of their members broke away from the Beijing Workers' Autonomous Union.[68] Little is known of any activities they may have organized.

The Beijing Workers' Autonomous Union (hereafter *gongzilian*) is by far the best-documented such organization in the country, and probably the largest and most active.[69] It originated in the activity surrounding the revolutionary heroes' monument on the evening of Hu Yaobang's death, and issued its first two formal declarations on 20 April. By the week of the student hunger strike it had almost 200 full-time activists, the vast majority of whom worked for state enterprises, and maintained a continuous presence at their headquarters at the western reviewing stand of Tiananmen. By the end of May it claimed to have registered around 20,000 members, although it had established no branch organizations in places of work. The union had a picket corps, several "dare-to-die" teams, a broadcasting station on the square, and a printing press and other duplication equipment, with which it issued over 25 printed statements and a long list of demands. It marched prominently in each of the large demonstrations of mid-May. Its broadcasts on the square satirized the government, revealed official wrongdoing, articulated citizen demands, and attracted large and appreciative audiences. It promulgated a formal programme and a charter. After the declaration of martial law, as work unit delegations ceased to march, it appeared to grow stronger and bolder, organizing large protest marches, forging closer ties with student organizations, successfully confronting the Beijing Bureau of Public Security over the arrest of three of its leaders, and issuing two (largely unheeded) calls for general strikes.

The orientation of the autonomous union movement. This profusion of independent organization among workers is remarkable more for its variety and vitality than its political effectiveness. All these organizations were quite small and loosely organized. Within a very short period of time, and under chaotic circumstances, the Beijing Workers' Autonomous Union was able to develop a respectable organization and marshall significant resources, but at the beginning

68. *Ibid.*, and Zhongguo chengjian gongren zifa lianhe hui zonghuizhang, "Chengjian gongren zifa lianhe hui de zongzhi" ("Aims of the urban construction workers' autonomous union"). Wall poster dated 21 May 1989. Reprinted in *Zhongguo minyun yuan ziliao jingxuan (1)*, p. 32.

69. The organization used several variations of its name, causing some observers to believe at the time that there was more than one such union. In its various written pronouncements it took the names *Beijing gongren zizhi lianhehui*, *Beijing gongren zizhi hui*, and *Shoudu gongren zizhi lianhe hui*. This account of *gongzilian* draws from a paper that is based on several dozen hand bills and interviews with two of the organization's activists: Andrew G. Walder and Gong Xiaoxia, "Workers in the Beijing democracy movement: Reflections on the brief history of the Beijing workers' autonomous union," paper presented to the Berkeley China Seminar, 15 November 1990.

of June it was more threatening as a portent of things to come than as an effective political organization. The independent organizations are more significant for their aspirations and, in the case of *gongzilian*, for the political positions and specific grievances they articulated.

Even before the student movement had developed into a significant off-campus force, the workers of *gongzilian* set out a number of economic grievances and political demands. Early and repeatedly, they demanded price stabilization and wage rises. They demanded an end to the forced sale of state treasury bonds to workers, an accounting of how these funds were used, and the immediate redemption of all outstanding bonds, with interest.[70] They demanded the right to change jobs freely, the indexing of wages by age and family burdens, and an end to discrimination against women in hiring and benefits. As students would later do in May, *gongzilian* demanded an investigation of all top officials, starting with those who lived in state villas, an accounting of all such state residences, their total revenues and costs, and the publication of the incomes and expenditures of all top officials and their children.

While it made these demands from the outset, *gongzilian* appeared more interested in establishing its right to represent workers' interests than in immediately pursuing specific demands. In most of its pronouncements during May, it declared that it was engaged in a "fight for democracy" and a struggle to "bring down dictatorship," and that it was established to "correctly lead the democratic patriotic movement." Some observers have criticized the student movement for having vague conceptions about democracy. *Gongzilian*, however, had a clear and concrete definition of the term. It wanted to take over the task of representing workers at the national level from the All-China Federation of Trade Unions, which it asserted did not fulfil this task. It wanted to represent workers in policy-making at the national level and exercise "supervision" over decisions made by the Communist Party that affected workers. It wanted to establish within all enterprises union branches endowed with the right to negotiate with management and represent aggrieved individuals, and "take any legally sanctioned steps" to pursue their interests within the framework of plant-level negotiation. This trade unionism responds directly to the developments of the 1980s, and there is every reason to expect that such efforts will re-emerge in the future and, if conditions permit, on a larger scale.

Conclusion: Some Implications of 1989

It is hard to avoid the conclusion that 1989, with regard to labour as

70. This demand referred to involuntary sales of state treasury bonds to workers. A large percentage of one month's wage was issued not in cash but in the form of a state treasury bond redeemable with interest at some future date. Interviews with workers in 1990 suggest that this had been common every October for a number of years.

in other respects, signified the unravelling of the Deng strategy for reform. Economically, workers now appear to be as much if not more concerned with their economic situation than on the eve of reform. Politically, workers appear to have a heightened awareness of their common interests as a group, and to be increasingly aware that such issues as democracy and legal reform affect their condition directly. Moreover, they appear to be more willing than a decade ago to assert their rights as Chinese citizens along with other groups. While 1989 did not reveal a strong capacity of workers to organize independently and lead a major political movement – such political activity that occurred was clearly dependent upon the division of the leadership and the temporary paralysis of its formidable apparatus of repression – it certainly did show that there exist throughout the country small groups of committed workers who already contemplate doing so. The memory of 1989 will persist, and it is hard to imagine any future movement of students or intellectuals that will not draw workers once again into collective action. It remains to be seen whether these students and intellectuals will welcome the participation of a self-conscious workers' movement, or whether they will continue to prefer that the "city people" play their assigned roles as compliant cheering section and human shields.

Even should no political upheaval occur in the years ahead, workers' participation in the 1989 events laid bare the weaknesses of the reform strategy of the 1980s, and underlined the difficulties yet to come. The reforms have heightened factory disputes over pay, benefits, housing and job tenure, while at the same time weakening the political institutions used in the past to suppress conflict and collective action. These things have occurred despite the fact that the decontrol of prices, cuts in subsidies of urban living standards, and the shake-out of inefficient and obsolete plants – all anticipated components of a more effective economic reform – have yet to be carried out. The political lessons of 1989 are likely to be more than obvious to China's future leaders, whoever they may be. Whether such changes will be contemplated by a revitalized reform wing of the Party, or by a post-communist government that enjoys (at least initially) greater popular support, they will be fraught with enormous political risks. The growing political relevance of urban labour is one of many factors that will make China's future course of economic and political change an arduous and unpredictable affair.