

Age: 48 Sex: Male

Education: Primary school graduate

Total Years Relevant Experience: 11

Last Year of Relevant Experience: 1977 Year Left China: 1977

Initial Immigration Status: Legal

Native Place/Overseas Connections: China native/Malaysia relatives

Class Background/Political Designation: unknown

Positions Held: 1) Staff worker, Production and Supply Departments, series of small enterprises in Fujian, 1967-73

2) Purchasing Agent, Plastics Factory, Fujian, 1974-77

- 1) All county level/(ranged from 100-300)
- 2) County/(300)

Experience in Full-time Manual Labor (for non-worker occupations):

unknown

PAGES TEXT: 3

Occupational History (7/25/80, 2 hrs.)

The informant, now 48 years old, worked originally in an Overseas Chinese Department in an office until the cultural revolution, when the office was abolished and he was sent down to a factory to work in 1967. He was sent to a series of county-administered factories, all small (100-300 workers) in Jinjiang, Fujian. Starting in 1967 he worked a series of one-year jobs in salt fields, metal plants, cotton yarn plants, sugar plants and machinery factories. He did both sales and supply work and did production department work. His longest stay was 1974-77 when he worked in a plastics factory of 300 employees as a purchasing agent. Out interview will concentrate on this experience, but draw on all the rest in a general way. He has overseas relatives in Malaysia (parents, brothers), but says he didn't grow up there. He applied to come out in 1977. He says he did not graduate from either upper or lower middle school.

Wages

When he started work at grade 26, the lowest administrative cadre grade, he got 30.5 ¥. Grade 25 is 38¥, and grade 24 is 44¥. He was grade 24 when he began in the factories in 1967. The most important factor in raises for administrative cadres is who is behind you (houtai ren), so there is no fixed system. Generally, they could be raised one grade every 3-5 years. This continued without interruption through the post 1967 period, unlike worker's wages. But he got no raises after 1967 because by 1970 he had already applied to come to Hong Kong. There were absolutely no wage readjustments during his 10 years in industry. It was too chaotic, he says.

There were no bonuses of any sort in the 1967-77 period. They had selections of advanced workers once a year. About 25% of workers got prizes like face towels and certificates if they were chosen. There were no supplementary wages. The only extra income over the basic wage that he was aware of was overtime, figured proportional to daily wage--very little money. Usually about .2¥ per hour or less.

Temporary Labor

They had temporary and contract workers in all these plants. They were peasants from villages. The temporary workers got about 1¥ a day, and stayed as long as needed, from a few days to months. The contract workers got 24-25¥ per month. They stayed for at least a month, but just long enough to finish the extra work that needs to be done. They were regular production workers, did rather difficult manual labor. They had these kinds of workers the whole period he was working in industry.

Discipline, Punishments

For violating rules of discipline and regulations, usually they gave the person criticism and education. If it is more serious, they call mass meetings, criticize and struggle the person. You cannot deduct wages, you cannot transfer to different kinds of work, you can't levy a fine. This is the case for both the temporary and permanent workers.

Sales and Supply Work (7/28/80, 2.5 hrs.)

The arrangements for sales and supply within the plan are very simple. The state buys the planned products, and arranges your purchases for you each month. They are given forms which tell them which plants to go to to buy X amount of goods, and the other plant has a corresponding form permitting them to make the sale. The selling unit, whether a factory or a state

commercial organ, takes the introduction form, makes out an invoice, and staples them together. They have a five-copy form for the transaction. One copy to the factory, one to the commercial organization's warehouse, one to its cashier, one to its accountant, and one copy goes to the upper levels.

This is very simple, and the above applies to the goods supplied by the state. The factory takes the responsibility for moving the materials in their own trucks. If the state supply is not enough, which is common, there are three ways to go about getting things yourself. First, if Fujian province didn't have the needed materials, they would introduce the factory to a unit outside that did have it, like Shanghai. Second, there are transactions between two individual factories. They exchange materials needed by both. If one factory has all of their output bought by the state, then they work overtime and produce items over the planned amount. About half of what is over the planned target is kept and used for exchanges. Sometimes this is open and reported to the upper levels, sometimes not. This kind of thing is done openly if the materials or goods being exchanged are flawed (cipin), because the state will not buy these second-rate articles.

Sometimes a factory will 'support agriculture' and send a batch of concrete to a commune. The commune will in turn return a load of chickens and hogs. This is not legal but it is called 'supporting agriculture' and is still done.

Third, you use personal ties and affections (renqing), and get a friend at another factory to help you out, let you have the things you need, even though you have nothing to exchange. So you say "Lao Wei, we're old classmates, if you help me out this time, I'll be very grateful. How is your wife, does she need a watch?", or "I hear your son's having troubles getting into college. A young man in our office has a father who is a university administrator. Maybe I'll talk to him, OK?" So there are many ways to go about using connections, and they are not always direct ones. You can use indirect connections (guanxi) too, like the case of the young guy whose father was a university administrator, but not directly involved. Then later you have to go talk with the son and his father. So you often have to go back and forth arranging these connections and relations.

They also had 'interchange meetings' (jiaoliu huiyi) arranged twice a year by different organs--department store companies, hardware companies, agricultural machinery companies, or various bureaus. These would be meetings arranged where all the sellers who had leftover materials would come together, bringing samples, and try to sell these extra goods in the warehouses that they have been unable to sell. There are all kinds of meetings, run by all kinds of organs. Sometimes the light industry bureau of the province would have a sales exposition to bring people together. Sometimes they would go to Wuhan or Canton.

If the state did not buy their second-rate goods (cipin), then it was up to them to find a seller at a reduced price. They made plastic shoes, for example. If they could not sell the second rate ones to the state, then they would reduce the price and try to sell to a commune.

Purchasing Plan

In the last quarter of the year, arrangements are made with the purchasing organs for the next four quarters of next year. Since they made small articles, most were for household use. They would conclude contracts with state purchasing companies like the department stores. Their production, finance, sales and supply department heads would meet with one another, along with the

plant director. They figure out how much they could produce, then negotiate a contract with the company, for amounts, price, date of delivery. There were no set state prices for what they produced. They could change prices according to what their costs or production were. If a pair of shoes cost 1¥ to make, they could charge 1.3¥. But if in May the department store company found another factory that made better shoes for a lower price, they could reduce their order in the next quarter if they notified ahead of time. In reality, costs are hard to calculate and hard to check up on, so they set prices in a fairly haphazard way.

This was one type of business they engaged in. The other type was targets given by a bureau, for example in their plant, for red clear plastic covers for tractor tail lights. The state bureau gave them the targets, and purchased all they produced. If the state wanted them to increase production by a lot, the factory leadership would tell them how much money they needed from the state to build another shop, buy equipment and raw materials. The state had to invest money if they wanted to increase targets.

So there were two types of business. In the first, the bottom notifies the top that it has contracts, and they discuss how to get materials, nearly all of which are tight. In the second, the top notifies the bottom, giving targets, and arranges materials and increases its funds. If the plant has funds in their account and wants to buy a truck or build a canteen, they need permission from above to do this. They were led by the county light industry bureau.

From all their sales proceeds, they had to subtract costs for raw materials, subsidiary materials, labor, electricity, fuel, state tax (5% of profit), workers' welfare, etc. Of the money left over, it went into three categories: 1) the public welfare fund (gongyi jin), which is used for worker welfare, ie. to pay for medicine, retirement benefits; 2) public accumulation funds (gongji jin), which was used to build housing, canteens, etc. The rest is 3) profit. The planned profit, of the articles sold to the purchasing company, to bureaus, to other factories in final contracts--the within plan profit--is all given to the state. But they still have unplanned profits--from the money they get selling second-rate goods on the free market, as shoes to peasants at half the price of state department stores. This was the situation in the locally-administered, state-owned (difang guoying) factory he worked at in plastics, and also in the collective sugar plant. It was not the case in the state-owned cigarette factory he worked at--they remitted all profits, no outside plan sales there. He worked in all kinds of plants because they were all under the county bureau.

Their difang guoying factory was not responsible for its own profits and losses. If it lost money, as it did only during the CR when it stopped production, then the state would make up for its losses. If it was to expand its capacity, the state invested money. If the state did not make up its losses, then it would not be considered state-run.

Generally speaking, their materials situation was tight. They never stopped production to wait for materials, but sometimes they slowed down. He says that the plastics they made in China cost about 4000¥ a ton, while the plastics they imported from Japan cost under 2000¥. This is why Liu Shaoqi said China should import more--it costs too much to make things ourselves.