

Background: (6/27/84, 2 hrs.)

The informant is a former resident of Kunming, and worked as a truck driver, and later as head of the transport team of a chemical factory that employed over 500 people. He began working in the factory in 1968, and continued there until he left for Hong Kong in November 1983. His factory was newly established in 1968, so there were few older workers except a minority transferred in at that time. He is a high school graduate. His factory was state-owned and was under the administration of the Kunming municipal government. He was introduced to me by a friend in Hong Kong who is acquainted with his wife, and who is from the same city.

Post-1977 Wage Readjustments

The readjustment documents said that they should consider attendance, work biao xian (following state regulations), and your record during the cultural revolution. The last criterion was the most important. If you had engaged in beating, smashing, and looting, or were the head of a fighting group, then you were excluded. They did not set up year lines, since most everyone had entered after 1968, when the factory opened. Instead, everyone in the unit was given a raise of one grade except those who had bad records during the cultural revolution.

The wages department had a leading small group to handle the wage readjustment. First they looked at your behavior in the CR. Factional toutou, beaters and smashers, etc., were uncovered. But most people didn't do much of anything in the CR that was bad, so there was no problem. About 95 % got raises. But it was the toutou who had the problems. They didn't give too many of these people raises. When they did give raises, the amount really wasn't that much, anyway, only about 7 yuan a month at the lower end of the pay scale, where most people were.

There were some contradictions in the groups during this 1977-8 readjustment, it appeared when they evaluated people's CR records. People would argue over whether or not they had really come clean about their behavior. Some groups who had been on the same side covered up for one another.

What about their work records? Basically nobody did much work in the CR, so how can you judge? Their work was all about the same--they didn't work that hard.

Every worker in the factory except those who did bad things in the CR were given a raise. About 95% of the workers, almost all of whom were grades 1,2, or 3. Only ones who didn't get them were those who were ruled out as punishment.

The upper levels studied the documents at higher levels for 10 days about how to carry out the readjustment. Then they had meetings at each level, right down to the workers. They talked about labor discipline, attendance, biao xian during the CR, factional relations.

In the second readjustment (about 1979, but his memory is not very clear on dates), only 2% could get a raise. This was based strictly on work discipline, skill, and attendance. This was mainly decided by the readjustment small group. They gave tests in both theory and practical. The average workers were very unhappy about this. So few got a raise. People were very unhappy about this, because it had been so long since the last raises.

After the second readjustment, many workers were unhappy and they slowed down on the job. This happened all over, not just in our factory.

So the leaders were forced to have a third one very quickly. It was around 1981-2, although he's not too sure. They gave more raises this time. They didn't give raises to those who got them the second time. They looked at attendance: no more than 50 days leave since the first readjustment, no more than 10 days absence without leave. They were gradually tightening regulations. This time also about 90 percent got it. The regulations said that if the factory did well in completing its tasks then they would let them have a bit more. There were no assessments in groups, the leading small group just decided according to attendance records.

When he left they had already started to study documents, in October 1983, about the new wage readjustment. It was to run through October 1984. This one was very systematic. Not over 30 days leave in 1983. Basic technical knowledge tests were given. Everyone was tested. They didn't talk about quotas in any of these because it was a continuous process technology and they can't figure the contribution of each person anyway. And the quotas that they did have were very low, very lax, so everybody who had them could finish them easily.

Effects: The first one basically had no effect on their work activism. In the second one the contradictions came out. The ones who didn't get it were unsatisfied. They slowed down at work. They refused to do things and told leaders to give their work to the ones who got raises. Especially a problem when work assignments were passed out. This was a problem among a certain minority of workers, certainly not all. The third one basically solved the problem by giving them again to one and all.

Before 1977 worker activism was not so bad because if you slacked off at work they would accuse you of being a class enemy. There were always campaigns, and they were very severe. After the first readjustment, things got better, but the second was basically a failure and things got worse again. By 1983 worker activism was better than in the mid 1970s, because the bonus system had been implemented.

Bonuses

When they restored bonuses in 1977, they changed several times. First they used a fixed bonus, and it didn't work. Later they used floating bonuses, which changed according to their completion of work tasks. They gave group leaders forms to fill out to indicate the output and attendance of each group member. They had basic bonuses and also had a bonus for overfulfilling quotas.

The basic bonus: the highest was 20 yuan, the lowest 12. They floated according to output. More than two days of sick leave, one days unexcused absence, late to work 3 times, and no bonus that month. About 90 percent of the workers got some bonus. Their plant was an experimental point for new bonus and readjustment policies. The overfulfillment bonus can't be over 10% or so of your basic wage. Both bonuses can be received by a single worker. Sometimes the overfulfillment bonuses were quite high.

There were three "lines" for bonuses (check against No. 78's fuller description). First line was direct production workers. The second line were service workers and ordinary management. The third line was the top leaders. They do have bonuses for leading cadres now, but he is not sure of the exact amount (No. 78's memory is better on this account).

The bonuses had a very big effect on worker activism. If you didn't work hard, then you'd get less. Today's leaders have really thought this out. If you don't produce, then you can't build socialism. Marxism-Leninism

has nothing to do with it, so we shouldn't worry about it. This is the opinion of the average worker; if you want to build socialism, you work hard, period.

But there is a contradiction in this approach. If you give bonuses that are too large and people work as hard as they can to get them, this will effect society. They get too much money, but there won't be enough to buy, then they'll be unhappy again. Its still hard to buy things in Kunming. People are starting to become unhappy over this.

Supplies

The main supply problem is with high quality items. Especially Japanese TV's. People start to be affected by this problem a little bit. They don't want the ordinary things produced in China. Supplies of Chinese products have gone up but not very good quality yet. Just starting to produce a lot of things, and haven't yet worked out the quality problems. Its only a problem with the high class goods. Bicycles, motorbikes, and so forth. No problem at all with basic commodity and food supply.

You still need coupons to get better quality bicyles, and for color TV's over 14" you need a coupon, especially for better quality brands. You need coupons for better brands of sewing machines too. But you don't need them for watches anymore. For high quality import items you don't need coupons but you need foreign exchange coupons and those are scarce. Furniture now does not require coupons, but a wardrobe now costs about 3 months wage, and a sofa 4 months. Other than that, basically no more coupons are required. There has been a big improvement over six years ago. Before that you needed coupons for everything. Now you only need them for some things and for high quality items.

For coupons you need the leading organs distribute them to factories, and the factories give them out to employees according to their needs. There is a waiting list, and you register and they give you a number. About 1-2 years wait for many items. Not in my unit did the cadres have power to pass out the coupons themselves, but the leaders in other units did have the power and could hand them out according to guanxi.

Prices did go up very fast in recent years. Like foreign TV's and watches. But Chinese items actually went down in price. Food went up, but not too much. Some other things did increase.

Benefits (7/3/84, 2.5 hrs.)

They got one change of work clothes a year. One cake of soap a month. Free haircuts, free nursery school. Four free movie programs a month. The meal hall used to serve pretty bad food in the past, but they have lately reorganized it. Cooks were ordinary workers and were bad. Now they are giving bonuses to the cooks according to how much food they sell to the workers. The head of the meal hall was to be democratically elected each year by workers according to how good the food was. It really improved the food after that. Food was about 1 percent of your monthly wage for 3 meals a day. About 60% of the staff were single and ate all their meals there. The married ones almost always ate at home. They got two hours of rest in the middle of the day, so it was possible to go home for lunch too.

They had housing, dormitories, a but, and a small store. The bus would take you into town for free. The unit is located a distance outside of Kunming, so almost all the workers lived in the unit. They gave out a free bus ticket worth one round trip into Kunming per week. In the single dorms, they had about five guys on bunks in a room about this size. They

also had family flats. The beds all belonged to the factory. If you want a flat or larger one you must apply to the general affairs department. We did it according to seniority and according to whether both spouses worked in the unit, and how many people were in the family. You apply directly, get a number from the general affairs department.

They had no special distributions during holidays. They gave you three days off if you got married. They don't give food to workers on holidays anymore because there is enough food available now.

They did provide jobs for the children of workers. They first hire the children of the workers when hiring new workers--that is their preference. They also have jiashu gong. They can get temporary work doing ordinary labor; loading and unloading trucks, clearing up the floors and toilets, cooking in the meal hall. Doing odd jobs around the factory. They got about 1.5 yuan a day. But they got not bonuses or labor insurance and benefits.

They did have dingti; if you retired early you could get a job for your child. But recently they stopped doing this because children not as capable or as educated as their parents were being hired, and it lowered the quality of the workforce. Now they give tests when they hire people, for everyone. So there is no dingti system now. If your son wants a job he has to take a test like everyone else, and has to wait until the upper levels permit you to hire new workers. They can give temporary work in short term in a labor service team. They pay fluctuates according to how much work they complete. They get no labor insurance.

We do have workers retire in order to engage in private trade. There are also some who are willing to resign in order to do this. There were a couple of examples of this in his plant. They give you a few months pay as a settlement fee when you resign. When you reach retirement age you have to retire. Only if the doctor gives you a certificate showing that you can no longer work can you retire early. You must apply in order to resign. The party committee has to approve and you have to give reasons. There are two possibilities: to go to Hong Kong or Macau, or to engage in private trade.

Workers' Congress

Every small group elects a representative. I was one. They had secret ballot elections for representatives. They held two sessions a year, it took about three days. In all, there were about 40 representatives. The factory head gives a work report on the past accomplishments during last period's plan, and tells us about next periods plan. The report includes matters like benefits, housing, and so forth. Workers are very willing to give their opinions, and they freely did so. They often raised suggestions, basically they would approve the plan. They had a secret ballot vote up or down on the plan, and usually approved it. This began in early 1984. Of course they raised opinions, but not always too strong, because they had to worry about whether the cadres would take revenge later. They did think about this possibility when raising opinions. They approved of the plan because they didn't understand much about planning. But they did raise opinions about the benefits part of the plan. He participated two times in the workers congress in 1984. The union basically handled livelihood matters. The leading cadres of the factory were to be elected every two years, but only one election before he left.

They still have political study 3 days a week for 2 hours, 7-9 pm to read editorials and documents. They had a lot in the last five years. They had a campaigns against factionalism about 1979 or so, which was against the followers of the Gang of 4. They also had several campaigns against corruption and waste. In 1983 they had the spiritual pollution campaign. It was a pretty serious campaign. They interfered with the way you dressed, what you read and your lifestyle--dancing, mahjong (which is very popular, he says), and youths who imitated western lifestyles. They only had this campaign for a short period. They started it, and then stopped it all of a sudden. When they ran it they didn't say clearly exactly what spiritual pollution was. It was pretty broad and vague. It did have an effect on workers' lives. They stopped showing western films for a while. But the campaign stopped. Your performance in political study did not really influence you raises and bonuses. But it did have an effect still when the party committee nominated people to be promoted to be cadres.

Youth League

This prepared workers for the party, and did ideological work among youth. Not many workers wanted to join the party. People didn't have much confidence in the party (weixin). Many people look down on their position, they don't really believe it is the vanguard of the working class. Yes, being a party member is good for your future, but not that much. If you are promoted after becoming a party member, you don't really get a raise and might not get a big bonus anymore, so people are not too willing to be a party member. Also people no longer are willing to be bothered with politics and campaigns.

Activists: there are two types of activists, in work and in thought. They had advanced producers. Now they think if you work hard you have good thought. So the 'good thought' is automatic now if you work hard and become an advanced producer. They don't even talk about activists that much anymore. Now they talk about advanced producers.

Drivers

The income of drivers is relatively high, they have a lot of special privileges. The freight truck drivers have many chances to make extra money on return trips by carrying things for the individual households. This is illegal, but many people still do it. They also have an opportunity to sell the gasoline out of the trucks to people with private cars and motorbikes. If records are not kept strictly you can do this, but not too much because there isn't much gas in the tank. He was a bus driver and says they couldn't do too much of this because they also had a ticket seller on board. He does admit under prodding, however, that he regularly sold a little gas, and sometimes gave it away to 'friends'.