

MOBILIZATION OF THE MASSES: A SURVEY OF COMMUNIST CHINESE LABOR LAW

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For the first time in modern history a government appears to have found a way—however brutal its human defects—to solve the problems of large peasant unemployment and labor surplus. The mobilization of the unemployed mass of Chinese rural workers through economic communes, cottage industry, small pig-iron schemes, and all the rest is an achievement whose political and intellectual impact in less developed areas is bound to be immense.

John F. Kennedy
The Strategy of Peace 77 (1961)

I. THE BASIC AIM

“The fundamental aim of the Peking regime . . . is to heighten the power of the state, in order to safeguard Communist rule at home and . . . extend Communism abroad. In the economic field this aim calls, in the Communist view, for a program of forced industrialization, to transform the country from a ‘feudal’ and agrarian economy to a modern industrial society capable of producing the latest weapons and supporting the logistic burdens of modern warfare.”¹

A study of labor law and policy in Communist China must bear in mind not the Western concepts of labor management relations—free labor, seeking to obtain a better economic standard; free management, seeking to increase profits; and together hammering out a mutually agreeable collective contract around the bargaining table in an environment in which the government’s chief role is to insure the equality of the parties—but rather the idea that labor and management, together with the state, have as their primary duty increasing production as a means of advancing the overall national purpose. Thus,

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1 I P TANG, COMMUNIST CHINA TODAY 287 (2d ed. 1961). Professor John Fairbank points out that if Peking’s motives were popular welfare rather than national power, more than a mere seventh of investment would go into light industry, as opposed to heavy, and less would go into strategic railroads and armies. See J. FAIRBANK, THE UNITED STATES AND CHINA 303 (rev. ed. 1958).

the Preamble to the Constitution of the Trade Unions of the People's Republic of China emphasizes that the *raison d'être* of trade unions is to insure the fulfillment—indeed, overfulfillment—of state production plans.² In speaking to the Eighth All-China Congress of Trade Unions in 1957, Lai Jo-yu, late chairman of the presidium of the All-China Federation of Trade Unions (ACFTU) explained to his fellow union members that “improvements in the livelihood of the workers and staff must not be too fast nor excessive but should only be made step by step on the basis of developing production and increasing labor productivity.”³ Moreover, industrial labor is frequently relegated to a subordinate position behind agricultural development on the scale of Chinese priorities. This stems partly from the practical necessity of providing sufficient food for China's immense population without benefit of wide-scale farm mechanization, and partly from the historically more important role which the peasants and farmers have played in the rise of Communism in China.⁴

The view that labor should be utilized toward the end of national achievement is not new to Chinese thought. Sun Yat-sen, the father of modern China, believed that “workers not only owe their duty to their organization, but they owe a greater duty to the country at large, and must work to elevate China's position.”⁵ That traditional concept fit nicely into the Communist plan for national control and Mao Tse-tung quickly developed an appreciation of the power of a properly directed labor movement toward the achievement of Communist aims. In a speech to the Second National Congress of the Soviet Republic of China as early as 1934, he said:

I solemnly propose to this Congress, that we take deep interest in problems of the living conditions of the masses, from their land and labour to their fuel, rice, cooking oil and salt We should make them understand on the basis of these matters the tasks of a higher order which we propose, namely the task of revolutionary war, so that they

2. For a translation of the Trade Union Constitution and other basic laws cited in this article, see *FUNDAMENTAL LEGAL DOCUMENTS OF COMMUNIST CHINA* (A. Blaustein ed. 1962).

3. *ALL-CHINA FEDERATION OF TRADE UNIONS, REPORT OF 8TH ALL CHINA CONGRESS OF TRADE UNIONS* 43 (1958).

4. The estimated civilian employment in China in 1964 was approximately 331 million, or about 75% of the working age population. About 85% of China's workers are engaged in agriculture. *BUREAU OF LABOR STATISTICS, UNITED STATES DEPARTMENT OF LABOR, LABOR DEVELOPMENTS ABROAD* 7, 8 (1962).

5. Sun Yat-sen, *Labor Day Address*, 1 May 1924, quoted in *LIN, LABOR MOVEMENT AND LABOR LEGISLATION IN CHINA* 17 (1933).

will support the revolution and spread it throughout the country, and respond to our political appeals and struggle to the last for the victory of the revolution.⁶

So it was not surprising that the idea of labor's duty to the country was incorporated into the national law when the Communists came to power. But, as we shall see, though the Communists seek to justify forced industrialization and lack of concern for the individual well-being in terms of national pride and communist ideology, in fact these are often theoretical justifications for an underlying pragmatism which permeates all of Communist legislation.

II. HISTORICAL BACKGROUNDS

Labor law in China, like labor law in most countries, is largely a creature of the industrial development of the nineteenth and twentieth centuries, and unlike the more traditional areas of Chinese law—marriage law, criminal law, property law—labor law draws more from contemporary labor experience in the West than it does from ancient Chinese philosophy.

Though the earliest reported cases dealing with labor matters in the United States date to the early 1800s when the earliest labor unions were formed, it was only in 1888 with the passage of the Arbitration Act that the United States government became actively involved in the problems of labor-management relations. In England, the decision to establish an all-embracing union organization was made in 1834, and by the 1870's, and the British economic boom, the unions had won an acknowledged place in British society. Chinese labor development was somewhat slower. The first of the Chinese industrial laws was the Mine Regulations promulgated on March 11, 1914. A new and shorter set of regulations, along with the first set of factory regulations, was introduced in 1923. In general, the Mine Regulations established a 10-hour day, an eight-hour day for boys under 17 and girls under 18, prohibited child labor entirely in the more dangerous aspects of mine operations, required two days rest per month with pay, and required the mine owners to provide sanitary facilities and provide wages and medical expenses in the event of injury.⁷ The Factory Regulations established the eight-hour day but permitted a two-hour extension

6 MAO TSE-TUNG, MIND THE LIVING CONDITIONS OF THE MASSES AND ATTEND TO THE METHOD OF WORK (1958).

7 For a discussion of the early legislation, see LIN, note 5, *supra*, at 115.

under special circumstances. The Regulations also prohibited dangerous work for women and children, outlawed night work for children under 16 years of age, barred children under 14 from all forms of factory work, required one day rest per week for all workers, required the factory owner to provide proper sanitation, and provided for medical expenses and two-thirds wages for up to six months in case of industrial accident. The Factory Law called for the establishment of a Joint Factory Council in every factory employing more than 30 workers with responsibility for dealing with employer-employee disputes. Unfortunately, the law failed to provide for government inspection and it was not until 1931 that a Factory Inspection Law was passed.

While the passage of these early regulations indicated an acceptance by the Chinese government of the principle of protection of labor by legislation, the regulations were poorly, if ever, enforced. A report by the Committee to Study Child Labor, appointed by the Shanghai Municipal Council in 1924, observed that in the cotton mills "little attention is paid to the state of the latrines and the stench near such places is very marked"⁸ The Commission was not convinced "either that the Chinese regulations were satisfactory in themselves, or that any measures were being taken to apply them"⁹ The situation failed to improve under the Nationalist leadership and when the National Social Administration Conference met in Chungking in 1942, its goals for the future were still—as they were close to 20 years before—the eight-hour day, the regulation of child and female labor, the establishment of a central factory and mine inspection system, and the introduction of social insurance.¹⁰ A 1946 survey of T.K. Djang, chief of the Chinese Bureau of Factory and Mine Inspection, showed that most factories remained ill-equipped and factory legislation was still largely ignored. All of China had only 18 factory inspectors, three of whom were assigned to other duties. Indeed, there were even a few cases where employers had never heard of the Factory Act or factory inspection.¹¹ As late as 1949 a sampling of five major industrial cities in China revealed that not all factories had safety equipment. Periodic reporting of accidents, although required by law, had made little

8. Note, 10 INT'L LAB. REV. 1005, 1016 (1924).

9. *Id.* at 1024.

10. See *Labour Policy in China*, 47 INT'L LAB. REV. 758-59 (1943).

11. T. Djang, *Some Problems of Labour Law Enforcement in China*, 53 INT'L LAB. REV. 39, 42 (1946).

progress since 1931; fire escapes and fencing of dangerous machines were often neglected; and a few factories still gave no rest days during the month.¹²

The craft guild (*hong*) has been a part of the Chinese way of life for a long time, but the first serious approach to modern labor organization occurred toward the end of World War I. During and after the war Chinese industry had a chance to expand. Genuine industrial areas grew up, and the peasants, for the first time, found a serious alternative to the traditional agricultural life. Not only did this new life lead to a large group of industrial workers, a new class ready to give its allegiance to mass movements, but as Professor John Fairbank noted, this new life created a class of people to whom the old loyalties and customs no longer applied.¹³ There was a breakdown in the historic social code which stressed contentment, respect for superiors and status quo, so that from 1918-1926 there were over 1,100 labor strikes. Where a mere eight unions were formed in the period prior to 1920, over 700 emerged from 1921 to 1930. "After the first National Labour Conference in 1922 . . .," Professor Lin reported, "the Labour Movement spread so rapidly . . . that it actually prepared the way for the Nationalist Revolution of 1925."¹⁴

The Communists have long occupied a significant place in the Chinese labor movement. Their leaders were instrumental in organizing the early unions and promoting the labor unrest of the 1920's. The Communists played a key role in organizing general strikes including the famous strike in Canton-Hong Kong which lasted four months and involved over 200,000 workers. The leaders recognized that any hope for total control of China lay ultimately with control of the peasants and the working classes, although, at the time, their power base was still weak. Michael Borodin then came to China from Russia in 1923. Even though he served as an advisor to the ruling Kuomintang party, he was nevertheless an important force in teaching organizational techniques to the Communist leaders, who began to arouse the farmers and workers to the need for social legislation. The Communists mobilized labor as a political weapon in order to gain victories in the period of the 1920's. At the Congress of the All-China Federation of Labor in 1925, Communist leader Liu Shao-chi was chosen vice-

12. The survey is discussed in T. Chen, *The Labour Policy of the Chinese Government and its Reactions on Industry and Labour*, 59 INT'L LAB. REV. 34, 39-48 (1949).

13. See FAIRBANK, note 1, *supra*, at 167.

14. See LIN, note 5, *supra*, at 83.

chairman of the Central Executive Committee.¹⁵ Even Sun Yat-sen, who was not a subscriber to the Communist philosophy, recognized the Communist position in China and accepted their collaboration in his Nationalist cause when he reorganized the ruling Kuomintang party along Soviet lines in 1922. However, by 1927, Chiang Kai-shek had crushed the Communist-led labor movement in Shanghai. Borodin was forced to flee to Moscow and the Communists were compelled to withdraw to the central mountains. During the 1930s and 1940s, the Nationalists were able to maintain general control of labor although there was some successful infiltration of the trade unions. During World War II, the Communists expanded their geographical control and by 1945 they had set up a Preparatory Committee of the Workers Federation of China Liberated Areas which included some 920,000 members.¹⁶ The Communists finally initiated the calling of the Sixth Congress of the All-China Federation of Labor in August, 1948 in the city of Harbin which they occupied.

III. LABOR-MANAGEMENT RELATIONS

The Communist view of labor law as a means of serving national economic and political ends finds expression in every aspect of labor management relations. "Work is a matter of honor,"¹⁷ and the Party Constitution limits membership to those who work and do not exploit the labors of others.¹⁸ This philosophy, of course, promotes national objectives.

Communist China prohibits labor strikes. Labor "discipline" must be maintained at all times. A 1961 *People's Daily* editorial explained:

The responsibility system in socialist enterprises is a unification of the revolutionary discipline and revolutionary self consciousness of the 'workers' class. In capitalist enterprises . . . [the] responsibility system reflecting the unjust relations of exploitation and oppression of man by man, serves the interests of the capitalists and is a means of exploiting the labor of the workers. However, since socialist enterprises are enterprises of the people, the responsibility system . . . defines the

15. W. TUNG, *THE POLITICAL INSTITUTIONS OF MODERN CHINA* 153 (1964).

16. Pringsheim, *Trade Union and the Communist Chinese*, 46 S.W. Soc. Sci. Q. 111 (1965).

17. CONST. OF PEOPLE'S REPUB. OF CHINA art. 16.

18. See *Regulations on Procedure for Settling Labor Disputes* art. 9, cited in T. CHAO, II *ECONOMIC PLANNING AND ORGANIZATION IN MAINLAND CHINA: A DOCUMENTARY STUDY (1949-1957)* 86 (1960).

different responsibilities between different people on the basis of comradeship.¹⁹

The theory may be a bit facile and indeed questionable in the light of earlier Communist dogma that the right of the worker to strike was basic.²⁰ Its practical significance cannot be minimized. Lesser offenses, such as late arrival or early departure from work without a valid excuse, or sitting idle during working hours, are similarly prohibited, and each worker is required to keep a Labor Book, which details his past record and which he is required to present to any new employer. The book notes any breaches of labor discipline.²¹

Notwithstanding the prohibition against labor disruption, the past three years of the Cultural Revolution has seen Chinese industry wracked by strikes and economic sabotage as the forces loyal to Chairman Mao attempted to extend the doctrines of the Revolution into the factories.²² In some instances, pro-Mao forces took control and set up worker committees to operate the factories, ousting the plant managers, but in several cases the government was forced to send troops in order to get the factories back into operation. Military control now appears to have been phased out in favor of control by supervisory committees composed of workers, local party leaders, and members of the military. The actual operation of the plants will probably be left to these committees.²³

There is no collective bargaining in the Western sense, although the government encourages collective agreements as a means of establishing the rights and duties of labor and management. By requiring that certain items are included in each agreement, the government's primary goal of increased production is also achieved. All contracts must contain an exposition of the principal targets approved by the state in production, technical and financial plans. They must also indicate the problems which the factory administration must solve in order to insure the fulfillment of state production plans, the

19 Peking People's Daily, 17 December 1961, reprinted in CHINA RESEARCH ASSOCIATES, COMMUNIST CHINA YEARBOOK 1963 [Hereinafter cited as CHINA RESEARCH ASSOCIATES].

20 The Party's *First Manifesto on the Current Situation*, issued 10 June 1922, included a demand of freedom to strike. The Labor Code of the Chinese Soviet Republic guaranteed the right to strike. See Y. GLUCKSTEIN, MAO'S CHINA 214-15 (1957) [Hereinafter cited as GLUCKSTEIN].

21 See *Outline of Labor Relations for State Operated Enterprises*, 6 May 1954, reprinted in GLUCKSTEIN at 215-16.

22 N.Y. Times, 20 January 1967, at 1, col. 5; N.Y. Times, 11 January 1967, at 1, col. 1.

23 N.Y. Times, 21 March 1967, at 16, col. 3.

organization of the workers, and the learning of new techniques.²⁴ The contract must provide for the improvement of safety and health conditions, acknowledge the responsibility of management for improving the workers' living conditions and the strengthening of labor discipline, and must include a system of awards and "compensation according to labor." Additionally, the government has established the procedure for both drafting the collective contract—which includes the use of drafting committees and ultimate ratification of the contract by membership vote—and for settling labor disputes, which includes governmental mediation and, ultimately, arbitration.²⁵ There is provision for limited judicial review in the event of an unfavorable arbitration decision, but it should be remembered that the courts, being responsible to the Peoples' Assemblies, frequently reflect governmental emphasis on increased production as the ultimate goal.²⁶ The Regulations apply to all state and cooperative enterprises,²⁷ although in practice the state arbitration hierarchy ordinarily deals with disputes between enterprises rather than with ordinary labor problems. Most individual grievances are processed by a worker committee, headed by a Party official, or by the Enterprise committee.

Under the Communist scheme, labor shares the theoretical responsibility for internal plant management via the vehicle of the trade union or the workers' congress. In state enterprises, the union represents the workers in the administration of production and concluding agreements with management. In the days of private enterprise, the union negotiated contracts and appointed members to private industry's labor-management committee.²⁸ The role of the union has been somewhat clouded as a result of the events of the past three years.

Labor management committees were not particularly successful. In 1956, they were replaced by the workers' congresses similarly designed

24. See, e.g., *Joint Directive of Ministry of Heavy Industry and National Commission of Heavy Industry Trade Unions on Signing of Collective Agreements*, 11 April 1955, reprinted in UNITED STATES JOINT PUBLICATION RESEARCH SERVICE, LABOR LAWS AND REGULATIONS IN COMMUNIST CHINA 27 (1958).

25. See REGULATIONS, note 18, *supra*, at 84-86.

26. For an excellent article on the role of law in Communist China generally, see Lee, *Chinese Communist Law*, 60 MICH. L. REV. 439 (1962).

27. Articles 5 and 10 of the Chinese Constitution permit private enterprise, but none has existed since private industry was brought under state or joint control in 1956.

28. See Ayers, *Labor Policy and Factory Management in Communist China*, 277 ANNALS AMER. ACAD. POL. & SOC. SCI. 124, 128 (1951).

to draw the masses into participation in management. According to an article in *Red Flag*, these congresses were to participate in plant management.

Their wisdom and strength must be relied upon if the enterprises owned by the whole nation are to properly run [A Congress] has the right to hear and discuss the enterprises' production, financial, technical and wage plans; to examine and study the enterprise bonus foundation funds, welfare fund, labor production fund, trade union fund and other expenditures for the livelihood and welfare of the workers; and provided the directives of higher authorities are not violated, to adopt resolutions concerning the above mentioned outlays.²⁹

In keeping with overall labor policy:

a workers' congress should be a congress that closely links itself with and directly promotes production. In order to achieve this purpose, the content of the workers' congress must be centered on production [W]hen we stress the need for a workers' congress to conduct its activities in close coordination with and promote production we do not mean that we should not deal with problems of livelihood and welfare of workers³⁰

Under the industrialization plan inaugurated in 1958, workers were to be organized to participate directly in plant management while members of management were to be required to join in the physical labor. However, with the collapse of the Great Leap Forward in 1960, there was a re-emergence of the enterprise manager and an attempt to upgrade the position of technical personnel.³¹ The government remained somewhat reluctant to commit itself fully to a policy of production governed by professional managers, however, and the recent Cultural Revolution brought about a return of party officials into positions of responsibility throughout industry. The government can be expected to upgrade technical competence although it undoubtedly will maintain firm political control of industry. It was toward this end that a *Red Flag* editorial recently emphasized that the "Revolution must be put in command of production, to guard against capitalist restoration."³²

²⁹ *Red Flag*, 16 January 1962, reprinted in CHINA RESEARCH ASSOC., at 386.

³⁰ *Id.* at 390.

³¹ See Li, *China's Industrial Development*, 17 CHINA Q. 3, 27-28.

³² *Red Flag*, 1 July 1969, translated in CONSUL GENERAL, HONG KONG, SURVEY OF THE CHINA MAINLAND PRESS, No. 663, 8 August 1969 [hereinafter SCMP].

IV. CONTROL OF LABOR

Although China's single greatest asset unquestionably is its labor supply, there remains a continuing need for labor. The Communists have utilized wide-scale recruiting campaigns to attract and develop the additional supply. In absolute numbers, China has an immense number of working-age people but their proportion of the total population is considerably below that in many of the more advanced countries. In many industrial nations, less than 25% of the population is under 15 and unproductive. But in Communist China, the total approaches 40%.³³ Unlike the more mechanized countries, about eighty-five percent of the Chinese population is still needed to feed the country.³⁴

Ordinary labor came under government control late in 1954. During the period of the First Five Year Plan, it is estimated that over eight million people migrated permanently into cities and towns looking for employment. The situation became so acute that Peking was forced to order millions of peasants to return to the countryside. Chou En-lai, in a report printed in *People's Daily* in June, 1957, warned that "the major direction of their [peasants'] employment for a long time to come must lie in agriculture, with handicrafts and service trades as a subsidiary outlet."³⁵ In spite of the social prejudice against household employment, the government encouraged the hiring of domestic help as a means of meeting the critical unemployment problem. New mass migrations of people have been ordered by the government recently as students, other young people, and city dwellers are being redirected in order to supplement the working force in rural areas. Between 1960 and 1962 the government claimed to have transferred 20 million workers to the countryside.³⁶ There are other estimates that perhaps 25 million Chinese ultimately will be involved.³⁷

Little is known about the Chinese method of redirecting huge masses of unemployed workers back to the countryside, but several methods appear to have been employed. In July, 1954, the Outline of Labour Regulations for State Operated Enterprises provided strict regulation of employment, transfer and dismissal of employees. By mid-1955, the

33. L. ORLEANS, *PROFESSIONAL MANPOWER & EDUCATION IN COMMUNIST CHINA* 147 (1960).

34. LINDQVIST, *INSIDE CHINA* 31 (1963).

35. Chou En-lai, *Report on the Work of the Government*, *Peoples Daily*, 27 June 1957, quoted in C. LI, *ECONOMIC DEVELOPMENT OF COMMUNIST CHINA* 203 (1959).

36. BUREAU OF LABOR STATISTICS, *UNITED STATES DEPARTMENT OF LABOR, LABOR DEVELOPMENTS ABROAD* (1967).

37. *N.Y. Times*, 6 April 1969, at 1, col. 5.

government had forbidden the free hiring of workers in state enterprises and required that additions to the regular work staff be approved either by a group superior to the individual factory or by the Ministry of Labor. In November, 1957, additional directives were issued concerning apprentices and unskilled labor. The Chinese readily admit that these draft regulations, in addition to one concerning home leave for employees separated from their families, were designed to stem the flow of workers and their families into the cities.³⁸

The government also made consumer goods more available in rural areas in an attempt to entice workers back to the farms³⁹ and rationing has been used to control population migration.⁴⁰ The manipulation of wages is yet another control device. During the peak unemployment period in 1957, for example, regulations were promulgated requiring that all peasant workers receive wages equal to those received by the factory workers.⁴¹ It is impossible to know which economic incentives were employed in the recent governmental attempt to move large numbers of people back to the rural areas. Such incentives, however, if they were employed, were coupled with liberal applications of Communist dogma. A major theme in the Chinese press has been the reeducation of intellectuals. Intellectual youth, it is reasoned, must become integrated with the working class in order to become a sufficiently trained revolutionary group.

The need for trained personnel always has been crucial, and skilled and technical workers, because of their scarcity, have been under close state control since 1953. A 1952 directive by the Administrative Council ordered the recruitment and training of intellectuals, ex-Kuomintang officers and former governmental officials. Official directives in the spring of 1955 indicated that the number of technical graduates was still inadequate and that there had been some improper employment of technical personnel to the degree that about seven per cent of the technical graduates had been improperly assigned to

38 Peking Chinese Home Service, 20 November 1957, translated in CONSUL GENERAL, HONG KONG, FOREIGN BROADCAST INFORMATION SERVICE DAILY REPORT, 21 November 1957, [Hereinafter cited as FBIS].

39 See New China News Agency Service, Shanghai, 22 December 1961, in SCMP, No. 2648, 29 Dec 1961.

40 Rationing of certain items has been in effect in China since 1955, rationing for almost all industrial items went into effect in Peking in April, 1962. See FBIS, 23 October 1962.

41 DRAFT PROVISIONAL REGULATIONS COVERING WAGES FOR ORDINARY AND MISCELLANEOUS WORKERS in SCMP, 9 December 1957,

administrative jobs.⁴² An official reprimand was issued to those units which had overemphasized their needs in order to be sure of obtaining a sufficient number of technically trained workers, with the result that some units were understaffed. The government ordered a thorough investigation of conditions of employment of technical graduates; an analysis of job assignments; systematic, organized training and periodic inspection of progress. The assignment of medical personnel was henceforth to be accomplished by local government rather than Peking. There was to be extensive organization and training of graduates of upper middle schools who failed the entrance examinations to institutions of higher learning, of graduates of short courses in engineering and agriculture, and of recently "rehabilitated youths with social education" so that they could serve in elementary schools and industrial and agricultural enterprises. The absolute control with which the Peking government runs the labor market was evidenced most clearly by the assignment of technical graduates. Notwithstanding the preferences of the individuals involved, 29% of the 53,000 persons graduated from all institutions of higher learning in 1955, for example, were assigned to heavy industry, 16% were permitted further education, 15% were assigned to light industry, forestry, transportation and financial business, 2% went into the army, and about 38% were assigned to government administration.⁴³ Recently, the government again has sent young people to assignments in farm areas and factories, often with little prospect for a return to an urban environment.⁴⁴

The drive to develop technically trained personnel has been somewhat successful for, between 1952 and 1957, the technical personnel increased from about 170,000 to over 800,000. However, *People's Daily*, in a 1966 article, continued to complain that the technical level of several departments still lagged behind that of the more advanced nations,⁴⁵ and the recent disruptions during the Cultural Revolution resulted in a substantial decrease in the number of trained technicians. A report by the Japanese Foreign Ministry estimated that

42. See DIRECTIVE OF MINISTRY OF FUEL INDUSTRY CONCERNING ASSIGNMENT EMPLOYMENT AND TRAINING OF GRADUATES OF UNIVERSITIES, SPECIAL AND INTERMEDIATE TECHNICAL SCHOOLS, 22 June 1955, reprinted in UNITED STATES JOINT PUBLICATION RESEARCH SERVICE, note 24, *supra*, at 21.

43. STATE COUNCIL DIRECTIVE CONCERNING ASSIGNMENT PROGRAM FOR GRADUATES OF ALL INSTITUTIONS OF HIGHER LEARNING, 21 October 1959, reprinted in UNITED STATES JOINT PUBLICATION RESEARCH SERVICE, note 24, *supra*, at 20.

44. N. Y. Times, 6 May 1969, at 3, col. 6.

45. People's Daily, 1 January 1966, reprinted in FBIS, 4 January, 1966.

the closing of schools during the Cultural Revolution means that over 400,000 trained workers (including 90,000 teachers and 140,000 industrial technicians) could not complete their training during 1967 and 1968.⁴⁶

Forced—or corvée—labor is an additional method by which the government controls the working force in the national interest. Forced labor has a long tradition in China. This type of labor made possible the building of the Great Wall, and during World War II the Nationalist regime required service by all males between the ages of eighteen and thirty, although it was possible to provide a substitute in those cases where it was not practical to interrupt one's normal occupational duties.⁴⁷ To the Communists, forced labor was the ideal way to adapt Chinese tradition in order to increase production while controlling dissident members of the population. Article 4 of the Labor Service Regulations reflects the Communist philosophy by requiring a strict policy of coordinating punishment and control with ideological reform and coordinating labor production with political education. Outsiders estimate that at one time, seven million Chinese were held in forced labor camps where, organized into Labor Service for Reform Corps, they did developmental projects.⁴⁸ According to Communist reports, during a 10-month period in 1958, forty to fifty million army personnel, though not forced labor in the strict sense, were involved in construction projects. However, forced labor plays its chief role in agricultural and public works projects and not industrial development.

The Chinese recently adopted an experiment in labor rotation where people work alternately in industry and farming in an attempt to direct labor to where it is needed most. Under the rotation plan, peasants work for three to seven years in factories in nearby cities. They return to their farms at about age 26 when they are still able to make a contribution to farm life. In addition to this rotation, seasonal integration, whereby peasants are used in factories during the busy seasons and return to their farms during the harvest or planting periods, is employed. Seasonal integration has been particularly successful in industries such as sugar production where much depends on the quantity of the harvest. The Chinese consider the use of these

46 N.Y. Times, 10 May 1969, at 10, col. 4.

47 *Compulsory Labour Service in China*, 49 INT'L LAB. REV. 515 (1944).

48 I P. TANG, *COMMUNIST CHINA TODAY* 278 (2d ed. 1961). About 10,000 workers, for example, were used to enlarge Yentung Airport.

contract workers—they are not regularly employed at the factory—a revolutionary approach to labor problems.

V. WAGES AND EMULATION

The wage structure, combined with the labor emulation program, has been used to effectuate greater productivity. In Communist theory, “hour wages and piece wages are the main forms to give effect to the principle of distribution according to work.”⁴⁹ But the explanation appears to be only another theoretical justification since Communist philosophy, as expressed in the Fourth Manifesto of the Party on the Current Situation (issued in 1925 when the Party was striving for popular support) specifically rejected the piecework system.⁵⁰ There has been a dialogue within China concerning the theoretical justification for the wage structure, and the Communists appear to be changing from a defense of the system to an official position which recognizes that piece wages are but a temporary evil. The *Peking Daily* reported:

At the present stage of development of productive forces, ‘to each according to his work’ is unavoidable. But unlike the metaphysicians we do not regard it as an eternal thing. We affirm it simply for the purposes of creating conditions for its annihilation. At an appropriate moment we will annihilate it and push the society to a higher plane, i.e., the communist phase in which the ‘for each according to his ability, to each according to his needs’ principle is observed.⁵¹

The wage level of workers has risen steadily, though slowly, during the period of Communist control. According to official figures, by 1952 the wage level in state-owned enterprises had reached or surpassed the level existing before World War II,⁵² but a 1965 report noted that the factory wage—about \$22 per month for unskilled workers, to about \$45 per month for top skilled workers—is low even by Chinese standards. However, it is all that productivity will allow.⁵³

Prior to 1955, workers were paid via the “work point-payment in kind” system. Workers were divided into eight basic categories (grades

49. People’s Daily, 6 March 1962, reprinted in CHINA RESEARCH ASSOCIATES, A TENTATIVE DISCUSSION ON THE INCENTIVE SYSTEM OF INDUSTRIAL ENTERPRISES, note 19, *supra*, at 392.

50. GLUCKSTEIN at 227.

51. Peking Daily, 16 October 1958, reprinted in SCMP, No. 537, 22 October 1958.

52. CHINESE WORKERS MARCH TOWARD SOCIALISM 36 (1956).

53. Gayn, *Red China Today: Nation Obsessed By Industrialization*, N.Y. Times, 9 June 1965, at 12, col. 2. Some observers suggest that the wage level still remains below that of the best pre-World War II years, 1935-1936.

1-3 required simple skills, 4-5 involved semi-skilled work, and 6-8 were skilled personnel) and the level was adjusted to account for political standing and the importance of the industry in the over-all national scheme. Work points were geared to the cost of living, determined regionally, and hinged on fixed prices for basic commodities such as oil, salt, coal, grain or cloth. Wage units, often called Parity Deposit Units, reflected the local buying power and were designed to curb the effects of price fluctuation and keep wages on a steady level of real value. However, there were wide regional differences and even broad discrepancies in wages within a particular grade within a region. Additional compensation was based on individual worker need.

In 1955, China switched to a pure wage system where payment depended exclusively on actual work completed. In a directive signed by Chou En-lai, the Government indicated that payment in kind "no longer accords with the principle of 'compensation according to labor' and that of 'equal work, equal compensation.'"⁵⁴ Effective in 1955, all workers became responsible for their own expenses and those living in government housing were required to pay rent. Further, the old work point scale, premised on basic commodities, was replaced by a monetary scale. However, the State Council arranged to supply goods to various areas while the wage system was being implemented and permitted subsidies from the welfare fund to those workers who would experience hardship because of large families. The wage reform laid great stress on material incentives and some of the wage increases given in June, 1956, were aimed at widening the skill differentials to promote competition and make adjustments for groups whose activities were considered important to society.⁵⁵ Piece rates were abolished in 1958 when a system based on standard differentials premised on skill, working conditions, and bonuses finally became generally used.⁵⁶

The labor emulation program (Stakhanovism, named for a coal miner who was an early production hero) involves a series of campaigns designed to stimulate production by encouraging competition among factories and enterprises, and rewarding

54 STATE COUNCIL DECREE CONCERNING THE IMPLEMENTATION OF THE WAGE SYSTEM AND THE CHANGE TO THE PAYMENT OF WAGES IN MONEY WITH RESPECT TO ALL GOVERNMENT WORKERS. 31 August 1955, reprinted in UNITED STATES JOINT PUBLICATION RESEARCH SERVICE, LABOR LAWS AND REGULATIONS IN COMMUNIST CHINA 2 (1958).

55 T. HUGHES & D. LUARD, THE ECONOMIC DEVELOPMENT OF COMMUNIST CHINA (1949-1958) 120 (1959).

56 BUREAU OF LABOR STATISTICS, UNITED STATES DEPARTMENT OF LABOR, LABOR DEVELOPMENTS ABROAD 2-3 (1967).

outstanding workers for new inventions or increased output. During an emulation campaign, each factory is given a production target based on the over-all state plan and the factory then proceeds to implement individual plans for each of its employees. Ordinarily, the local government or trade union augments the campaign with a propaganda drive encouraging the workers to meet their goals. The New Records Campaign and the Labor Hero Movement place their emphasis on significant achievement in new inventions and increased individual production. During the period of the First Five Year Plan, there had been emphasis on material incentives as the means of increasing production. Regulations provided for monetary awards for suggestions making important improvements in technical processing, machinery or inventions. The amount of the award was computed according to the value of the amount saved in the twelve-month period after the invention or improvement was put into effect. Those assisting the primary inventor received a separate award, equal to about 25% of the main award. Other material benefits included bonuses or greater social insurance benefits.⁵⁷

Beginning with an editorial in *People's Daily* on November 21, 1957, the government began a change-over to non-material incentives with greater stress being placed on the social status of the individual worker hero or team champion. Anticipating the Great Leap Forward, a campaign designed to begin in 1958, the regime attempted to forestall a repetition of the high accident rate, suspected sabotage and deterioration in morale which had marked the First Five Year Plan to achieve increases in production largely through material incentives. Professor de Bernis of the University of Grenoble, who spent five weeks in China in 1958, reported:

[I]n an East Peiping textile mill I saw bulletin boards, small flags marking the records set by different teams of workers, production graphs, and the reminders of the state five year plan The Chinese read of economic development the way Americans read about sports There are parades and stories in newspapers every time a contest is won, a record broken, or a new product or method of production is discovered.⁵⁸

This policy of emphasizing non-material incentives met with limited

57. See PROVISIONAL REGULATIONS ON AWARDS, FOR INVENTION, TECHNICAL IMPROVEMENTS AND RATIONALIZATIONS PROPOSALS CONCERNING PRODUCTION, 6 May 1954. Similar awards are available to outstanding scientists.

58. DeBernis, *What I Saw In Red China*, 190 CATHOLIC WORLD 230, 231-32 (1960).

success as the fiasco of the Great Leap Forward partly demonstrated. It was replaced by the piece rate and reward systems by late 1960. By 1961, the overwhelming proportion of state enterprises were again under either an hourly wage plus reward, or some form of piece wage rate. "Experience has shown," the government was forced to concede in 1962, "that only when ideo-political work is combined with material encouragement can the individual, immediate interests of the laborer be merged with the collective, long-term interests, thereby fully mobilizing the laborer's enthusiasm for production to speed up socialist construction."⁵⁹

In mid-1963, the government decided upon a new approach and a broadcast over the New China News Agency discussed an effective method used to increase production in several Shanghai factories. Each factory compared its targets with more advanced factories, evaluated the differences between the two, and adopted methods of improving the work. Within the year the Chinese had their most recent emulation campaign—"Compare With, Learn From and Catch Up With"—in full swing. But unlike previous campaigns, this one stressed both quantity and quality and appears to have been designed as a middle ground between the use of material and political incentives. The Shanghai Municipal Bureau of Light Industry indicated that "an important characteristic of the campaign . . . is to implement in an overall manner the spirit of the general line for carrying out production with greater, faster, better, more economical results with emphasis on the quality of products."⁶⁰ Quality and austerity have become the watchwords; newspaper articles popularizing economy drives, mutual savings societies, thrift campaigns and technical innovations occupy front page positions. It appears that the emulation program, early geared to increased production only, with limited concern for workers, developed increased sophistication and shifted emphasis in the hope of producing quality products while maintaining worker morale. In fact, a major aspect of the Cultural Revolution has been a return to ideological, rather than material, incentives.⁶¹

It is difficult to say how successful the combined programs have been. In absolute terms, of course, China's industrial growth during the past two decades has been enormous. There have been setbacks,

⁵⁹ CHINA RESEARCH ASSOCIATES at 397.

⁶⁰ Peking Worker's Daily, 6 March 1964, *reprinted in* SCMP, No. 3118, 31 March 1964.

⁶¹ BUREAU OF LABOR STATISTICS, UNITED STATES DEPARTMENT OF LABOR, LABOR DEVELOPMENTS ABROAD I (July 1968).

particularly in agriculture, and since the failure of the Great Leap Forward in the late 1950's there has been an increasing governmental concern for the agricultural segment of the nation. Production of rice, wheat and grain, for example, barely reached 180 million tons in 1965, which is somewhat less than food output in 1957, when there were about 100 million fewer Chinese to feed.⁶² In 1963, the Central Committee called for a shift in work of the industrial sections of the economy into the orbit of agriculture, noting that only when there is sufficient food supply could industry be speedily expanded. At the moment, the leaders seem to be pacing themselves, trying to maintain high production levels without sacrificing quality or increasing worker resentment with an over-all design of using industry to assist agricultural growth.

VI. EDUCATION

"We insist on the educational principle of all-around development. We consider that the only method to train human beings in all-round development is to educate them to serve working class politics and combine education with productive labor."⁶³

The Communists always have had a genuine philosophical commitment to education as a method of increasing popular support for national programs. They skillfully adapted the traditional means of learning to current needs through a change in curriculum and made several innovations in mass education. In the early years of the regime, the key problem facing the government was to offer the masses a rudimentary education in the doctrine of class struggle while simultaneously developing basic skills such as reading and writing. Spare time schools, generally run by the factories for their employees, were the answer. These schools developed slowly. Many enterprises elected to send key workers to full time technical schools or short courses rather than establish their own spare time institutions. The practice changed in the mid-1950's as the demand for workers to remain in the factories increased and more complete factory schools were established. The problems of inadequate funding, lack of time for proper study, inadequate numbers of qualified teachers and the lack of qualifications of the average student kept the program from rolling

62. See Washington Post, 16 January 1966, § L, at 1, col. 3.

63. Lu Ting-yi, *Education Must Be Combined with Productive Labour*, Red Flag, 1 July 1958, reprinted in CENTER FOR INTERNATIONAL AFFAIRS AND EAST ASIAN RESEARCH CENTER, COMMUNIST CHINA 1955-1959, POLICY DOCUMENTS WITH ANALYSIS 445 (1962).

along smoothly. During the late 1950's, disruptions in the work schedule, transfer of workers, and changes in shifts as a result of the severe economic problems further disrupted the spare time program by interfering with regular class scheduling. When workers were shifted to the countryside in the fall of 1959 to help combat the deteriorating agricultural situation, articles began to appear in the newspapers noting the general slow-down in the spare time program. In Tientsin, the largest industrial city in northern China, for example, enrollment figures climbed from 200,000 workers in 1958, to more than 400,900 with the momentum of the Great Leap Forward, but slipped to about 70,000 by 1962. Despite the 1955 goal of the National Conference on Spare Time Education—the eradication of illiteracy within three years—a report to the National Conference of Advanced Cultural and Educational Workers as late as 1960 merely advanced the hope that it was possible to “basically eradicate illiteracy among all young and able bodied workers within the next year or two.”⁶⁴ While the Communists have made significant strides, the problem has not yet been completely solved and there was evidence of retrogression among workers who had recently learned to read and write. Nevertheless, the government claimed in 1964 that 80% of the population could be classified as literate.⁶⁵

A second important form of education developed in China is the half-work, half-study school designed to be a self-supporting institution generally associated with a commune. The plan for these schools was adopted in 1958, and the most highly publicized and widespread form of school was the agricultural middle school, designed to fill the gap of education which had failed to penetrate into rural areas. The school takes students of normal junior middle school age (13-16) and teaches four basic subjects: Chinese language, mathematics, agriculture (including basic techniques of crop cultivation, irrigation and fertilizer application), and, of course, politics. Each school has its own agricultural or industrial plant whose production plans are incorporated into the basic commune plan. The work done by the students in the fields or factory is designed to offset the cost of operating the school.

The government views these schools as a means of satisfying the popular demand for post-primary education and as a method of

⁶⁴ People's Daily, 3 June 1960, reprinted in PRIESTLY, WORKERS OF CHINA 102 (1963).

⁶⁵ BUREAU OF LABOR STATISTICS, UNITED STATES DEPARTMENT OF LABOR, LABOR DEVELOPMENTS ABROAD 7 (April 1967).

training large numbers of youth in rural areas to serve the communes in a variety of lower level technical and administrative jobs requiring basic middle junior school education plus agricultural training. The schools, in theory, could function with fewer teachers and meet the ideological requirement that education be coupled with productive labor. Most important, the student body could be utilized for productive work without sacrificing political indoctrination.

From the outset these schools were troubled with a lack of qualified teachers, a lack of adequate facilities, shortages of funds, a poor distribution of time between labor and schooling, and less than enthusiastic administration. During the spring and summer of 1960 and into 1961, there was little indication in mainland publications as to the activities of these half-work half-study institutions. The opinion was voiced that the schools had run into new and even larger problems. Finally, in the fall of 1961, a conference held in Fukien called for a "re-establishment" of a number of these schools in that province. A modified half-work half-study program was then reinstated in early 1962. Under the new system, schools would no longer devote alternate days to work and production as they had done previously, but would run full time during the slack season of about four months with the students returning to their homes to work in the fields during the remainder of the time. While school is not in session, students are expected to participate in small group discussions or self-study. Schools are now financed by tuition payments, instead of income from labor, with additional funds provided by the communes themselves or by the government.

In 1964, a television work-study school was established to offer courses in mathematics, Chinese language and literature, and political science to senior primary school students who could not enter full-time junior middle schools. Lessons are taught under the pre-1962 system with three periods every morning devoted to study, three periods a week devoted to private study, and three afternoons a week devoted to work.⁶⁶

The 1950 directives assigned responsibility for all phases of education in the plants to the union. Management's role initially involved supplying facilities for the classes, but management later undertook increasing responsibility for teaching cultural and technical subjects.

66. Peking Worker's Daily, 23 November 1965, reprinted in SCMP, No. 3595, 10 December 1965.

Educational programs are, at all times, geared to the implementation of the Party program, and this aspect has generally remained the exclusive responsibility of the union cadre. In 1953-54, for example, the annual theme was the strengthening of work discipline; the 1956 program was more directly concerned with production and how to improve it. When the working class morale was affected by a series of natural disasters in 1960-61, however, lectures and discussions were organized to induce a return to confidence. With the decentralization of the control of education in 1958, administration shifted to the Enterprise party committee and management was relieved of its responsibilities. Now the party committee retains control, though formal authority and routine administration is assigned to the unions.

Informal methods of education are also used. The government sends newspapers and simple picture books into the local villages several times a week to stimulate the literacy campaign. And the government, at all times, attempts to increase the social pressure against illiteracy.⁶⁷

The recent period of the Cultural Revolution saw a total breakdown in the educational system. All educational institutions were closed in the spring of 1966 and a general educational reform was begun. Only in the past year or so have schools reopened. Changes in educational policy, or, more correctly, a return to older policies, seem to be a major legacy of the Cultural Revolution. It appears that the basic educational course will be reduced from 12 to nine years, and higher education will be downgraded except in science and engineering.⁶⁸ Competitive entrance examinations for upper middle schools and universities probably will be replaced by a recommendation procedure which places greater emphasis on giving the limited vacancies to young people with "acceptable" political views. There will undoubtedly be yet another attempt to merge the schools and factories. *Red Flag*, in fact, recently expressed the hope that education would be taken from the intellectuals and returned to the control of the working classes.⁶⁹

VII. SAFETY REGULATION

When the Communists came to power in 1949, safety regulation was either nonexistent or ineffective. Early attempts by the Communists to correct the situation were not completely successful but there has been

67. See W. GEDDES, *PEASANT LIFE IN COMMUNIST CHINA* 14 (1963).

68. *N.Y. Times*, 11 May 1969, at 7, col. 1; *N.Y. Times*, 24 July 1968, at 14, col. 1.

69. *Red Flag*, 14 October 1968, reprinted in *SCMP*, 12 November 1968.

a conscientious effort on the government's part to improve the conditions in factories and other state enterprises. State Council regulations, passed in 1956, provide the basic rules for safety and sanitation in factories, installations, and building projects.⁷⁰ Unlike the rather haphazard enforcement which characterized Nationalist attempts at factory supervision before 1949, safety checks are now conducted on a periodic basis and many mines and factories now require their workers to attend safety classes and pass safety examinations. Where specific problems arise, government regulations are adopted,⁷¹ and safety and hygiene receive constant publicity.

A national conference on industrial hygiene and occupational diseases, at which over 500 papers were submitted, was held in 1964.⁷² A special shop in Shanghai, at which more than 400 industrial safety and health devices are available, opened 14 retail branches in 1965. Most important, the "Anticipate 100 Accidents" campaign, begun in 1961, is designed to indoctrinate the workers to the laws of industrial safety. Each factory is required to make long-term anticipations regarding possible accidents based on their general operation. Next, seasonal checks are made. Finally, daily inspections are made on the basis of actual operation on given days and for given shifts. This series of inspections is designed to uncover unsafe conditions, make repairs when necessary and eliminate unsafe conditions or practices. There are, of course, reports of factories which still do not have adequate safety equipment, and the safety program will never be totally successful as long as the government pushes hard for ever-increasing production. However, with the recent shift in emphasis from quantity to quality of production, there could be a corresponding decrease in accidents.

VIII. SOCIAL INSURANCE

Although the Peking government spends an equivalent of millions of dollars for labor insurance in the state-owned and publicly operated

70. STATE COUNCIL REGULATIONS ON FACTORY SAFETY AND SANITATION, 25 May 1956; STATE COUNCIL REGULATIONS GOVERNING SAFE WORKING CONDITIONS IN BUILDING CONSTRUCTION AND INSTALLATION PROJECTS, 25 May 1956.

71. Regulations concerning the prevention of silicosis, for example, coupled with the proper use of ventilation systems, protective clothing, artificial sun rays and proper sanitation in the mines led to a marked reduction in the disease. See SCMP, No. 3170, 3 March 1964.

72. See NEW CHINA NEWS SERVICE, 23 April 1964, reprinted in SCMP, No. 3208, 29 April 1964.

factories annually, there are indications that insurance benefits are still a plum for the favored worker. Equally important, the bulk of the working population—particularly in agriculture—is unaffected by labor legislation.⁷³

The basic insurance regulations, formulated in 1951 (and amended in 1953 to extend coverage to more industries, eliminate certain time limitations on the receipt of benefits, and raise the amount of benefits), are applicable to all state-owned and cooperative factories, mines and other enterprises employing over 100 persons.⁷⁴ The total cost of the program is borne by management which pays into an insurance fund an amount equal to 3% of the total payroll. The fund pays the total expense of treatment, medicine and hospitalization for both on-the-job and off-the-job sickness and injury. In the case of off-the-job injury or illness, the cost of expensive medicine, hospital meals and travel expenses are borne by the patient unless he is economically unable to pay. During the period of confinement for a work-related disability, full wages are continued. Non-work related disabilities allow a worker 60-100% of wages during the first six months of confinement and 40-60% after that. Workers totally disabled at work receive a pension of 75% of their wages for life. Non-job related total disability carries with it a pension of 40-50% of total wages depending on need. Wherever possible, management is obliged to find new, more suitable employment for partially injured workers but in no case may the new salary, plus the partial disability payment, equal more than the old wage. Workers and lineal dependents receive free treatment at the clinic or hospital maintained by the enterprise but the dependents must bear part of the cost of medicine.

Death benefits are paid to the family of deceased workers at the rate of three months' wages for job-related death; two months wages for death occurring off the job. In addition, each family may receive a monthly pension equal to about 25-50% of the worker's wages until the family is no longer in need of additional assistance. An amount equal to one-half of the monthly average wage of the worker is paid in case of the death of any family member over the age of ten.

Chinese industrial workers ordinarily retire at age 60 and women at

⁷³ See BUREAU OF LABOR STATISTICS, UNITED STATES DEPARTMENT OF LABOR, DIGEST NO. 20, LABOR CONDITIONS IN CHINA (COMMUNIST) 3. In some areas state built houses go vacant because of excessively high rentals.

⁷⁴ LABOUR INSURANCE REGULATIONS OF THE PEOPLE'S REPUBLIC OF CHINA, 26 February 1951, amended 2 January 1953.

50 with both retiring five years sooner in jobs requiring hard physical labor. The retirement pension ranges from 40-70% of wages depending on the number of years the worker has been employed in a particular enterprise, the number of years of continuous service, and the type of occupation.⁷⁵ In all cases, the worker may continue to work beyond the retirement age if his services are needed in the enterprise. Travel expenses to the place of retirement are paid for by the insurance fund and retired workers continue to receive free medical benefits. Provision, of course, is made for higher benefits to model workers. A 1955 decree covering those workers who are unable to continue working but who fail to fall within the ordinary retirement regulations makes provision for a lump sum retirement payment.⁷⁶

The regulations concerning maternity leave allow 56 days combined leave before and after childbirth with an additional 14 days permitted in cases of difficult labor. Up to 30 days leave is permitted for miscarriages upon the recommendation of a doctor.⁷⁷ Workers who are required to live away from their spouse or family so that they cannot visit them on established holidays receive home leave once a year. The leave period is from two to three weeks depending on distance. Travel expenses are paid by the worker but management is required to provide a subsidy for needy workers.⁷⁸

The insurance program is theoretically administered by trade union committees who must report to regional or municipal committees. The All China Federation of Trade Unions administers the total program and is responsible directly to the Ministry of Labor. In actuality, however, management often handles these matters, particularly in state organs, and the Party dictates over-all policy and is responsible for its enforcement although it may act through the trade union, the state or local party agency.

In addition to social insurance, the state, unions and factories provide free cultural and recreational facilities for the workers and their

75. PROVISIONAL REGULATIONS GOVERNING RETIREMENT OF GOVERNMENT WORKERS, Dec. 29, 1955, *reprinted in* UNITED STATES JOINT PUBLICATIONS RESEARCH SERVICE, LABOR LAWS AND REGULATIONS IN COMMUNIST CHINA 7 (1958).

76. PROVISION FOR TERMINATION OF SERVICES, 29 December 1955, *reprinted in* UNITED STATES JOINT PUBLICATIONS RESEARCH SERVICE, LABOR LAWS AND REGULATIONS IN COMMUNIST CHINA 9 (1958).

77. STATE COUNCIL REGULATION CONCERNING MATERNITY LEAVE, 26 April 1955, *reprinted in* UNITED STATES JOINT PUBLICATIONS RESEARCH SERVICE, LABOR LAWS AND REGULATIONS IN COMMUNIST CHINA I (1958).

78. See R. DEVERALL, *PEOPLE'S CHINA: SWEAT SHOP ARSENAL* 196-218 (2nd ed. 1954).

families. In Shanghai, for example, the textile workers alone have over 400 recreational clubs, several choral, dancing and art societies, and over 600 child care centers.⁷⁹ Trade newspapers, worker discussion groups and a theatre for worker-written plays comprise a part of the recreational program. Partly due to the lack of trained personnel, and partly due to inexperience, Communist sources have revealed that in many cases labor insurance funds have not been properly used for the benefit of the workers, particularly during the early stages of implementing the program. Little is known of how the Cultural Revolution affected the social insurance and related programs.

IX. TRADE UNIONS

“Mass organizations are the tentacles which enable the government and Party to extend their control to the various groups and levels of the population.”⁸⁰ The mass organization, a unique aspect of Communist life, bridges the gap between the Party and the government on the one hand, and the individual on the other, reaching each person in his social or professional role in ways in which the government cannot. And the labor union is the prototype of the mass organization. As former consul-general O. Edmund Clubb observed:

[T]he labor organizations function no longer to look simply to the benefit of labor but, apart from dealing with labor-management contracts and handling labor welfare, to indoctrinate labor, to increase production and carry out state policies.⁸¹

An indication of organized labor's mobilization and involvement in the over-all Communist purpose readily can be seen in a brief study of the “Three Anti” and “Five Anti” campaigns of the early 1950s. These campaigns were ostensibly to root out corruption, fight waste and bureaucratism, and eliminate shoddy, inferior workmanship on government projects (several high officials at the time maintained large offices, possessed foreign cars, yet did little productive work), but the campaigns were also prompted by the mounting costs of the Korean conflict. Private merchants, manufacturers, and the middle class were the principal targets. During the campaigns, labor leaders and unions—at the behest of the government and the party—applied

79 See K. CHAO, *THE MASS ORGANIZATION IN COMMUNIST CHINA* 45 (1953).

80 Chen & Chen, *The 'Three Anti' and 'Five Anti' Movements in Communist China*, 26 *PAC. AFF.* 3, 14 (1953).

81 O. CLUBB, *TWENTIETH CENTURY CHINA* 312 (1964).

pressure on businessmen to "confess their sins," reveal their illegal profits and return "stolen" money to the people. The *Workers Daily*, the organ of the All China Federation of Trade Unions, said on May 1, 1952: "Under the leadership of the Economy Checkup Committee, trade unions should organize the working masses to supervise the capitalists so that they may be restrained from repeating acts of the 'five poisons.' This is the main task confronting employees and workers in private enterprises."⁸² The unions did a good job of rooting out "corruption" and by the time the campaigns ended, businessmen, though not toally eliminated as a class, had been stripped of their wealth and self-respect. The government had acquired large sums of money from the business community, many of the former high party officials had been executed, and the labor unions had been transformed into a vital and important instrument of governmental control.

There is, or at least was, virtually total identity of program among the government, the party, and the trade unions. This unity was fostered by the close interlocking of top leadership between the party and the ACFTU, the national labor organization. However, as of early 1967, the status of the ACFTU was doubtful, as its offices were taken over by supporters of the Cultural Revolution while its publication, *Workers' Daily*, was suspended. The organization's position in the post-Cultural Revolution period continues to remain in doubt although it is likely that the union, like other institutions, will experience a leadership change rather than dissolution.

The ACFTU was founded in 1922 and all local unions are required to be affiliated with it.⁸³ The union claimed 21 million members as of 1963, and like the party and other mass organizations, it is organized in accordance with the principle of democratic centralism with ultimate theoretical authority vested in a National Congress. No national congress has been held, however, since 1957. The Congress defines policy and tasks for the member unions, approves reports designed to insure the fulfillment of state production plans, and determines the tasks of the international labor movement. The Executive Committee is responsible for policy during the recess of the Congress and the twenty-eight man Presidium directs the organization during any recess of the Executive Committee. The real power, as might be expected,

82. See Intellectual Freedom, Red China Style (testimony of Chi-chou Huang), *Hearings before House Un-American Activities Committee, 87TH CONGRESS, 2d Sess.*, 1165, 1208 (1962).

83. THE TRADE UNION LAW OF THE PEOPLE'S REPUBLIC OF CHINA, art. 1.

rests with the few party veterans who hold all the important executive positions. Their power was solidified when a change from the 1948 Constitution eliminated from the national organization those unions which, although supporting the Communist program, were not Communist affiliated.⁸⁴

Membership in a union is voluntary although some official Regulations offer union members special benefits. The insurance law, for example, provides that union members receive twice the amount of certain benefits as non-union workers. All wage workers, including specifically "manual and brain workers . . . whose wages constitute their sole or main means of livelihood . . . shall have the right to organize trade unions."⁸⁵ This grouping of all workers is in keeping with the ideological concept of equalitarianism, but the social status of intellectuals, technicians and administrative personnel—at least prior to the last two or three years—had remained above that of the ordinary worker. This is in keeping with the dichotomy long established in Chinese custom. Women, of course, have equal rights. With membership dues set at 1% of the worker's wages, any additional cost of union upkeep is paid for by placing a tax on the factory equal to 2% of the total wages paid. The Trade Union Law gives union representatives the right to inspect factories and enterprises and, in the days of private enterprise, all contracts between state agencies and private enterprises were required to be signed by a union official. In addition, the international arm of the union maintains friendly relations with Communist labor movements in 50 other countries and plays an active propaganda role in world affairs. The unions frequently invite foreign labor leaders, both Communist and non-Communist, to visit China. Most unions also perform diverse quasi-governmental functions such as the administration of the national insurance program. The unions, too, have been plagued by inefficiency and dishonesty. Following a widely publicized scandal in 1950 in which a cadre absconded with about \$6,500 in union funds, the ACFTU adopted a number of measures aimed at improving its financial structure. And, as noted above, the top leadership of the union has been deposed during the recent purge.

X. CONCLUSION

Much remains unknown about the labor law and problems within mainland China. Indeed, much remains unknown about every aspect

84. See CHAO, note 79, *supra*, at 7.

85. See THE TRADE UNION LAW OF THE PEOPLE'S REPUBLIC OF CHINA.

of Chinese life. Information is scarce. Labor law frequently consists only of official decrees and sporadic interpretations which often appear in the form of letters to the editor of Chinese newspapers. Even such decrees may reflect aspirations rather than actual practice. The lack of many fixed rules offers the leadership the flexibility which it feels it must possess in order to make effective changes in policy.

It is clear, however, that Chinese labor policy, although not uniformly successful, resulted generally in higher wages, better living conditions, and greater personal security for the individual and his family. The price in human terms may have been high, but as Professor John Fairbank astutely stated:

In the new China, as in the old, the individual is given a different evaluation in society and vis-a-vis the state. We may well argue that our evaluation of the individual and the institutions by which we protect him are preferable. But we cannot show how our view can ever be realized within the crowded circumstances of Chinese life.⁸⁶

“[T]he potentialities of our type of individual freedom under law are limited in China. The alternatives to Communist tyranny there must be sought by the Chinese people within a narrower range of possibility than we would like. We have to face the implications of this fact.”⁸⁷