

# 1951

*We encountered Li Lisan in 1922 at Anyuan, where he was establishing a workers' school and organising miners and railway workers into one of the most consequential strikes of that era. In the following years, he experienced several political setbacks and ended up spending fifteen years in disgrace in the Soviet Union. We now meet him again in Beijing in 1951, holding the concurrent positions of Minister of Labour and head of the revived All-China Federation of Trade Unions (ACFTU). Founded in 1925 as a coordinating body for leftist unions nationwide, the ACFTU had fallen into disuse in the 1930s and was reestablished only in 1948 as the Chinese Communist Party (CCP) was gearing up to take power. In those early years, when the institutions of the new Party-State were still in flux, it was unclear what role a trade union was supposed to play in a new order in which power was held by a political party that claimed to represent the 'vanguard of the working class' and pledged to work for improvements in workers' conditions while at the same time vouching to protect the interests of entrepreneurs and maintain appropriate levels of profit.*

*The first months after liberation were chaotic. According to Mark Frazier:*

[T]housands of private-sector employees left unemployed by the collapse of industrial activity during the civil war returned to their factories to demand their jobs back. They wanted higher wages, improvements in benefits and working conditions, and guarantees of full-time employment. In the State-owned factories, Communist military cadres who had been placed in certain critical factories to 'supervise' factory directors often seized power from them, with predictable upheavals in basic operations.<sup>1</sup>

*This led to a situation in which 'workers struck at will and frightened capitalists closed their factories.'<sup>2</sup> Speaking at an international union conference in November 1949, even Li Lisan had to concede that the situation in the previous months had been untenable:*

In private enterprises, after the liberation of each city, waves of workers' struggles immediately ensued. As the capitalists lost the support of the reactionary regime, they could not but make concessions to the demands of the masses ... However, the demands of the workers were sometimes too high. Their actions and forms of struggle were in some cases inordinate. This had effects on the close down of some enterprises, stoppage of production, and the passive running away of the capitalists; these are detrimental to the paramount interests of the resumption and development of production.<sup>3</sup>

*The necessity to restore production and regain control over the economy led the Party to strengthen the political role of the ACFTU—a move that caused widespread mistrust and even hostility among the workers, who perceived the union as a tool in the hands of management. In response, in August 1950, the authorities launched a campaign against 'bureaucratism' (官僚主义) within the ACFTU, encouraging it to be more open and responsive—and less formal and rigid—to the needs of workers.<sup>4</sup>*

*Against this uncertain background, in August 1950, the People's Daily and Workers' Daily published a speech by a Party cadre named Deng Zihui on the work of the ACFTU in southern and central China.<sup>5</sup> According to Deng, the union had become detached from the masses. Going even further, he argued that, although in the public sector the union and the Party were both working for the wellbeing of the workers and the country, some differences between the functions of the union and those of the Party could not be avoided. For this reason, he reckoned it was necessary to admit that, in certain circumstances, it was possible for the union to adopt a 'standpoint' (立场) different from the Party's.*

*Li Lisan intervened in support of Deng's thesis. In a speech given in March 1951, he affirmed that, although under the new government the administration and the working class converged, it was inevitable for 'some minor contradictions' (些小的矛盾) between workers and management to survive. For instance, even in the state sector there could be disagreements regarding wages.<sup>6</sup> Still, Li was careful to express his disagreement with Deng regarding the existence of different standpoints between the union and the administration. Such a distinction was substantively wrong because*

under the 'New Democracy', public and private interests overlap and therefore the standpoint of the union and the administration

also overlap. Wherever there is a difference, it can just be said that it is a matter between 'essential standpoint' [基本立场] and 'particular standpoint' [具体立场].

*In other words, the Party determines the essential standpoint, while details may require modification to suit particular situations.*

*In a draft official document written on behalf of the ACFTU in September 1951, Li further distinguished between two sets of potential contradictions that could affect the work of the union: the contradiction between 'general interests' (整体利益) and 'individual interests' (个人利益), and that between 'long-term interests' (长远利益) and 'ordinary interests' (日常利益).<sup>7</sup> In his view, while*

in the state enterprises the workers are the owners and there are no class conflicts nor exploitation, therefore the effects of the development of production are always beneficial for both the individual and general interests of the working class, as well as for its long-term and ordinary interests, [it was impossible to deny that] there remain some contradictions in the practical problems of workers' lives, on issues regarding labour conditions.

*On this basis, he argued that it was of the utmost importance that even state enterprises be equipped with a union strong enough to represent the workers and protect their interests. A few months later, in October 1951, Li Lisan repeated his views in a report directly addressed to Mao Zedong, urging him to take a position in the debate, but received no response.<sup>8</sup>*

*The clash quickly came to a head at the end of 1951. On 20 December, during an enlarged meeting of the Party group of the ACFTU, Li was subjected to ferocious criticism.<sup>9</sup> In strict Party jargon, he was accused of having committed three fundamental mistakes: first, he had 'completely misunderstood the nature of state enterprises', confusing the relations between workers and enterprises under the new socialist government with the previous situation under the rule of the Nationalist Party; second, he had 'denied the role of the Party as a guide of the union, considering the latter as the highest representative of the working class'; and third, he was guilty of 'subjectivism' (主观主义), 'formalism' (形式主义), 'routinism' (事务主义), and 'paternalism' (家长制的作风). The Party group relieved*

*Li Lisan of his position in the organisation on the grounds that he had encouraged worker autonomy to the detriment of Party control; three years later, he was dismissed from the Ministry of Labour as well.*

*In this speech given in March 1951 at the Second National Congress of the Electric Industry, we hear in Li's own voice what he thought about the contradictions between management and unions at that critical juncture in Chinese history.<sup>10</sup>*

# Li Lisan on the Relationship between Management and Unions

Li Lisan

(Translated by Malcolm THOMPSON)

Yesterday, I had a conversation with a few representatives who do union work. During this discussion, I learned that the relations between management and unions in many of our factories are not good enough, so I would like to take this opportunity to talk about this relationship with everybody concerned. If the relationship between management and unions is not good enough, in the first place, it is the responsibility of our comrades who do union work, or at least it shows that these comrades are not good at actively persuading management. As Chairman Mao says: 'Unions must actively persuade management to rely on the masses and must actively persuade the capitalists to unite with the masses.' We should earnestly study and realise this instruction.

There are people who say that the bad relations between management and unions are due to their different standpoints: unions represent the interests of workers while management represents the interests of the state, and the state is a dictatorship of four classes, so the standpoint of management is that of the four classes. This formulation is of course incorrect, because in our new democratic country, public and private interests are essentially the same, and the essential standpoint of both management and unions is thus naturally also the same. If there are still differences, we can only say that it is a question of differences between the essential standpoint and particular standpoints.

China is currently in the stage of New Democracy, so only by working together can the labouring masses be paid according to their work, and the principle of 'to each according to their needs' remains out of the question.<sup>11</sup> As a result, in the wage system that is in effect today, some minor contradictions between the public and the private inevitably remain. For instance, the management side, in order to implement economic accounting to reduce costs, will inevitably wish to reduce wages a bit; conversely, the union side, in order to attend to the lives of the workers, will, equally, wish to raise wages a bit. This is because management represents public interests more, and unions represent private interests more.

It is not at all the case that management represents *only* public interests and unions *only* private interests. The contradiction that arises in this way between public and private is by no means an antagonistic contradiction, but rather a contradiction between the essential standpoint and particular standpoints. It can be resolved using the method Chairman Mao has indicated of 'balancing public and private interests.' If we wish to resolve this contradiction, we must first of all improve relations between unions and management.

There are people who say: 'If this is the case, let management implement the balancing of public and private interests. Why bother with unions?' We say that not involving unions is impossible. This is because the responsibility of the factory manager is to increase production and reduce costs, and anyone who is good at these things makes a good factory manager. In circumstances like this, if there is no union, it is very easy for management to focus only on this aspect and discard the other aspect. The union has the function of crying out. The union uses the method of crying out and always making sure management is paying attention, so that the measures taken by it will not lean too far towards one extreme or another and give rise to deviations. Actually, this is the principal assistance that the union gives to management. Without it, management can easily forget about the balance of public and private interests, and it can place public interests first and private interests last or give everything over to public interests and leave nothing to private ones. There is still some sense in the principle of placing public interests first and private ones last, but wishing to give everything over to public interests and nothing to private ones simply will not work. However, in their work of persuading management, our comrades who work in the unions must never forget that public and private interests are essentially the same, and that basically means improving production. If this is forgotten, they will commit the error of one-sided unionism. Our comrades who do union work must realise: the standpoint of the essential is higher than that of the particular, and the particular standpoint should be subordinated to the essential standpoint. In this way, contradictions can be integrated.

The form of union work often adds to the troubles of management, but in its essence, it is management's only support. This is because if management wishes to improve production, it must rely on the masses. The organisational form of management's reliance on the masses is its reliance on the union. Without the union, management would have no support and it would be impossible to improve production. Since management must

necessarily rely on the union, the union must also maintain this support and not let its side of things break down. Because of this, management has a responsibility to help the union to be strong and must foster the masses' trust in the union. How can this be done? First, under current conditions of possibility, management must try its best to resolve the demands made by the union on behalf of workers. For instance, if workers raise a demand for drinking water in the workshop, if management does its best under current conditions of possibility to provide a satisfactory solution, then the workers will feel that the union can get things done for them, and then they will believe in the union. If management then wishes at some point to rely on the support of the union to launch a production competition, the workers will have the power to speak, they will be easily appealed to, and it will be easy to improve production. Having resolved the minor problem of drinking water for workers in the workshop, trust in the union has been fostered; when the union has this trust, it is possible to solve major problems in production. If this is not the case, the working masses will say that the union has become the tail of management, which will be harmful not only to the workers' trust in it but especially to the improvement of production. Second, also under current conditions of possibility, it is necessary that the union does more of the things that incur gratitude and management does more of the things that incur blame. In reality, though, the opposite is often the case. I remember that a certain factory was unable to distribute a tonne of coal to each worker as scheduled due to transportation problems. Management asked the union to explain this to the workers, and it took a lot of effort for workers just to understand the situation. When the transportation problem was resolved and the coal arrived, management did not tell the union, and issued a notice on its own allowing workers to come and get the coal. After seeing the notice, the workers sought out the president of the union and said that they could now get the coal, and because the president did not know this in advance, he carried on as before, to the point that the workers had to drag him over to look at the notice himself. This way, it was management that got the gratitude and the union that got the blame, which greatly undermined workers' trust in the union. Henceforth such incidents must be given attention and corrected.

However, the labour union cannot simply function as a loudspeaker for every demand the workers make. Workers' demands can basically be divided into three types. The first type are demands that are both reasonable and achievable. With this type of demand, the union must persuade

management, and management must do everything it can, and if it cannot be resolved, it must be reported to higher authorities. The second type are demands that are reasonable but impossible to achieve. With this type of demand, the union must first explain the situation to the workers and explain the obstacles to its achievement, and then confer with management about whether or not the demand can be at least partially met. If management considers the results of this consultation and a portion of the demand still cannot be met, this must be patiently explained to the workers. This way, after repeated explanations and consultations, the problem will be solved in the end. The third type are demands that are both unreasonable and impossible to achieve. With this type of problem, the union can only actively persuade the workers according to the real situation, and if it is unable to, it must convene the masses for a discussion and use the power of the masses to sanction individual workers. These are the three approaches that the union should take in representing the interests of the masses.

The Trade Union Law was promulgated by the Central People's Government. It is not only the law of union members, but also the law of relevant management personnel. As a result, the relevant management personnel also have a responsibility to observe or actively implement it. If the Trade Union Law is to be put into effect well, it must be observed and implemented by both the union and management together. Over the past year, every factory has implemented the Trade Union Law and, although some have certainly done very well, the great majority have not. Take, for instance, the problem of union cadres. According to the regulations of the Trade Union Law, they can be transferred by management, but management must first seek the consent of the union. But in reality, there are many factories that transfer union cadres without having sought the approval of the union in advance, and this gives rise to problems. The union side complains about the instability of its cadres, and the management side has the sense that it is being diverted from its tasks and bothered by the union. In fact, the union has a responsibility to develop cadres for management, and management can of course transfer cadres from the union, but it must take the work of the union fully into consideration before the transfer is done. If the transfer is done without full consideration and without seeking unity, this will affect the work of the union. So, there are a number of union cadres that have been transferred out this year who need to be transferred back to the union.

We must be aware that management and unions are an integrated whole and recognise that unions help management to accomplish its tasks. Therefore, management must also come up with a way to help unions solve their cadre problems, and properly consider which cadres are suitable for union work. If technical personnel are used for union work, obviously this is harmful to production. If cadres who are unnecessary for production are transferred from the trade union, this is similarly harmful to union work. The interests of management and unions are basically the same, and there is no contradiction. If contradictions arise, it is the result of feelings of resentment. Only if management and unions are united can production be improved. Generally speaking, union cadres are worse than management cadres, so management is responsible for giving assistance to union work and providing stability to union cadres. Without the help of the factory director, it is difficult to improve the work of the union. If the work of the union is not improved, neither can production work be improved. This year we have examined the relations between management and unions in every factory. We have done better in factories in Shijingshan, Nanjing, and Xi'an. We should extend their model achievements to other factories.