

# Confronting the State: The Strike Wave of 1957

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In January 1957, workers from the No. 296 Factory (an arms plant) in Chongqing surrounded the offices of the Chinese Communist Party (CCP) secretary and manager, demanding an immediate pay raise.<sup>2</sup> As more and more people gathered and the tension increased, soldiers equipped with machine guns were called in to disperse the crowd. With martial law enforced in the factory, hundreds of workers then marched to the Chongqing Municipal Party Committee building to file complaints. This was but one of many worker protests that broke out in Chinese factories in 1957. Although sporadic labour protests had occurred regularly in the early years of the People's Republic of China (PRC), that year witnessed worker unrest on an unprecedented scale. Why did workers protest then and what were their claims?

After coming to power in 1949, the CCP faced dire economic conditions. Skyrocketing inflation forced the government to adopt policies that caused bankruptcy and unemployment. In the meantime, the new regime's policies, aimed at restructuring the political economy of the country, such as the socialist transformation of industry and commerce of 1953–56, led to a decrease in real income for workers.<sup>3</sup> While scattered protests had already taken place in the country, pent-up discontent among workers erupted when the Hungarian uprising of 1956 and Mao's Hundred Flower Campaign of 1957 emboldened them to speak out and take to the streets (see Gipouloux's essay in the present volume).<sup>4</sup> Starting from this basic premise, this essay argues that the labour unrest of the 1950s was rooted in inherent tensions in the state's efforts to reconstruct its relations with labour. With the state's increasing control over industry and the emergence of paternalistic institutions, workers came to see the state, as it presented itself, as the patron of their interests and therefore expected economic protection from it. As a result, the disjuncture between the state's socialist promises and some of its policies and practices often disappointed workers and became a major source of grievance.

## Dilemmas

It was crucial for the CCP, as a party that claimed to be the ‘vanguard of the working class’ (工人阶级的先锋队), to ensure the support of urban workers because it was a political and ideological prerequisite for its legitimacy. As early as March 1949, before the CCP declared the founding of the PRC, Mao Zedong stated that the Party ‘must rely wholeheartedly on the working class’.<sup>5</sup> Yet, in its efforts to build relations with the working class, the new regime had to confront a profound quandary rooted in the tension between the state’s heightened image as a workers’ state and its actual practices, which were mostly concerned with policymaking and the daily performance of state actors and agencies down to the grassroots level. In particular, this essay identifies three dilemmas that reflect the inherent tension between the state’s image and its practices.

First, the CCP’s policies to reconstruct an economy in dire condition in the initial years of the PRC constrained the regime’s capacity to deliver and satisfy workers’ economic expectations. To fight hyperinflation in the early years after the takeover, the CCP enforced a series of austerity policies that resulted in extreme deflation, which, in turn, caused widespread bankruptcies and unemployment. In the same period, the CCP launched the Three-Anti Campaign (三反运动), which targeted Party bureaucrats (the three ‘antis’ being anti-corruption, anti-waste, and anti-bureaucracy), and Five-Anti Campaign (五反运动), which targeted private employers (the five ‘antis’ being anti-bribery, anti-theft of state property, anti-tax evasion, anti-cheating on government contracts, and anti-stealing state economic intelligence). This further depressed numerous factories and shops and caused massive layoffs. The Socialist Transformation (社会主义改造) campaign that followed in 1953, with the aim of nationalising private businesses, created even more difficulties. The new government’s inability to prevent wage cuts or stagnation exacerbated workers’ resentment.

Second, when it began to run modern industry, the new regime faced conflicting goals. In the pursuit of industrialisation, it had to adapt to certain new managerial practices that were incompatible with the Party’s ideological goals. As the government pressed for the fulfilment of production targets and increased industrial efficiency, some workers felt they were still oppressed. To explain labour unrest, as well as other social

protests in the 1950s, Mao and the CCP attributed it to the ‘bureaucratism’ (官僚主义) of state officials—a term that denoted the managerial style and practices that were considered to be opposed to socialist tenets such as equality and workers’ participation in factory management.

Third, after taking over urban industry, the state began to establish a socialist factory system organised around ‘work units’ (单位). A substantial proportion of industrial workers benefited from the new system, which provided them with access to housing, education, and health care as well as lifetime employment.<sup>6</sup> However, the new model did not provide a universal pact for all working people. It was applied only to permanent employees within state-owned enterprises. In the process of the regularisation and institutionalisation of the workforce, a large proportion of workers who were once hired on an informal and temporary basis were dismissed, their demands for formal employment denied. Most were forced to return to the villages from which they came; many more found themselves in limbo. Many protests in the 1950s were triggered by workers’ resentment about being excluded.

These three dilemmas created a discrepancy between the new regime’s socialist rhetoric and the harsh reality with which workers had to live, causing disappointment and disillusion. Thus, their complaints were framed in terms of unfulfilled promises explicitly directed at the Party and the State.

### Wages

Wages and welfare benefits were inflammatory issues that ignited much labour unrest in this period. For instance, in February 1953, as a result of the enforcement of very strict criteria imposed by the Industrial Department of East China, wage reform in the Second Plant of the Shanghai Steel Company shattered workers’ expectations of a wage increase.<sup>7</sup> Angry workers surrounded the factory office, demanding an explanation from the Party secretary and director. The Party secretary showed them the document that proved that the criteria were actually set by the central government. However, the workers refused to believe this and claimed that they would write to Chairman Mao to clarify the matter. The protest turned nasty as workers discovered that their complaints could not be redressed. Similarly, in late 1956, workers’ demands for a pay raise led to a series of strikes, work stoppages, and petitions in Tianjin. In one case, stevedores in the port city not only surrounded the port office, confronting

administrative and union cadres, but also twice sent representatives to the Labour Ministry and the All-China Federation of Trade Unions to complain about their low wages and economic hardship.<sup>8</sup>

The year 1957 saw a dramatic rise in the number of labour riots, particularly in Shanghai. In May and June, protests involving 27,000 workers broke out in 548 enterprises in the city; 94 percent of these protests (that is, 518 of 548) occurred in joint-ownership enterprises and 42 percent (230 of 548) were triggered by wage disputes, while an almost equal number (41 percent, or 229 of 548) were over welfare benefits.<sup>9</sup> The *Internal Reference Report* described some cases. In one instance, on 19 May 1957, more than 600 workers from Xinfeng Textile Factory held a rally to demand the restoration of their wage rate, which had previously been reduced when the economy was in difficulty.<sup>10</sup> On the same day, more than 100 workers from Tianxiang Woollen Mill also gathered to demand the restoration of their wages to previous levels.<sup>11</sup> These incidents show how the protests were motivated by workers' demands for their wages to be restored to the levels experienced before the socialist transformation. They were angry about wage reductions and questioned why their wages in the new society should be lower than they were before liberation.

#### Working Conditions and Management

Slack regulations and labour protection were another cause of workers' disappointment with the new regime, and were exacerbated by poor management. According to the *Internal Reference Report*, industrial accidents were common in many enterprises due to negligent and lax management (see also Wright's essay in the present volume). For instance, compared with the preceding year, the death rate in Hunan Province in 1954 increased by 225 percent, with most deaths caused by mine accidents.<sup>12</sup> The data also show that, in the first seven months of 1953, Shanghai saw an increase in the number of industrial accidents that resulted in death or injury—double that of the same period in the preceding year.<sup>13</sup> In one factory, Shanghai First Steel Plant, there were 858 industrial injuries in 1952–53 alone. In total, the *Internal Reference Report* documented 722 industrial accidents in 1955–56, with more than 100 deaths.<sup>14</sup>

The reports mentioned above indicate that enterprise management was responsible for these industrial accidents. Although enterprises under the new socialist regime were not driven by profit and did not face market competition, they were under pressure to fulfil output targets set by the

bureaucracy. Particularly towards the end of the First Five-Year Plan (1953–57), enterprises were pushed hard to complete production tasks. Forced overtime and excessive and intensified workloads were widespread. Management paid scant attention to safety and labour protection, and this was a major cause of industrial accidents and injuries. For instance, a factory in Shandong Province with an annual profit of 1.2 million yuan spent only 3,000 yuan on labour protection equipment.<sup>15</sup> In that province, 42 percent of industrial accidents were caused by a lack of labour protection measures.<sup>16</sup> Many enterprises and mines in Yunnan Province also failed to improve labour conditions or provide labour protection, and this caused many industrial injuries and occupational disease.<sup>17</sup> Workers were forced to work extra shifts, and fatigue led to accidents. In Shenyang, it was also common for workers to be forced to work extra hours; even pregnant women and young mothers less than four months after giving birth were not exempted. Jiangsu Province witnessed a high death rate from industrial accidents and overwork.<sup>18</sup> In Beijing, workers were asked to undertake additional hours, even on Sundays, as ‘voluntary labour’ (义务劳动).<sup>19</sup> One manager from Anshan Steel Company in Liaoning Province forced fifty-three workers to work twenty-four hours nonstop, telling them: ‘You can’t go home before the job is done; otherwise, you’ll be fired or your salary will be reduced.’<sup>20</sup> Workers from Shanghai Guanghua Machinery Factory complained that ‘the enterprise and trade union only want us to produce, produce, and produce more; they do not care about anything else.’<sup>21</sup> Management commonly practised ‘commandism’ (命令主义) and ‘punishism’ (惩罚主义) to deal with workers.<sup>22</sup>

### Exclusion

An employment system that divided workers into regular and temporary employees came to be implemented during the rebuilding of China’s industry in the 1950s. Not only did the two categories of workers have different pay scales and benefits (such as medical insurance, pensions, and so on), but also, more importantly, one group was entitled to lifetime employment while the other was not. During the economic recovery, unskilled labourers—including peasants and demobilised soldiers—were hired in large numbers for numerous construction projects that required heavy manual work and in enterprises that needed extra hands to catch up with output targets. However, they were treated very differently in

terms of wages and benefits compared with regular workers. Thus, they demanded to be classified as regular workers.

For instance, in March 1957, the Wuhan Yangzi River Bridge Bureau decided to dismiss more than 100 temporary workers after the completion of several designated projects and send them back to their rural hometowns.<sup>23</sup> The meeting at which the decision was announced was instantly disrupted and thrown into chaos as angry workers shouted slogans and marched out of the venue. The workers expected to become regular workers as they were promised that they would be granted such status if they worked hard. They quickly held their own meeting and raised their demand to become regular employees and to 'stay with the bridge for good'. They organised a picket in the sheds where they were living to prevent cadres from entering and dividing the workers with private contracts. A deputy head from the provincial industrial bureau was sent to the site to handle the crisis. Although no promise was made to promote them to regular employees, these workers avoided immediate dismissal by being transferred to another construction site.

In the same year, 190 dockworkers in Wuxi started a hunger strike to demand their status be upgraded from temporary to regular workers.<sup>24</sup> They were afraid they might be laid off in the Increasing Production and Practising Frugality (增产节约) campaign, in which many temporary workers in the city had already been dismissed. Their action was quickly imitated by workers in several other districts, and eventually the whole city was affected. The workers made it clear that, if they did 'not kick [the cadres'] ass, the problem would not be solved'.

### Workers in Action

The founding of the PRC brought 'liberation', which promised, among other things, a better life for the working class. The regime's socialist promises became a benchmark against which workers expressed their grievances. In Chongqing, protesting workers openly complained that the new government was 'no better than the old one' and 'the General Line [总路线] comes, we are unemployed'.<sup>25</sup> In Suzhou, it was reported that workers grumbled that 'the Communist Party has come, but we still have to work like an ox and a horse, from morning to night, from the beginning of the year to its end' and asked: 'Does this mean that we are the masters of the country?'<sup>26</sup> In Feng Feng Coal Mine in Hebei Province,

as the management arbitrarily docked workers' wages, one older worker complained: 'I have been working here for over thirty years; I worked at the time of imperialism. Our current system is worse than that under imperialism.'<sup>27</sup> When the socialist transformation reduced the private sector, which led to layoffs, workers in Tianjin responded sarcastically that the policy was designed not to reform capitalists, but to reform workers.<sup>28</sup> In July 1956, the *Internal Reference Report* carried a speech by a construction worker—a Party member and model worker—at a Party conference in Qingdao.<sup>29</sup> He described the dreadful lives of his fellow workers and complained that they were forced to work almost to their physical limits. In his speech, he expressed the hope that Chairman Mao and the higher-level Party organisation would send people to take a look at their situation.

Clearly, disgruntled workers attributed their grievances to the new regime and blamed it for its failure to fulfil its socialist promises. The official rhetoric was not only a source of disillusionment among the working class; they also used it to criticise the regime. Workers' protests were often framed in terms of 'anti-bureaucratism' (反官僚主义) and even 'democracy' (民主). In March 1957, a protest broke out in No. 116 Factory in Henan as a result of the mishandling of the job assignments of more than 300 newly recruited apprentices.<sup>30</sup> When municipal officials stood by the factory cadres, the workers criticised this as 'bureaucrats shielding one another' (官官相护). In some other factories, in Shanghai, protesting workers distributed flyers that called for 'democracy and equality' (民主和平等). When they were detained by police, they claimed the police's actions were against the Constitution.

The scale and methods of action varied. In one case, 4,000 workers from the Northwest Construction Company rioted in May 1953; in another, 3,000 workers were engaged in making collective petitions in Chongqing in June 1956.<sup>31</sup> Most of the cases reported by the *Internal Reference Report* involved a few hundred people. In Shanghai, the scale of worker action was registered by the fact that about 27,000 workers participated in protests in May and June 1957.<sup>32</sup> Workers also used collective petitioning to articulate their grievances. Of sixty-one incidents in Shanghai reported in the *Internal Reference Report* of 28 September 1957, twenty-three involved collective petitioning. Moreover, the report also noted that, by the end of 1955, nineteen 'illegal organisations' (非法组织) had been formed by unemployed and itinerant construction workers in the city, with a membership ranging from twenty to two hundred.<sup>33</sup> These orga-

nisations were behind a number of actions. For instance, shop workers in Shanghai's Huangpu district formed an 'anti-bureaucratism group' (反官僚主义小组) with the stated aim of 'protecting workers' interests' (保卫工人利益).<sup>34</sup> As mentioned above, in several reported incidents, worker groups were founded to establish pickets and headquarters and send representatives to negotiate wages with management. Protesting workers also intentionally pursued a strategy of 'making a big noise' or 'making the thing bigger', as they believed that otherwise their grievances would not be taken seriously and redressed.

### A Recurring Pattern

At the inception of the PRC, state-labour relations posed a challenge to the new regime. Despite its marginal role in the revolution, the working class was critical to the CCP in both ideological and political terms, as it had been consecrated as the most advanced social class, the one from which the regime derived its legitimacy. The Party ruled in the name of the working class, promising an industrial system that would ensure the social and economic status of workers. Nevertheless, the 'image' of the Party-State as the 'patron' as well as the incarnation of the working class was sometimes contradicted by many of the practices the workers experienced in the workplace, often on a daily basis.

The first labour protests in the history of the PRC arguably set a pattern of state-labour conflict that recurred in the years to come, especially during the period of industrial restructuring in the mid-1990s (see Ching Kwan Lee's and William Hurst's essays in the present volume).<sup>35</sup> As this essay has shown, the industrial system that was being built in the early 1950s already evinced characteristics of a 'moral economy' in which the state traded economic benefits in exchange for the workers' recognition of its legitimacy, and the workers derived their conception of justice and equity from the extent to which their interests were maintained by the state.<sup>36</sup> Such relations began to shape the workers' perception of the state as the patron that had a moral responsibility to ensure their interests. The installation of the paternalist enterprise system during the ensuing thirty years only served to entrench the workers' view of the state's responsibility for their wellbeing. This way the state's failure to maintain certain norms and standards that the workers expected from it came to be a major source of discontent, leading to extensive labour protests that reverberated well beyond the 1950s.