REDISCOVERING CHINESE SOCIETY
IN THE SOCIALIST ERA:
USING THE PAST TO SERVE THE PRESENT* 

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Introduction

Sociologists who specialize in China focus almost all of their research attention on the here and now. When we go to China to conduct research, we organize surveys and carry out interviews regarding contemporary concerns. As a consequence, during the past quarter of a century very little sociological research has been conducted about the extraordinary social changes that occurred during the period of Mao's rule.

This lamentably leaves us with too little knowledge of the first three decades of PR China history, with large areas of important research still left undone. Under Mao, China did not contain a single Sociology Department, and no sociological research of any kind was carried out during most of that period. The only sociological studies of China necessarily were conducted from abroad, by fewer than a dozen sociologists, who largely interviewed émigrés in Hong Kong. The two books co-authored by William Parish and Martin K. Whyte on rural and urban society are examples of the excellent work that could be done using this methodology. Nonetheless, it is obvious that conducting research inside China can provide more accurate information than was available to this earlier generation of scholars. Since the 1980s we have held the opportunity, but we have not taken much advantage of it to interview people about their social circumstances during the Maoist period.

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The 1950s, 1960s and 1970s witnessed major government experiments to reshape society that are almost unparalleled anywhere in history. The chances to examine this are now dwindling. The memories of people about their lives and the social situations and mores under Mao are fading, and the older generation has begun to pass away. If such research is ever to take place, it needs to be conducted soon. And if we do not sufficiently understand those decades, we will never adequately understand current-day Chinese society, which has evolved out of that recent past and still bears its imprint in current institutional settings, social mores, and deep-seated attitudes.

It can almost be guaranteed that practically every sociological issue has been under-studied for the Maoist period, be it on any aspect of family life, or any gender studies topic, or any topic concerning social stratification, social mobility, criminology, you name it. Some topics are unique to China. One that I think warrants renewed research involves the grassroots social upheaval of the Cultural Revolution in 1966–68. The factional conflicts that erupted between contending groups within society provided a window into the hidden social tensions and antagonisms that had built up during the years leading up to the Cultural Revolution. After the mass upheavals were suppressed in 1968 and a political system of tight hierarchical controls was reinstated, many of the same tensions and frustrations re-emerged and persisted throughout the 1970s. Thus examining what was exposed in each sector of Chinese society during those two years of social upheaval during the Cultural Revolution can provide us with a means to better understand the hidden tensions and grievances of almost the whole sweep of the Maoist period.

Rural China provides a second example. Fortunately, there is a worldwide social-science tradition that village studies should trace social change in a modern community over time. As a consequence, a considerable number of village studies have probed back into time into the Maoist period and even earlier. These can present us with information and insights directly relevant to the present day. One particular illustration involves the secret land allocations that currently go on among villagers across China. In most of China's villages—despite the government's opposition—extra plots of land periodically are being given free-of-charge to households that have gained new members, and land is periodically taken away from families in which one or more members have died or moved away. Such land redistribution is not a traditional Chinese practice. A new conception of land ownership, a new means of coping as household economies, and a new community strategy have developed in rural China since the return to household farming in the early 1980s. Since the government forbids these land transfers, China's media have never publicized the practice. Yet it has been held in tens of thousands of villages across China without the permission of the authorities.

Where, then, did this unusual idea of periodically redistributing land come from? Our knowledge of practices in the period of collective agriculture can provide an answer. In the Maoist period, under the collectives, farmers had been assigned small plots (piliu) on which to grow vegetables for their own consumption, and the size of these plots expanded and contracted as families added and lost members. In addition, families had obtained grain "on loan" from their agricultural production team when their children were young, and then, years later,

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3 Village studies that contain substantial material on social and political change in the Maoist period include Zhang Lingshan, Gaokao lixue: Renmin guo de xuequyuan (Departing from Ideals: Research into the System of the People's Communes) (Shanghai: Dongfang Chubanshe, 1998); Zhu Xiaoyu, Zeng zu yang: Xiaoxian guo 1958–1997 (Crime and Punishment: The Tale of a Small Village 1958–1997) (Tianjin: Guji Chubanshe, 2003); two books by Edward Friedman, Paul G. Pickowicz and Mark Seldon, China
the cost of the grain was repaid when the children became teenagers who worked in the fields and augmented the family's earnings. Although some elements of collective agriculture were disliked, interviews about the past reveal that these two aspects were popular among farmers. After the return to household farming in the 1980s, many farmers have faced problems in raising families on limited amounts of land, and so they have, as communities, turned to what they had grown accustomed to under the collectives. If we are not aware of the practices of the Maoist past and do not know farmers' attitudes in that period, the Chinese farmers' current resort to reallocating fields would seem inexplicable to us.

*The Maoist Past of Urban Work Communities*

Whereas rural communities and their experiences in the Maoist period are being studied, no similar studies of urban communities are available. Yet we have just as much need to understand the past of urban communities as we do of rural ones. As is well known, urban people during the Maoist period were enveloped by their work units (dianjia). These provided lifelong employment, accommodation, and for better or worse, political study, because they were also political communities. But in contrast to the wealth of information that is available from village studies, there is not a single published monograph on the social history of a factory, the quintessential urban work unit. In this journal article I wish to focus on this topic, and I will attempt to show the relevance of such research for understanding the attitudes and worldviews of employees today.

Anita Chan and I have been conducting research at a distillery in China that produces a type of strong liquor, qingjiu. The distillery's history goes back in time to before the Communist ascension to power, and it became a state enterprise owned by the city government early in the Communist era. The distillery is not a "model" enterprise, and there was no effort by Chinese authorities to steer us to it. During 2002–2004 Anita Chan and I undertook full-time research there at three different times for a total of four months, and were able to conduct supervised interviews with dozens of its employees and retirees. Through recording their oral histories, we sought to examine life and attitudes at the enterprise starting in the mid-1930s, through its nationalization in the 1950s, the Great Leap Forward and its aftermath, the Cultural Revolution, and onward into the period of post-Mao industrial reforms up to the present day.

Briefly stated, the message that the older employees and the retirees derive today from their conception of the past is that for decades they had served loyally, had endured the hardships of poverty, and had engaged in back-breaking labor to build up the enterprise. They believe that the enterprise today, having become profitable, owes them solicitous concern and a good livelihood in recompense for all that they had sacrificed in the past. It will be observed later in this paper that they hold to a type of "moral economy" perspective of their past and present.

*Earlier Memories*

The views of these workers in the Maoist period had been influenced by what they had experienced before the revolution, and their sense of whether they had benefited or not from the Communists' rise to power. The two oldest interviewees had become apprentices at two different distilleries in 1936, and they recall a world of constant work prior to the Communist victory. They had laboured every single day of the week for almost as long as they were awake, starting at the break of dawn. One of them recalls that it was not until the city watchman's second gong sounded at around 10 PM that he and his exhausted fellow workers finally could climb up into the distillery's loft to sleep. It was a Spartan existence. Twice a month at one distillery and three times a month at the other, they had a dish containing meat, the only times they ever ate meat. In addition to a small wage, every year they each received one simple set of clothing and one pair of cloth shoes. But in recollecting to us their work lives of those years, there was no noticeable rancor. They had accepted their lot at the time as normal, and only measured it in comparison to the conditions of their families in the countryside, whose lives were just as impoverished.

At the time of the Communist Party's ascension to power after 1949, our dozen elderly interviewees who were adults at the time made a shift in the way they interpreted their past. A striking example was
provided by one of the two former apprentices. In the early 1950s he
took part in a union meeting, and the owner’s wife did not save his dinner
for him that night. He complained to the union, which sent someone to
meet with the owner, and thereafter dinners always awaited his return.
It had been a trivial incident, but he insisted on recounting this small
victory to us several times. It held great significance to him as a defining
moment, signaling a change in power and in his own circumstances.
In recounting to us his life as an apprentice he had expressed respect
for the owner as a knowledgeable distiller who had passed on valuable
skills to him. He had referred to the man as Shifu, a respectful term
for a skilled mentor. But from his new perspective of the early 1950s
he could begin to perceive of the man as an exploiter. He fluctuates
in his recollections between an appreciation of the Shifu’s abilities and,
at other times, from the vantage point of the new regime, in simple rigid
pejorative terms as a “capitalist”. More than half a century of Party
teachings long ago habituated him to speak in such terms. He proudly
played for us a videotape of a TV documentary that was filmed a few
years ago, in which he appears on screen as an honoured working-class
erd recounting how cruel it was to labour under a capitalist before
the revolution. He feels no sense of hypocrisy in speaking this way.
From his life experience, he is of two minds today about his relationship
with his former employer. And in his conversations, he keeps his
two minds separate and intact.

Both of the former apprentices first learned to read and write at free
night classes that the new regime established. So, too, in fact did all
of our elderly blue-collar interviewees. We interviewed eight women
who began working at the distillery during the 1950s, and all of them
have similar recollections about the early years of that decade: of free
literacy classes, the establishment of neighbourhood health clinics, and
enthusiastic volunteer work clearing up their neighbourhoods. Whatever
complaints they variously expressed to us about later times of Mao’s
rule, they all look back with very positive feelings to the changes in
their lives for the better in the early 1950s.

As just one example, a now-elderly woman recalls her feelings about
entering the distillery. Born into a very poor family, at the age of 12
in 1948, a year before the Communist victory, she had been sold into
bonded labour to a better-off family to work as an unpaid maid. She
remained in that situation until 1954, five years after the Communist
victory when at the age of 18 her employer arranged for her to marry
a worker at a shoe factory. Within a year she gave birth to her first
son. She, too, became a volunteer in her neighbourhood and began
learning to read and write. When recruited by the local neighbour-
hood committee in 1957 to go work at the distillery, she responded
with enthusiasm:

We had been told by the street committee that men and women are
equal, that our status should be the same, and that I could live on
my own income, with no need to rely on others. I lived quite far from
the factory. There was no bus. I had to walk for an hour to go to work, while
my mother-in-law took care of my small children. A whole group of us
women walked there together for our first day of work. I felt very moved
and excited. After I received my first pay, I took it home to my husband.
I had made 12 yuan. He said, ‘you worked hard for it, you should do
whatever you wish with it’.

Memories of initial feelings of commitment were held by almost all of
our elderly interviewees, women and men alike. One consequence is
that even when times turned bad in the following years, they did not
become cynical. Throughout, they largely accepted the new Party-led
system.

Doing It Tough

Even though they largely supported the new political order, the dis-
stillery workers quickly became disconsolate by never-ending rounds of
“political study” and by a succession of campaigns that often puzzled
them, sometimes worried them, very frequently bored them, and only
occasionally aroused any enthusiasm. This was true even of the first
of the campaigns that affected the distillery, the Three-Anis (San Fen)
Campaign of 1952. The Three Anis referred to anti-corruption, anti-
waste, and anti-bureaucratic, and the campaign was used by the new
government to enforce its control early on in its rule.6 No one at the
then-tiny distillery was targeted, but daytime production stopped for
several weeks, during which all of the staff had to attend massive public
rallies with thousands of other spectators. They shouted out slogans

6 A good description of the campaign and its effects is contained in Kenneth Lie-
berthal, Revolution and Tradition in Taiwan, 1949–1972 (Stanford: Stanford University
criticizing corrupt capitalists and officials, day after numbing day. “Sit-
ting there was awful,” one of them recalls, “it was better to be work-
ing.” To make up for the lost time, they had to labour at night. Even
when the campaign ebbed and they returned to daytime production,
political meetings after work hours relating to the campaign droned on
for some months. Over the next quarter century, one campaign was to
follow another, “sometimes one every year, sometimes two a year”. The
tedium of the meetings sapped their enthusiasm and patience.

There was also another way in which the workers could feel disad-
vantaged. Throughout the decades under Mao, work at the distillery
involved dirty hard, low-status physical labour. In the Marxist worldview,
this type of work does not have the prestige of modern heavy industry;
and thus during the period of Mao’s rule the salaries and perquisites
were noticeably poorer at the distillery than in high-status industries
such as steel production.

Looking back from their present circumstances, the oldest generation
recalls that throughout the decades of Mao’s rule they had endured
a subsistence living standard, very crowded run-down housing, and
exhausting labor. In many cases, three generations of a family were
packed into one or two small, dank rooms, without any kitchen space
or nearby tap water.

The Great Leap and Its Aftermath

The Great Leap Forward of 1958–59 involved extended labour and
extended political study to an extreme degree and aroused conflicted
feelings among almost all of the interviewees. They believed in the
government, wanted to remain committed, yet the campaign demanded
far too much of them. They recollect exhaustion, concerns among the
women about not having the time to care for their children, and a
period so tense that no one dared complain. One woman, for instance,
related to us a series of incidents in which one or another employee
got into trouble for complaining or for telling politically incorrect
jokes, and she indicated that people were held in line by this tension,
concluding “It was severe in the time of Grandpa Mao.” Yet later in
the same interview, when asked about why she worked so hard in the
1950s and 1960s, she replied, “It was the teachings. If the Party called
on you to work at something you worked at that, as though you were a
Party member. Because we were of impoverished birth, it didn’t matter
whether you were or weren’t a Party member, we still should work like
this, and do so independently.”

Most of our other interviewees similarly expressed confused, con-
trary feelings about the Great Leap Forward, and about later periods.
My sense from the interviews is that they had held such complex
self-contradictory feelings at the time. Surprisingly, the recollections
by employees who were favoured by the political system and became Party
members and those who were disfavoured politically were somewhat
similar. A woman whose husband had been sent in 1957 to labour in
the countryside for two decades as punishment for being a Rightist
recalls bouts of crying and misery over her family’s personal fate, but
she also remembers a mood of commitment at the distillery.

From Cultural Revolution to Mao’s Death

During the Cultural Revolution of 1966–68, the manager and two
of the foremen who were known for strictness had aroused enough
disgrument that they were locked up briefly in one of the store-
rooms, on a concocted accusation that before the revolution they had
belonged to a working-class secret society, the Elder Brothers Society.
But there was no violence or turmoil at the distillery. Practically all of
the factory’s employees supported the Rebel faction, en masse, but no
interviewee could explain what each of the Cultural Revolution factions
stood for, or why they wore Rebel-faction armbands to work. However,
the fact that the distillery was solidly Rebel was not a random choice.
Throughout much of China, workers at the core high-status enterprises
largely supported the so-called Conservative faction, while workers at
the enterprises that received unfavourable treatment and relatively
low wages largely supported the Rebel faction.2 The impoverished
over-worked distillery workers presumably understood this at some
semi-conscious level—that people like themselves fit into this Cultural
Revolution Rebel faction. But the great majority of them, and all of
the women interviewees, recall simply a time of chaotic violence in the
streets, worries about their children, and personal baﬄement. These

2 As examples, in Changsha, the capital of Hunan province, handicraft workers, con-
struction workers (who were also poorly paid) and the transport cooks who pulled
the handcarts that manhandled freight through city streets all heavily supported the Rebel
faction. (Jonathan Unger, “Whither China? Yang Xiuquan, Red Capitalists, and the
Social Turnail of the Cultural Revolution,” Modern China 17, 1 [January 1991]: 20.
distillery workers' views presumably were shared by many tens of millions of ordinary middle-aged people across China.

After the turmoil was suppressed by the national leadership in the latter part of 1968, recriminations and factionalism continued for some years at many of China's factories, especially the larger ones. But not at the small and politically peripheral distillery. For the most part, the level of anxiety was subdued. Employees no longer competed to seem politically active when discussion sessions were held to determine each others' wages, and they no longer criticized each other when asked to do so. They preferred to get along with others while at work, and they were exhausted by anything that smacked of "politics". Even so, they did not become noticeably cynical or disaffected. The unanimous opinion among interviewees is that most of the employees had remained conscientious in their work.

Nevertheless, outside of the workplace all of the distillery employees confronted the daily grind of poverty. To a large extent, it was a poverty shared by most urban Chinese, which at least made it more palatable. Few goods were available in stores, and even basic necessities were rationed, including cloth. As a consequence, most urban people needed to keep mending their old clothes until these were full of patches. As one elderly woman recalls, "People would look down at you if you were dirty and didn't regularly wash your clothes, but not if your clothes were full of patches. If the patches were sewn on nicely, people even complimented you on your sewing skill." But in many other respects, including their abysmal housing, the distillery workers were worse off than most other state-enterprise workers, as was their status, and it sometimes grated. As one of our interviewees observes, "In our industry, there was a saying: 'a distillery guy has to guard an empty bedroom.' It was hard for distillery workers like us to find a wife. We were looked down upon by others." Looking back in time, the distillery employees today consider that their prior poverty, back-wrenching work, and even difficulties in getting married were sacrifices that they had patiently endured, at a time when workers were told, decade after decade, that they needed to make sacrifices for the good of the revolution. In short, the memories of the Maoist period of most of our interviewees are not nostalgic.

The Post-Mao Era: Enterprise Profits and New Expectations

Under the command economy of Mao's time, the enterprise leadership did not have the leeway to decide on the salaries and living conditions of the employees, which were largely determined by the state plan. The concerns of the management had to focus more on meeting the targets of the Party-state and of the food-processing-industry bureau, which stood directly above the enterprise rather than the needs and pressures of the work community. They had little scope to be the benefactors of their workforce. But after Mao's death, under the economic reforms of Deng Xiaoping, this began to change.

To be sure, the distillery and other state-owned enterprises retained many of the attributes of a Mao-era work-unit (dunwei). But starting in the 1980s, there was no longer any regular Maoist-style political study or strong political controls over the workforce, and the distillery managers were no longer under strong command-economy pressures to serve the interests of the state. Reforms to industry in the 1980s allowed enterprises to retain much of their profits and gave far greater discretion to management on how to spend the funds. The distillery benefited greatly from this. Up through the 1980s, good liquor was in short supply, especially since officials throughout China were increasingly lavish when banqueting at public expense. The distillery was permitted to sell its production at high market prices, and in such circumstances there was a feeling among the blue-collar employees, including the workshop heads and foremen, that a debt was owed to them—that since the workers had put in many years of loyal service, in poverty, the distillery leadership was in turn duty-bound to be paternalistic and to share out the enterprise's new-found profits with them.

The distillery responded by boosting their standard of living. It was not unique in doing this. A great many state-owned enterprises in the mid-1980s began to bestow on their workers cash bonuses, extra in-kind compensation, and new housing.8

8 On this phenomenon of the mid-1980s, see, e.g., Andrew Walder, "Factory and Manager in an Era of Reform"; The China Quarterly 118 (June 1989): 249, 251. Notably, at the start of the reforms to industry in 1982, 54 percent of all China's urban
Some China specialists today are under the impression that almost all of China's state enterprises turned sharply away from such paternalistic and benevolent managerial behaviour during the following decades. Certainly, many enterprises did, but a distillery director who understood the employees' values had recently been appointed from within the bureau. The distillery was making good money, and he felt under no financial pressure to clamp down on the employees' conditions of employment. Instead, he was able to implement a series of enterprise policies that were in keeping with the employees' moral economy perspective.

**The Moral Economy**

This term "moral economy", as employed in the writings of E. P. Thompson, James C. Scott and many others, refers to a community demand that those who control resources should abide by a shared notion of economic justice, often grounded in a vision by subordinates of what they insist are honoured traditions of what is right and wrong. The concept encapsulates several important features of the work-community ethos that prevails in a Chinese enterprise such as the distillery.

Thompson first used the term in a famous paper analysing food riots in 18th century urban England. He noted that the riots cannot be explained simply as an effort by hungry people to grab food; rather, their actions were in protest against the violation of a "moral economy" in which they held a right to subsistence:

...the men and women in the crowd were informed by the belief that they were defending traditional rights or customs; and in general, that they were supported by the consensus of the community... as to what were legitimate and what were illegitimate practices... An outrage to these moral assumptions, quite as much as actual deprivation, was the usual occasion for direct action... [These 'moral-economy' notions] found some support in the paternalist tradition of the authorities; notions... 

...housing stock was work-unit owned. Work units built so much new accommodation for employees during the 1982-85 period, in the first flush of enterprise autonomy, that by 1985 75 percent of all urban housing was work-unit owned. Fudong Wu, "Changes in the Structure of Public Housing Provision in Urban China", Urban Studies 33, 9 (1996): 1699.

which the people re-echoed so loudly in their turn that the authorities were, in some measure, the prisoners of the people.10 James Scott extended the moral economy concept to pre-capitalist Southeast Asian villages, which were tightly bound social communities unlike the urban environments in which Thompson's food riots occurred. In Scott's portrayal, the moral-economy perceptions held by poor farmers in such villages (what Scott calls "their notion of economic justice...—view of the question about their product were tolerable and which intolerable")11 often proved effective without any need for explicit, organized protests. Through the pressure of opinion in the community, the richer farmers and landlords felt constrained to meet that notion of economic justice by acting in a redistributive fashion through charitable acts, or through lowering land rents at times of drought, or through sponsorship of community celebrations.

Both Thompson and Scott presumed that the rise of capitalism and of the commercialization of relationships spelled an end to the environment in which a 'moral economy' could prevail, and a main focus of their writings was on the desperate protests that arose during that particular historical period of change. But several scholars have fruitfully employed the 'moral economy' framework to analyse late 20th century situations.12 (Thompson himself has used the concept to describe the British miners' strike of 1984.)13 Most of these contemporary studies focus, like their predecessors, on incidents of mass protest, but there is no necessary reason why studies that use a 'moral economy' framework need to be restricted to conflicts. In some cases, a leadership may share the community's premises about a 'moral economy' and may give in

10 E. P. Thompson, "The Moral Economy of the English Crowd in the Eighteenth Century," Past and Present, 50 (February 1971): 78-88. Although Thompson was focusing on riots as a means to make cheap people's voices heard about grievances to a moral economy, he also noted that such rioting is not "the only or the most obvious form of collective action—there are other alternatives such as mass petitioning of the authorities". See E. P. Thompson, Customs in Common (London: Merlin Press, 1991), 263.


to community pressures willingly. The core of the 'moral economy' premise rests, after all, not on antagonistic confrontation per se, but on a community’s insistence that those in power abide by the preservation, in James Scott’s words, of “the structure of a shared moral universe, a common notion of what is just”[11].

The crux of the ‘moral economy’ premise applies to the Chinese enterprise we have discussed. As will be observed, it possesses an enterprise ethos in which a “shared moral universe” and, in Scott’s phrasing, a “notion of economic justice” advocated by subordinates has obliged the top management to bend redistributive policies more in their favor.

The Shared Moral Universe at the Distillery

The distillery workers justify (and have used pressures to help shape) their fortunate present circumstances by drawing upon a specific moral interpretation of the past. There have been reports from China’s rustbelt regions, where many state-enterprise workers have been laid off or do not receive their full pay on time, that workers there have carried Mao portraits in protest demonstrations and proclaim nostalgia for the period of Mao’s rule. Because the distillery workers’ current situation differs dramatically from that of rustbelt workers, their evaluation of the past is far less favorable than that of the currently disgruntled rustbelt workers.

In at least some respects, though, the “moral economy” discourse of the distillery workers bears a similarity to the perspective of workers in the rustbelt. One similarity is in borrowing from the official rhetoric of the Maoist era, which preached that workers were the masters of the country and that a debt of gratitude was implicitly owed to them. This notion was remembered and taken to heart by workers at the distillery during the post-Mao reform era, and they have made strategic use of it. Their memories of having remained faithfully committed to the good of the enterprise and the country, of having worked themselves to the bone decade after decade, and having been continuously materially deprived contributes to their moral discourse of having earned favored treatment in the present day.

While this discourse contains some of the elements of the Maoist ethos about the superiority of the proletariat and of the industrial working class, it also contains elements that go against the Maoist vision. Unlike workers in the rustbelt, the distillery employees do not project the Maoist period as fairer to the working class than the present day. Indeed, their collective view is that they are entitled today to generous treatment by the enterprise precisely because they have materially sacrificed and been deprived during the decades under Mao. Notably, in visits to several dozen homes I did not see a single Mao portrait or other memento of Mao, nor did I see any at the distillery.

The argument that the distillery paternalistically owes the workers benefits has been implicitly generalized to cover all of the distillery employees, including those who started working after the Maoist period had already ended. These younger workers today comprise the great bulk of the workforce, especially since the distillery has expanded from some 400-500 employees at the time of Mao’s death in 1976 to close to 2,000 today. A generalized aura surrounds the notion that paternalistic treatment is owed to all of the employees, young as well as old, as recompense for the workforce’s sacrifices of past times, highlighted by the special debt owed to the older workers in their ranks.

The enterprise director accepts the employees’ feelings and expectations of paternalism. So do most of the middle-level managerial staff, who largely have risen from the ranks of the blue-collar employees. Their own sense of economic justice is in line with the manual workers’. Reinforcing this is the fact that, similar to the rich farmers and landlords in James Scott’s traditional village communities, all of the distillery’s managers have lived intermixed with the employees in distillery-built housing, that is, in the same tightly-knit community. Through this, the employees have been able to reach managers’ ears and can bring the community’s sentiments to bear.

In many other state enterprises, especially those that have been losing money, as in the rustbelt, top managers have sealed themselves off from work-community feelings and pressures and have narrowly looked only to their own interests. But with substantial profits flowing in from high-priced liquor starting in the late 1980s, the distillery directors have had considerable scope to respond with sympathetic generosity.

The work community’s capacity to influence enterprise policies in a “moral economy” direction is well illustrated by the debates that arose in 1994 when the distillery built a new housing estate containing

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more than three hundred nice apartments in a landscaped setting. It was central government policy to sell off enterprise apartments, and a rumour spread that several of the distillery managers proposed to favour themselves by reserving the best of the new apartments for top management. A group of middle-ranking cadres who had entered the distillery in the early 1970s drew up a petition protesting against the rumoured proposal. The petition asked that the main criterion when selling the apartments should be longevity at the enterprise. Large numbers of ordinary workers and most of the production workshop heads and foremen and older white-collar staff signed the petition.

When the enterprise director—who was simultaneously the Party secretary—received the petition, he convened a meeting and emotionally conceded the justice of the employees’ position. In the following days, he let it be known that the issue was of such importance that, rather than have the enterprise leaders simply decide from above how the apartments would be allocated, the decision would be given over to the enterprise’s Staff and Workers Representative Council (Zhonggan Dabaishui Dashui).

Over a period of several months, influenced by repeated discussions on the workshop floors, the Council’s deliberations bent the sale of the new apartments in a ‘moral economy’ direction. It was decided that the best 3-bedroom apartments should be sold at a subsidized rate to those who had worked at the enterprise the longest, out of respect for their decades of toil. Based on this criterion, they would go first in selecting the apartments they wanted, and then others would be able to choose their own smaller and less well-located apartments, going in the order of their work-year seniority. It was also decided that employees who had worked for over 30 years (and they alone) should get a substantial price reduction for the portion of their apartment over 60 square meters. For each year that they had worked, they would receive a 2 percent reduction, and thus those in their late 50s, with some 40 years of work under their belts, would obtain an 80 percent discount. This reduction violated government regulations. But as one interviewee—the director of the enterprise’s Administrative Office—expressed it, “The older you are the more you had contributed to the enterprise. Before,

they just worked and worked, with no bonuses, and their wages were low, so all they did was to contribute. And that’s why the special discount was passed.”

This subsidized sale of enterprise-built apartments clearly illuminates a shared moral-economy ethos in which enterprise leaders acceded to work-community desires that housing distributions should be made in what employees deemed an equitable fashion. But there was a special twist to the meaning here of “equitable”. This was not strictly a needs-based equity. Acting in accordance with genuine needs would not have granted the largest 3-bedroom apartments to older workers whose children had already left home. Instead, a needs-based equity would have prioritized the new young workers with young children who need the extra space. The sense of “equity” that prevailed at the distillery was derived instead from the particular moral-economy perspective that had evolved during China’s recent history: that a debt of gratitude was owed, as “just” and “fair” reciprocity, to those who had faithfully, in poverty, served the enterprise longest—especially those who had engaged in hard physical labour, the kind of labour that was hailed as “proletarian” and superior in the Maoist ethos. The older employees’ interpretation of the past has served them well.

The enterprise management’s sense of its responsibility extends to a special show of paternalistic benevolence toward retirees. At Chinese New Year in 2003, 210 out of the 240 retirees turned up at a restaurant to be honoured at an annual celebration on their behalf, at which the distillery’s leaders thanked them in emotional speeches for the decades of hard work they had given to the enterprise. Each was handed a red envelope containing 300 yuan, along with apologies that the amount was 100 yuan less than the previous year, which had been more profitable for the company. In another show of appreciation, up until recently all of the retirees and their spouses were given free overnight sightseeing tours every year to famous scenic landmarks.

The enterprise is not an anomaly among state enterprises in providing such benefits. With the Chinese economy expanding healthily year after year, we should not assume that all state enterprises are in financial difficulties. Interviewees relate that many of the state-owned enterprises in their city’s food-processing industry have continued to show profits and have sought to look after the interests of their workforce in a similarly paternalistic fashion.
Such expenditures, as expressions of paternalistic concern, may be drawing to a close. The central government has been promoting the privatization of many of the state enterprises—and the distillery was no exception. Its privatization occurred in 2003, and the top enterprise directors have been able to buy the lion’s share of the new stock under the guise that this is a combined employee/management buyout. In reality, the ordinary employees have been restricted to a maximum of only 13 percent of the enterprise’s shares.

Notably, the concerns of the employees—including the workshop heads and middle-level officials who were interviewed—did not focus on their enterprise’s change of ownership, even though the great bulk of the shares went to a small number of executives at a discounted price. This is a matter well beyond their normal concerns or understanding. They accepted without questioning when told that they themselves would only be able to purchase a few stocks in the complicated buyout, even though a larger block of shares might conceivably have made them well off. What instead concerns them most is whether the benevolent, paternalistic moral-economy ethos will continue as before. The horizons of their wishes and demands are quite limited. Their mentality is akin to the “subsistence ethic” of James Scott’s moral economy—“The test for the peasant is more likely to be ‘What is left?’ than ‘How much is taken?’”16 The privatization had to be approved by the Staff and Workers Representative Council, and it sailed through without objections in a single afternoon. Having adopted a “moral economy” paradigm as their framework, the employees had trapped themselves within that paradigm, and as a result had forfeited opportunities for self-advance ment when an entirely different set of opportunities arose.

Even after its privatization, the enterprise has continued to provide employees and retirees with gifts, subsidies and other benefits. And the employees, despite their quiet fears, declare their continued “trust” in the good heart of the enterprise director. But if he does not live up to their trust, or after he retires, they may well find that less is “left” for them than they believe is due them. Already, most of the enterprise managers have sold their flats in the distillery’s housing complexes and have moved into fancy high-rise housing estates scattered across the city. They no longer live in the same community as the employees, and no longer so readily come under the community’s influence. However much the older employees justify their present-day treatment in terms of their commitment and sacrifices in the past, they now have far less capacity to influence the managers’ policies than they have previously enjoyed. In short, it seems unlikely that the moral-economy consensus that has guided corporate behaviour in this and kindred enterprises can be sustained much longer in the face of corporate sell-offs and a shift in management’s lifestyle. Nevertheless, whatever occurs, the collective memories, beliefs, and attitudes of the older employees are not likely to quickly disappear. They are part of the worldview of that generation of workers.

**Summary**

This discussion of the distillery helps illuminate ways in which the past and the present are interrelated. It would not be possible to comprehend management-worker relations in the current era without any reference to the attitude-set held by both the employees and the enterprise director. And it would not be possible to comprehend these attitudes outside of the context of the experiences of the employees during the period of Mao’s rule and the moral economy perspective that they developed as a consequence. We should not, as sociologists, cut ourselves off from the recent Maoist past through a lack of research.

One of Chairman Mao’s famous quotes was ‘Use the Past to Serve the Present’. As we have been discussing the Maoist period, let me borrow this quotation from the Great Helmsman. We as sociologists ought to study the past for its own sake, before it is lost to history. But doing so also places us in a position, as the Chairman urges, to use the past to serve the present: to better understand present-day Chinese society by understanding the impact of the past on the present.

**References**


