Although most of China's heavy industry had been excluded from the Great Leap Forward, by the end of 1960 that campaign's policies had precipitated a crisis throughout the entire economy. The lack of coordinated planning, characteristic of the Leap period, had led to a chaotic situation. Misallocations of investment resources, including human resources, was perhaps the most damaging error. Natural disasters and the withdrawal of Soviet assistance exacerbated and climaxed the growing crisis. Decreased agricultural production reduced the supply of raw materials for light industry, and shortages in food and clothing reached major proportions in the winter of 1960-1961. Malnutrition and disease significantly affected attendance and productivity in all factories. The millenial enthusiasm which the cadres had been able to inspire in the workers during the Great Leap Forward was followed by disillusionment and apathy.¹

The policies of the Great Leap Forward were being reversed during 1960, and this tendency was formally endorsed at the Ninth Plenum of the Party's Central Committee in January of 1961. New or restored policies were adopted at all functional levels. In terms of overall industrialization, strategy resources were reallocated to emphasize agriculture.² Planning was reinstated, and the central ministries regained some of the authority they had lost. Factory managers and technical experts were recalled, and the "production units" themselves, that is, the restored factory managers, gained a degree of autonomy.³ In effect, the system of factory manager responsibility under collective Party
leadership was restored, with the emphasis on the manager, "a system of unified administration over production by the factory manager, so as to centralize leadership over all the production management activities of an enterprise."4

Also during this period, the emphasis was once again on material incentives. Initially justified as a counter to absenteeism and lack of work enthusiasm, material incentives increasingly took the form of piece work wages and bonuses, first for work groups and later for individuals.5 The first general wage raise since 1956 was announced in December of 1963.6

At the tenth plenum of the Party's Central Committee in September of 1962, this general orientation was partially reversed to emphasize class struggle, ideological indoctrination, and the political campaign or mass movement. Most of the earlier policies, however, remained in effect. Moreover, there was significant opposition among upper- and middle-level Party cadres and officials to a repetition of the Great Leap Forward.7

**Transmission Belt**

Beginning in the middle of 1959 the unions were directed to resume their routine tasks, but the rehabilitation of the unions was a slow process. They had atrophied organizationally, and through 1961 their first task remained to strengthen their own "organizational construction." They were also called on to develop initiative in carrying out their own work; union cadres were to overcome the attitude that "there is work when there is assignment from the Party, and there is no work when there is none."8

This was not a return to organizational independence by any means. The unions were to continue to operate under Party leadership organizationally as well as politically. Union cadres were to be trained in Party work by the Party cadres so that routine union work could be integrated with the "focal tasks" of the Party, and the Party committees were to continue to investigate union
work. But total neglect of routine union tasks was now recognized as an error. In its usual manner of shifting the blame downward, the Party leaders attributed this "error" to "new branch secretaries in the workshops." 9

To assure improvements in union performance, the pre-1958 system of vertical supervision by higher-level organs was reintroduced in 1961, 10 but this applied only to internal administrative supervision. The dual structure that included both vertical and horizontal responsibility and facilitated Party leadership over local union councils remained in effect. 11 The list of functions specifically assigned to the unions in 1961 was essentially the same recurring list of routine tasks that had been assigned to them since 1948-1949: administrative work concerning the ongoing organization of the unions themselves; workers' livelihood, particularly during this period running the workers' mess halls and dormitories and generally responding to workers' "small difficulties"; organizing workers' congresses; administering cultural and educational facilities; and mobilizing the workers for production.

Production and Political Education

Production campaigns directly reflected the changed policies of the early sixties. While the press continued to refer to the possibility of combining strict scientific management with mass production movements, the emphasis changed to careful planning, taking the problems of individual workers into account, and the emulation of work techniques, as opposed to labor intensity and quantity output.

The unions did not reenter the field of political education in a big way until after the tenth plenum of the Party's Central Committee in September of 1962 which launched a Socialist Education Movement to intensify class struggle and anti-revisionism and to revolutionize China's youth in preparation for the death of the old elite. The unions were to refocus all their work to emphasize political education, utilizing their cultural and recreational
facilities as "sharp tools" for political education. Three major themes emerged from the many but often vague and tangential directives given to union cadres during this period: class struggle, self-reliance and hard struggle, and putting the collective interest above personal interests. Even after 1962, however, great efforts were made to avoid the excesses of the Leap period in production campaigns. In detailed discussions of how to conduct those campaigns, the emphasis continued to be on quality, realism in setting targets, "down to earth" technical reforms, respect for the opinions of technicians, and proficiency in basic work skills.

In 1965 the Socialist Education Movement was intensified to oppose continued passive resistance. Union organs had still failed to convince some of their cadres that mass political movements did not hinder production. Similarly, many union cadres were continuing to argue that routine union functions left no time for political work, and that union participation in political work was unnecessary since it was already being carried out by Party committees and by the newly instituted political departments. The main opposition to the intensification of political work in the factories, however, seems to have been based on a fear that the excesses of the Great Leap Forward would be repeated.

During the production upsurge of 1965 emphasis on political education was once again intensified, and the unions were directed to be more active in mobilizing the workers. The caution of previous campaigns, however, continued. The unions were to continue to emphasize industrial techniques, basic skills, and technical cooperation; to establish models and pace-setters; to include concrete summing-up work and assessments and comparisons; to base emulations on practical, down-to-earth experiences and the assignment of specific tasks to individual workers; and to avoid the fabrication of production figures to enhance the apparent performance of their factories. All of these points referred to excesses that contributed to the chaos of the Great Leap Forward.
Welfare

During 1961-1962 union work focused on assisting the workers to alleviate the disastrous effects of the Great Leap Forward on their own lives. Welfare expenditures were not increased, but union cadres were to spend more time organizing the workers and workers' families for self-reliance and frugality.18 In 1962 welfare work was incorporated into the Socialist Education Movement in the factories. An austerity campaign, advocating self-reliance and putting collective interests above personal interests, was designed to control spending in 1963 when the economy was beginning to recover from the three hard years and commodities were beginning to reappear on the market.19

More inclusively, an effort was made to replace welfare funds with political education of the earlier, socializing type rather than the frantic exhortation of the Great Leap Forward. With the Socialist Education Movement political education work was integrated with the general welfare function of going among the workers to understand their problems and showing concern and "class affection" for them.20 Assisting the workers with their small problems was increasingly emphasized as the key to effective political education. Part of this program was the effort to get full-time union cadres to participate in productive labor and to visit workers at home, culminating in the movement to relocate union offices in the "red dormitories" in which Party and union officials lived with workers.21 In rural areas, where one focus of union work had been agriculture, union cadres were sent to specific locations in the countryside to live and work with the peasants and the workers in the agricultural machinery sub-stations.22 While these programs were not entirely new in the sixties, it would appear that they were applied with more success during this period than they had been previously.23

A second part of this program was reliance on activists to carry out union work at the basic levels. By 1956 the Chinese unions had recruited over three million activists, and by 1958 the
number was over three and one-half million. By comparison, there were an estimated 60,874 full-time union cadres in primary-level unions in 1957. While the number of activists declined in 1960 and 1961, the effort to recruit them was renewed in 1962. This extensive use of activists allowed the regime to greatly expand union welfare services and also integrated large numbers of workers into an official national organization for active participation and administrative education.