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The warp and weft of life: heritage and working-class nostalgia in a Chinese textile town

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Chapter 2

The History of the Textile Town

In this chapter, I will explore the history of the textile town on various levels, ranging from national policy to local practices. To understand the origins of working-class solidarity and its eventual dissolution, I view the industrial community, known as a “danwei,” as a dynamic entity. A danwei or work unit is a seemingly closed community — a small society surrounded by walls. It is not only a place of work; it also provides for other social needs, including housing, medical care, and education, and these benefits pass from one generation to the next. My focus in this chapter extends beyond the formation of this industrial community; I also delve into their everyday practices, examining the interactions within the “state-danwei-individual” framework. I aim to analyze how a danwei forms, evolves, and functions as a bridge between the “state” and the “individual.” Despite the disappearance of danwei as a formal entity, individuals continue to use the term and give it meaning in their daily life.

My study on the textile town in Xi’an is a typical example of how state-owned factories were an original development from the early 1950s onward in China. The textile town represents a typical danwei neighborhood where all the workers both work and live in this small society. Workers always used the term “small society” (xiaoshehui) to emphasize and distinguish this social realm from “outside” society (shehui shang). They had experienced past glories and felt a sense of pride in being masters of the country; but they had also endured the pain of being laid off, and they experienced a sense of loss from being abandoned by their country. In order to examine workers’ stories through the rise and fall of the textile town, I return to where these stories unfolded, and to the question of how they ended. Thus, in this chapter, I start with my first impressions of the textile town after I gained access to this factory community. Then, I trace the history of the textile town from its birth and development to its bankruptcy and transformation. I intend to investigate how national policies affected the textile town and the workers during the last half-century, and I will also outline the workers’ agency during this period of social and cultural transformation.

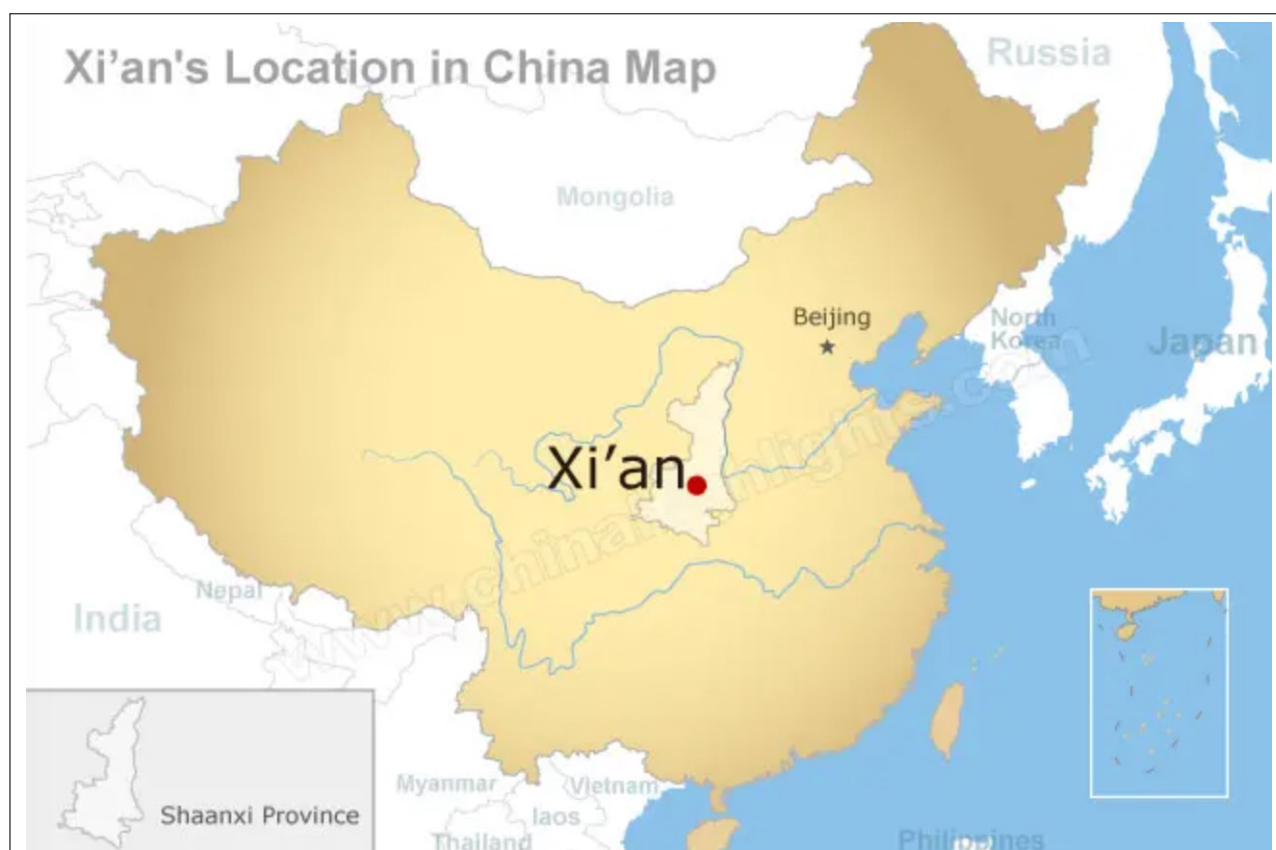


Figure 2.1: A map of China and the location of Xi'an city. Source: Chinahighlights.

Access to the Textile Town

It took me nearly one hour of traveling on the No.8 bus from Xi'an's city center to reach the heart of the textile town. The textile town lies at the edge of the Bailu plain in an eastern suburb of Xi'an, approximately twenty kilometers from the city center. There used to be a particular railway line for the textile factories, and this marked the boundary of the textile town. When the bus crossed this railway line, I had entered the textile town.

The textile town was split into two parts: the factory area and the living community. In the past, there had been five textile factories and a cement factory. In order from north to south, these were the First Printing & Dyeing Factory (known as Yiyin), the No.3 Factory, the No.4 Factory, the No.5 Factory, the No.6 Factory, and the Cement Factory. Each factory looked out onto a slope that led to that factory's living community. For example, if you traveled along the 350-meter slope at one side of the No.3 Factory, you would reach No.3 Factory's living community (*shequ*). Five slopes linked the workplace at the bottom of a slope to the living place at the top. The residents in the textile town always used the term "slope" (*po*) to describe their location. When I asked them to show me the location of certain restaurants, shops, or bus stops, they would say "the top of the slopes" (*po shang mian*) or "the bottom of the slopes" (*po xia mian*) to show me the direction.

While the No.5 Factory is still operating, the other four textile factories closed several years ago, and most parts of the plants have been demolished and used for other purposes. Specifically, a theme park was constructed on the former site of the No.3 Factory. The No.4 Factory was demolished, and a

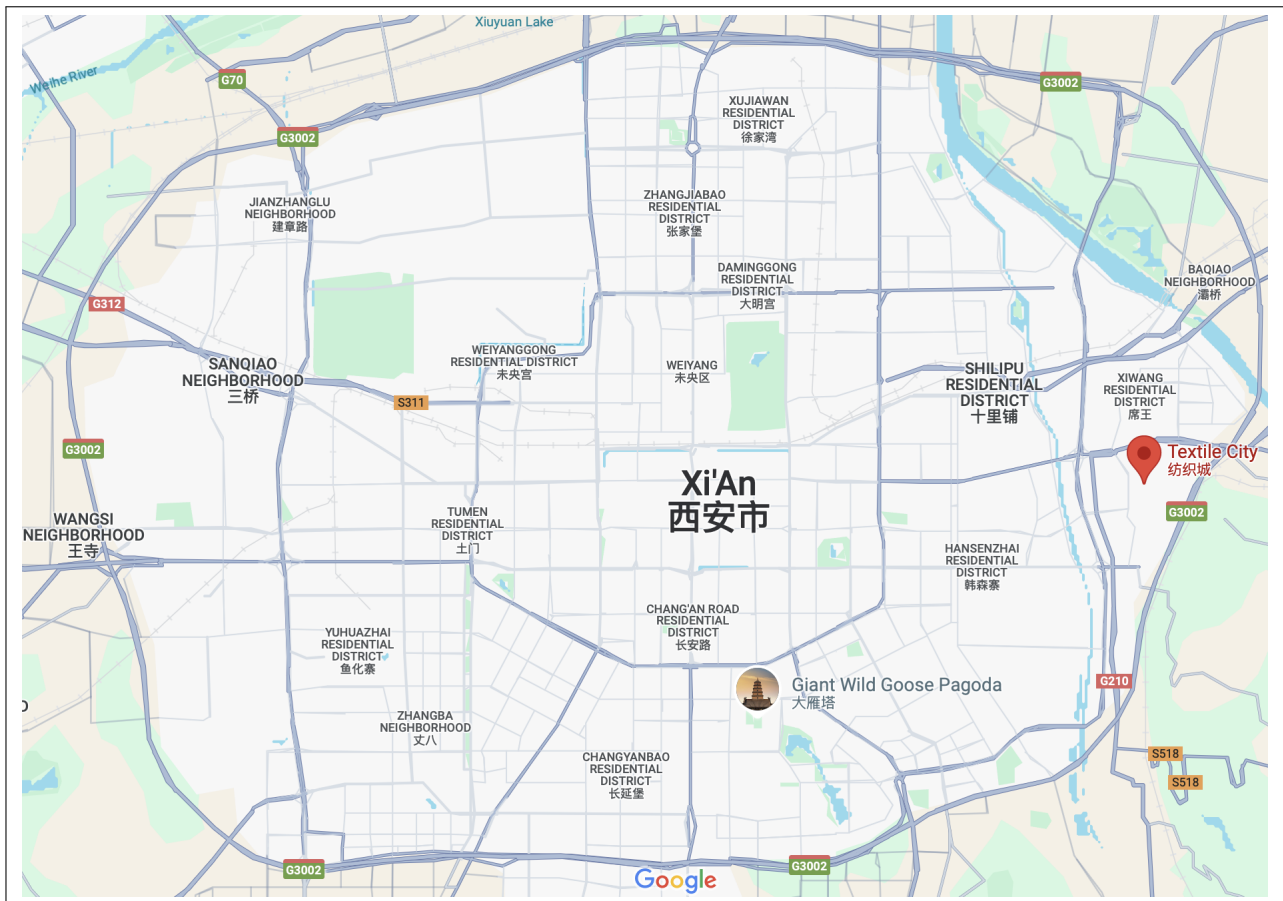


Figure 2.2: A map of Xi'an city showing the location of Textile Town (Fangzhicheng) in the eastern part of Xi'an. Source: Google Map.

new road now connects the suburb directly to the East Third Ring Road (Dong Sanhuan), and some new private communities have been built on the two sides of the road. The First Printing & Dyeing Factory, which was renovated first — because it was the first factory in the textile town to go bankrupt — has turned into an art district, and many artists and cultural companies have used the main plant and transformed its interior into studios from 2007 onward. The No.6 Factory's gate has become the gate of a private community, and several high-rise apartment buildings now stand on the former factory site.

Although the factories went bankrupt and ceased operations in 2008, the former workers still live in the welfare housing (*fuli fang*) which distributed and managed by the factory community. In the past, thousands of workers wearing blue uniforms and white hats walked up and down the slope. It took them only ten to fifteen minutes to walk between the working and the living area. Nowadays, however, except for the workers employed at the No.5 Factory, who would walk along the slope connecting the No.5 Factory with its living community, it was rare to see textile workers walking along other slopes to work.

In socialist residential planning, the structure of the workers' community was divided into three levels: neighborhood, cluster, and microdistrict (*xiaoqu*) (Wu 2015: 34). The textile town's structure can be explained in this way too: the entire residential community in the textile town is a working-class neighborhood. It includes all the residents from this area — members of all four generations since the 1950s. The second level is a factory cluster, and the clusters are divided in line with the division of the

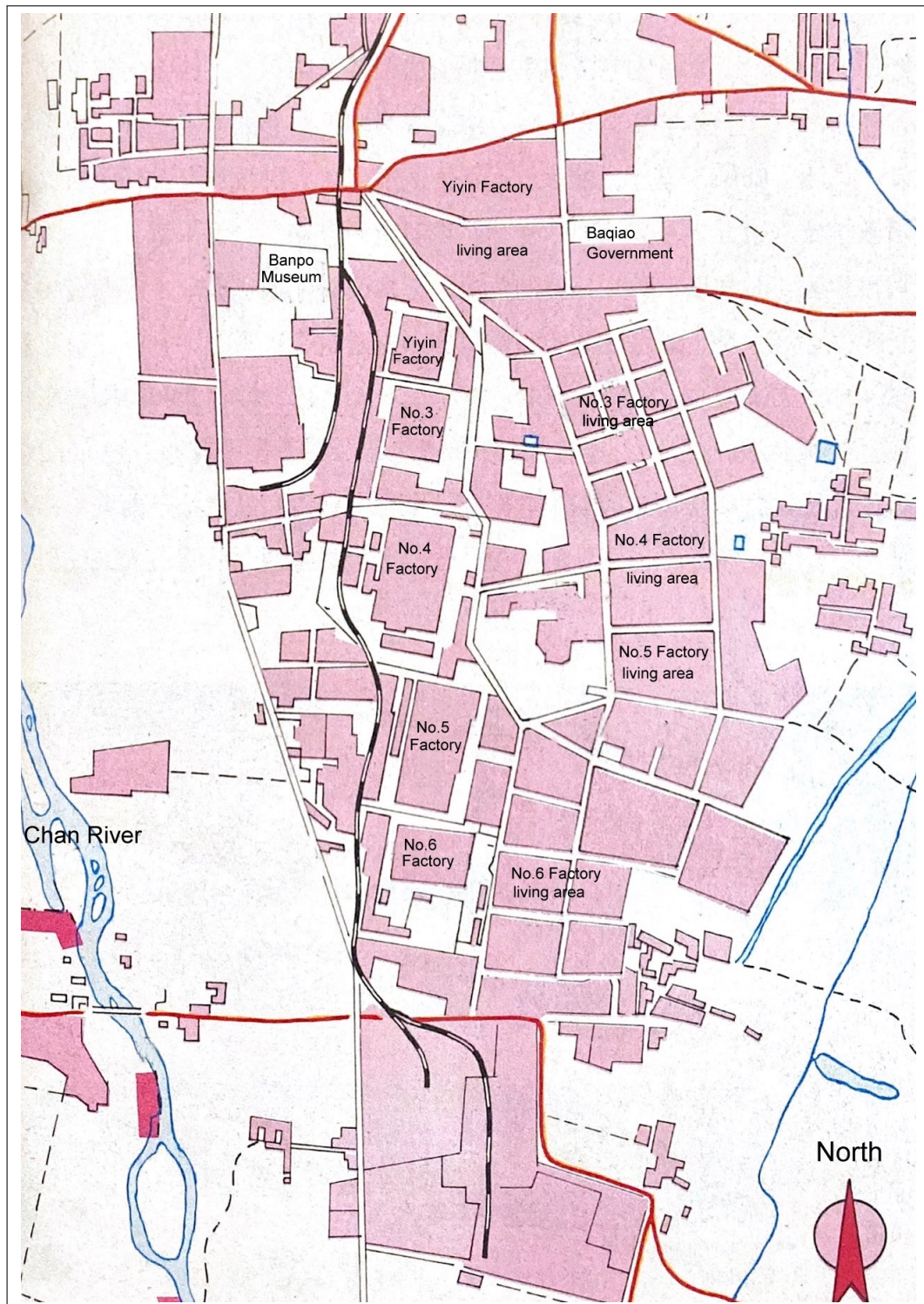


Figure 2.3: An old map showing a railway line linked all the textile town's factories. Source: The map from the book "The Memory of the Textile Town" (Fangzhicheng Jiyi) published by Xi'an Baqiao District Government.

various factories. For example, workers from No.3 Factory lived in a cluster that had been arranged and managed by No.3 Factory. Each cluster had its own clinic and school all within walking distance.

The third level is the microdistrict (*xiaoqu*), which includes several apartment buildings surrounded by the enclosure wall. The microdistricts often have two gates, that is, a front and back entrance. The settlement that belonged to the No.3 Factory has two *xiaoqu*, which are named "northern community"

(*beiqu*) and “southern community” (*nanqu*), and these names are engraved on top of the entrance gate. Nevertheless, workers never use *beiqu* or *nanqu* to describe where they are living. Instead, each building in the *xiaoqu* had its own name, and the names were assigned during the early period of the socialist project. Typical names included “civilization village” (*wenming cun*), “welfare village” (*fuli cun*), and “happiness village” (*xingfu cun*). When workers talked about where they were living, they never stated locations such as, “I am living in the southern part of No.3 Factory housing.” Instead, they just mentioned the village’s name and the number of the building, which provided enough information from which to glean their accurate location.

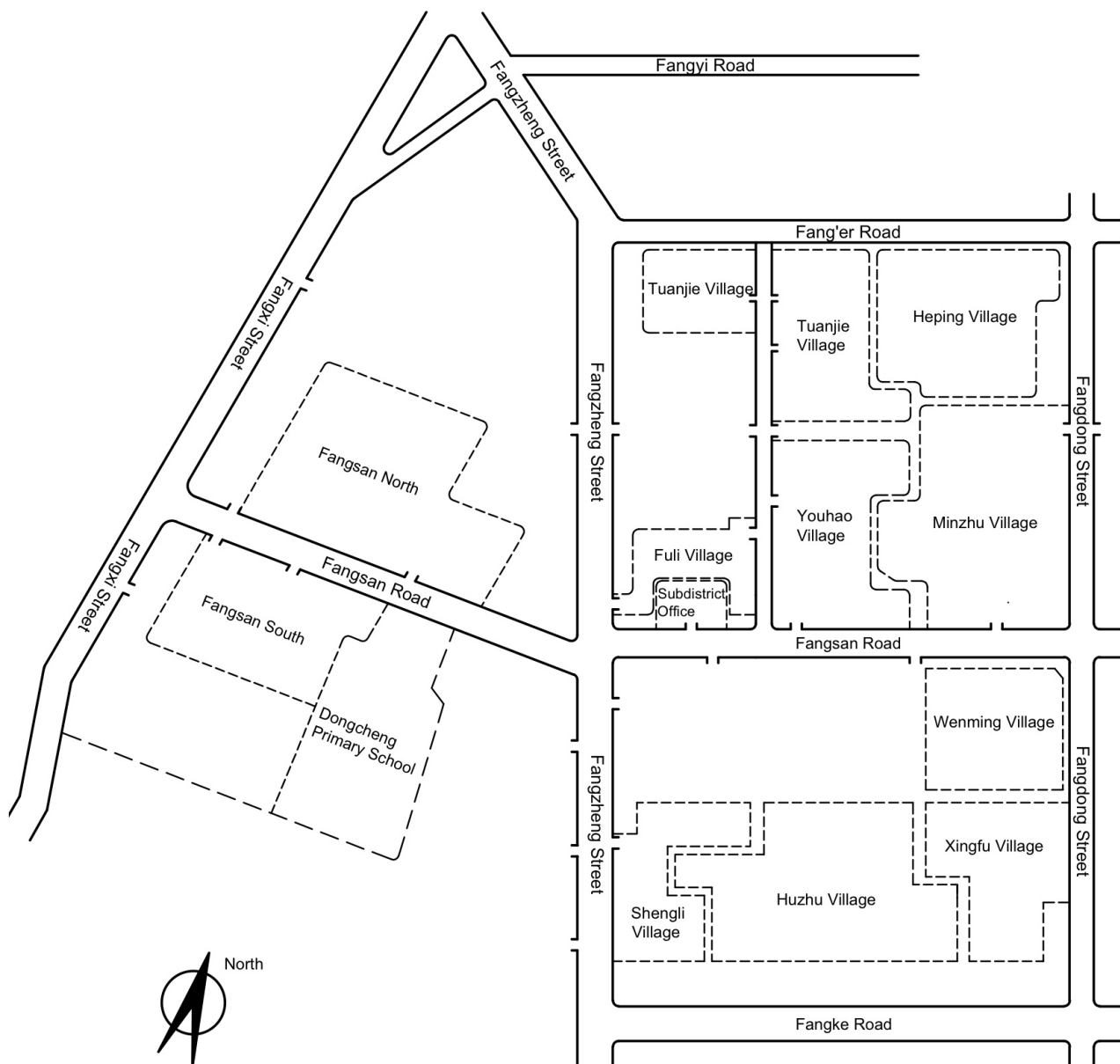


Figure 2.4: The map of No.3 Factory’s *xiaoqu* and the socialist-style names of each building within it. Image rendered by Chi Cheng.

One of the differences in public space between social housing communities and private communities lies in how people use public space. In a private *xiaoqu*, it may be hard to see certain forms of

entertainment practiced in public space because the real estate company ensures a quiet, clean, and elegant inner space is maintained for middle-class residents (Zhang 2012). The old socialist community, however, is more vivid and less organized than those private communities. I often saw seniors talking with one another while they sat in groups of two or three on tiny chairs they had brought with them. Another common phenomenon inside the factory community was people playing mahjong or Chinese chess. On warm days, before I joined the crowds, I could hear the noises of people playing these games. There were more than ten tables. Some tables were made of stone or wood fixed on the ground, while others had been transported from people's apartments. Although there were only four people playing mahjong at one table and two people playing Chinese chess, they drew a crowd of spectators double the number of players. Most of the players and spectators were male. Female players were the only older people there, and few spectators watched them. It was very noisy during the entertainment, as the spectators always gave the players suggestions. Female players, however, played relatively quietly and sometimes discussed circulating gossip. Although I could feel the leisure and entertainment atmosphere, many residents complained that playing mahjong was a bad *fengqi*. *Fengqi* can be translated as a social ethos. Residents always used the word *fengqi* to self-mock the place in which they lived and to describe the textile town's backwardness.

Fangzheng Street was the busiest commercial street in the textile town. It was the main road that crossed all the five slopes and linked all the community clusters. Residents from all four generations walked up and down this vivid, lively, and noisy street from early morning onward. Many students walked from the community to school, either on their own or accompanied by parents or grandparents. Some stopped in at the shops to grab freshly steamed buns on the way to school. There were many private cars on the road, which always led to traffic jams. Many people who lived outside the textile town drove in and then dropped off their children by the primary and middle school; these schools had first belonged to the textile factory but later opened to the public. Some former textile residents drove out from the *xiaoqu* to work in locations outside the textile town. Most other people left their home and walked to the bus station or the subway en route to various workplaces far away from the textile town. The retired residents rushed to open-air markets or supermarkets very early in the morning to purchase fresh, cheap food. Many then went to the Textile Park (Fangzhi Gongyuan) — a public park in which they joined their exercise groups, enjoyed square dancing, sang in a small choir, did taichi, or played Chinese instruments. The vivid, lively atmosphere was ubiquitous, with the sound of car horns, pedestrians' voices, lively exchanges when haggling in the market, and various park noises.

Compared with these scenes at the top of the slope, the scene at the bottom of the slope was strikingly different, one of desertion and depression. In the past, the slopes that linked the living quarters and the workplace made up the entirety of a person's working life. During fieldwork, however, it seemed as if the two worlds had become divided into the top of the slopes (*po shang*) and the bottom of the slopes (*po xia*). The slopes did not feature as a linkage but rather as a boundary between the life of the former socialist *xiaoqu* and the lives of others in the private communities. The slopes remained the slopes. What had changed were the fate of the factories and the trajectory of workers' lives. To understand the rise and fall of the textile town, we need to first consider the birth of this industrial

place.

The Birth of the Textile Town

Before the founding of the People's Republic of China, the textile industry in China was considered one of the most developed industries. Shanghai, as the most prominent industrial center in 1930s China, possessed the most and largest cotton mills. These mills, however, had significant semicolonial characteristics, mainly because the equipment and raw materials could not be self-sufficient. More than half of the industrial sites were directly operated and manipulated by foreign countries and subject to foreign capital. For example, half of all the mills were Japanese cotton mills (Honig 1992: 28). The textile workers in Shanghai's cotton factories, especially the female workers, experienced various forms of oppression and exploitation. The Japanese invasion of China in 1937 seriously damaged the development of China's domestic textile industry. Shortly after, continual worker strikes and resistance during the civil war led to the slower-than-expected growth of China's textile industry (Honig 1992: 39). Because of this situation, after China was founded the state desperately needed to build its own industrial textile systems.

The act of establishing an independent and essential industry that would serve the new China required transforming the old textile industry into a socialist industry. The state had to solve the problems of sourcing equipment and raw materials themselves, and of cultivating a talented team. Thus, after the establishment of the Ministry of the Textile Industry in 1949, the original textile machinery parts and accessories repair factories in Shanghai, Tianjin, and Shenyang were transformed into textile equipment manufacturing plants. They produced various machines and then organized nationwide collaborations to form a complete set of supply capacities that met the requirements for developing the textile industry. In the meantime, the work of cultivating talent also swung into action. In the early 1950s, according to the subjects' adjustment of higher education institutions, the East China Textile Engineering College was established by merging some higher textile colleges in Jiangsu, Shanghai, and other places, all of which were fully equipped and cultivated a professional environment. This college adapted to the need to construct industrial textile bases in places such as Beijing, Xi'an, Zhengzhou, Shijiazhuang, and Handan (Chen 2012).

In the spring of 1952, China's former Ministry of the Textile Industry¹ decided to construct a textile base in Xi'an. They eventually selected an area named Guojiatan, located in the east suburb of Xi'an city between Ba River (Bahe) and Chan River (Chanhe). They chose this area for three reasons. First, the north was close to the Baqiao Thermal Power Plant, one of the 156 projects supported by the Soviet

¹The Ministry of the Textile Industry, established in October 1949, was once an agency of the State Council in China. It then became a constituent department of the State Council in September 1954. In April 1970, the First Ministry of Light Industry, the Second Ministry of Light Industry, and the Ministry of the Textile Industry merged to form the Ministry of Light Industry. Still, the State Council restored the Ministry of Textile Industry in 1978. The Ministry of Textile Industry was abolished at the first session of the National People's Congress in 1993. In March 1998, the State Textile Industry Bureau was established based on the China Textile Federation, which was managed by the State Economic and Trade Commission. In February 2001, the State Textile Industry Bureau was abolished, and the China Textile Industry Association was established. Since then, the textile industry has been self-regulated by intermediary social organizations providing services and coordination.

Union during China's First Five-Year Plan period. The power plant could provide a convenient power supply and offer direct heat using the power plant's exhaust gas if the factory were close by. Second, because the Baqiao Thermal Power Plant (Baqiao dianchang) had a dedicated railway line that linked the important arterial east–west railway (known as the Longhai Railway), the new textile factories could also link their own railway line to the Baqiao railway line to deliver the products. Third, it was not very far away from city center when workers crossed the Chan River in the west. The geology of this site was hard loess, and so it was high terrain with no flood risk. There was enough groundwater, the water quality was good, and the temperature was low. It thus met the water requirements for air conditioning in the textile factories. An open plain lay to the south, and this plain could provide a vast space in which to construct joint factories and residential buildings. Therefore, this area was an ideal place in which to establish a textile base.

In March 1953, the Central Finance and Economics Commission and the Chinese Ministry of Textiles approved the construction plan with a total investment of 38.04 million RMB and land acquisition of 0.69 square kilometers from local peasants. The Infrastructure Bureau of the Ministry of Textiles designed the master plan and the main works, and the Northwest Textile Construction Corporation² undertook the construction task.

In April 1953, the first well was sunk. On June 20, the warehouse works began, and the plant infrastructure was ready to build. Many other works were carried out alongside constructing the main plant: acquiring land and relocating, digging deep wells, dealing with graveyards, erecting builders' sheds, building an exclusive railway, and constructing roads to the city. The construction conditions were arduous and challenging. When they started out, they relied entirely on the workforce because of the lack of mechanical equipment. Wang Yuncheng, who was one of the constructors in 1953, recalled the situation:

The construction machinery and equipment were insufficient, and most of the earthwork was mainly excavated, carried, and compacted by hand. There were only a few small mixers, no tanker, and a pump truck. Most of the time, the workers used a shovel to mix, and they carried and lifted manually or used a one-wheeled cart to transport items. They used iron bars to punch solid. Construction scaffolding was not steel with fasteners but was instead tied with bamboo and bamboo splits. They assembled 1145 blocks per person per day. The diet and the residence conditions were also harsh. The shed's structure consisted of moso bamboo pillars, moso bamboo beams, a straw mud roof, reed foil walls, with hanging straw curtains as doors and windows. Each shed was 231 square meters, with 160 people living in it. Workers slept on double bunk beds made of moso bamboo sheets with straw curtains. There was less than two square meters per person. The cadres worked voluntarily every Sunday and came to the shifts in batches to do three things with

²On October 7, 1952, the Northwest Textile Administration Engineering Cooperation was established in Xi'an. Meanwhile, the East China Textile Administration Construction Engineering Company was formed in Shanghai. In February 1953, the Ministry of Textiles merged with the East China Textile Administration Engineering Corporation and Northwest Textile Administration Engineering Corporation to form one corporation — the Northwest Textile Construction Corporation. It later changed to the Northwest No.4 Electric Construction Company.

the workers: they lived with them, ate with them, and worked with them, and this formed a system. Under such harsh conditions, all the workers completed the textile factory's construction tasks quickly and to a high quality. (Wang 2012: 7)

At the end of September 1954, the construction work was basically completed. After testing, the construction projects followed the original design, and all the quality indicators attained the national standard, and the quality of the main plant, chimney, canteen, and floor was rated highly as the best project.

As the building projects were completed ahead of schedule, the equipment installation works also advanced in good time. Two-hundred young workers were sent to other factories in the province for the three-month training. On February 25, 1954, the equipment installation commenced. The quality of the equipment arriving at the plant was first appraised. The working methods were then decided on and formulated in line with the technical and quality standards. As for labor organization, the spinning department installed the equipment bit by bit, with equipment parts allocated to professional groups for installation.

During the installation, the workers put forward tens of thousands of suggestions. Of these, the factory adopted twenty-three important suggestions and technical reform programs. The equipment installation took only three and a half months, and almost all the equipment was successfully trialed at the same time, thus laying a good foundation for official production.

The production preparation work began in the third quarter of 1953. According to the Chinese Ministry of Textile requirements, the factory's scale of production entailed the use of 50 560 spindles and 1584 pieces of fabric machinery. The main production varieties were 21 and 23 counts of medium-grade yarn and 23S×21S plain cloth. The annual production capacity was about 8000 tonnes of cotton yarn and forty million meters of cotton cloth. The yarn was put on the market under the trademark of Li Mountain (Li Shan). A production preparation team was formed in January 1954, and they started to prepare plans for production tools, machine materials, vehicles, pipe containers, the deployment of technicians, and new worker recruitment and training. At the same time, the production management system was developed, and various production reports and other support services were prepared for the trial production.

At the end of 1953, the training committee was established and started recruiting and training workers. More than 1660 workers came from various counties and cities in the province. The workers were first organized into six brigades, and they trained separately in other cotton textile mills for five months. After all the workers had completed the training and returned to the factory, trial production began in early May 1954. The work efficiency and quality of the trial production increased. By October, all the production indices had reached the required level. The cotton yarn yield and the rate of cotton fabric production exceeded the levels of other cotton textile mills in the province.

On December 8, 1954, an approval committee organized by the Ministry of Textiles and Shaanxi Province conducted a complete appraisal of the construction project and officially approved the start of construction. On December 15, a grand opening ceremony was held. The secretary of the Shaanxi Provincial Party Committee of China and the vice minister from the Ministry of Textiles gave a

presentation in which they congratulated the construction project. At this point, the No.3 Northwest State Cotton Factory was officially completed and began operations. From 1953 to 1958, during the period of the First Five-Year Plan, four textile factories and one printing and dyeing factory were built in successive years. These were the No.3 Factory, the No.4 Factory, the No.5 Factory, the No.6 Factory, and the Northwest First Printing & Dyeing Factory. The scale and landscape of the textile town were established.

Most records below are from the *No.3 Factory Chronicles* and some previous workers' memoirs. They are the first generation of the textile town. The records display the glorious past and describe how the first batch of workers endured hardships and was capable of hard work. These materials offer an effective way to understand the textile town's beginnings, and they also possess a symbolic meaning wherein the stakeholders use the past in the present moment. In Chapter 6 and Chapter 7, I will show the different understandings and tensions that emerged when working-class residents, artists, and government officials drew on the past.

The Workers' Origins

Recruitment in the state-owned factory before 1993 was completed in line with a recruitment index issued by the competent department, and the local government conducted targeted recruitment in the area. By September 1954, when the first factory — No.3 Factory — began operations, the total number of workers was 3166.³ The fast-paced construction from 1953 to 1958 then resulted in the number of employees reaching a record high. According to the factories' chronicles, at No.4 Factory there were 3593 workers in 1956 and as many as 6761 workers in 1957, there were 4982 workers at No.5 Factory by the end of 1957, there were 3321 workers at No.6 Factory by the end of 1959, and there were more than 1600 workers in 1960 at the Yiyin Factory. The young workers came from different areas and families; they settled in this new place to work, live, and start creating stories with one another.

Workers from the Inner Province

During the textile town's construction period (1953–1958), the primary source of workers in each factory was local workers, mainly from Xi'an and other counties in Shaanxi Province⁴. At the early stage of building the No.3 Factory, many new workers came from rural areas, with 1266 workers from rural areas present among a total of 3166 workers. Nevertheless, from 1958 to 1964, there were 903 new workers from Xi'an city, yet only 156 rural workers. After “the period of hardship” (*kunnan shiqi*), in 1964, the production situation of the factories in the textile town improved, and many young

³Of the 3166 workers, 340 were cadres, accounting for 10.7%; 112 were technicians, accounting for 3.6%; 213 were mechanics, accounting for 6.7%; 248 were apprentices, accounting for 7.8%; 316 were skilled operators, accounting for 10%; 1662 worked in operations, accounting for 52.5%; 275 were other miscellaneous workers and guards, accounting for 8.7%. Of the workers, 6.9% of the total cadres, mechanics, and skilled workers were deployed by the Ministry of the Textile Industry. In comparison, 25.7% were deployed by various danwei in Xi'an, and 57.4% of workers were recruited by the factory.

⁴Besides the workers mainly from Xi'an, others came from counties like Lantian, Lintong, Weinan, Gaoling, Sanyuan, Xingping, Huxian, and Zhouzhi.

men and women were recruited mainly from all urban districts of Xi'an to make up for the number of machine workers.

Many urban intellectual youths (*zhishi qingnian*, abbreviated to *zhiqing*) were sent to rural areas during the Cultural Revolution. The policy entitled Up the Mountains and Down to the Villages (*shang shan xia xiang*), which arranged for *zhiqing* to go to the countryside, was the primary method used to solve the employment problem of urban youth in the 1960s and 1970s. From 1962 to the end of 1979, 17 764 800 urban *zhiqing* went to the countryside (Gu 1997: 301). But after 1978, the policy allowed some of the youths to return to the city. Also, the college entrance examination was resumed after 1978. Young people, especially those who came from urban places and who had lived in rural places for several years, saw college as an opportunity for them to return to the city. The examination, however, was not easy for those young people who had lost several years' education during the decade of the Cultural Revolution. At this time, a fresh approach to the recruitment of urban youth emerged. The No.3 Factory, for example, stipulated that the recruitment targets included young people who had gone to the countryside, urban youths exempted from going to the countryside, and urban youths waiting for employment. Then, a total of 1571 young urban people were recruited from 1975 to 1980.

The return of many *zhiqing* to the cities caused a sharp increase in urban employment pressure and created severe social problems. In this situation, workers' early retirement and their children's participation in the workforce began to be implemented nationwide to relieve the employment pressure on urban youth. In the textile town, after 1977 — because of the large number of workers' offspring waiting for employment — the competent department for the textile industry permitted a target wherein "internal recruitment" of the factory's offspring could account for forty percent. In the No.3 Factory, for example, by 1986 a total of 895 workers had been recruited to replace the retired workers.

Nevertheless, the shortcomings of the offspring-oriented employment system were exposed. The State Council issued the Provisional Regulations on the Recruitment of Workers in State-owned Enterprises in 1986, and it stipulated that replacing retired workers with their offspring should no longer be implemented. The textile town followed this policy and abolished the internal-recruitment rule. The factories posted recruitment brochures and applied a ratio of 1 : 3 recruitment in line with the recruitment index, with new workers admitted based on merit after an examination. Also, the labor contract system was introduced in 1982, and the factory recruited 1764 contract workers over the ten years until 1992.

After approximately three months of training, the factory arranged for the new workers to manage the machinery and work the night shift. These tasks were new but tough to many, especially for workers from urban families. Workers who came from rural places had followed their parents into the fields, where they had worked from their early teenage years. Compared with rural work, factory work was more attractive. They could take on heavy responsibilities, follow the shop floor rules, and master factory techniques with dedication. At first, however, workers from urban settings felt the workload was too heavy, and many cried each day. After they had been educated and consoled for the first few months, they were able to adapt to the textile factories' work intensity and social life. As one older worker recalled, when she started work as a textile worker in 1953, the experienced workers, the

section chief, and the branch secretary continually emphasized that being a worker was not only a job one was also a master of the country. To be a master of the country, they had to increase production levels and fight for socialist construction.

The Workers from Outside

In the 1950s, the central government made the national call “go west” (*dao xibu qu*). Xi’an was one of the important cities in northwest China, and many experts and young people responded to the call to support its education, industry, and urban construction. Before China was founded, the textile industry in northwest China was backward compared with Shanghai. Xi’an’s Dahua Yarn Factory (*dahua shachang*), the earliest modern fabric factory in northwest China, which was founded in 1935, had only 30 000 spindles and 800 fabric machines. Thus, during the First Five-Year Plan period, to develop the textile industry in China’s northwest, the state established large state-owned textile factories in Xi’an, which required skilled workers from other areas to support the northwest. According to the policy and call of “supporting the northwest” (*zhiyuan daxibei*), many professional and experienced workers from textile factories in other provinces became technologists and trainers for guiding the constructors and training the new workers in the textile town.

During the construction of the first textile factory in 1953, much support came from Qingdao, Shandong Province. Qingdao’s cotton textile industry was the leading textile industry in China, and it provided very important support with respect to human resources. Before 1949, Japan opened eight textile mills in Qingdao. These mills used Japanese-made equipment, and their management enslaved Chinese workers and many child laborers. After China’s independence, Qingdao became a base for the textile industry. The workers in Qingdao’s factories responded to the call and submitted applications to support the northwest. During the construction of the No.3 Factory in 1953, a group of more than 120 workers, including skilled operation workers, trainers of new workers, skilled security workers, maintenance workers, engineers, and management staff all left Qingdao and moved west. Their primary purpose was to train and inspire new workers and carry out the tasks of installing equipment and commissioning workers for the new factory (Zhang 2012: 125). They took the train to the northwest and finally arrived at the ancient city of Xi’an, after two transfers with the journey lasting three days and two nights. Wang Jingtong, who was one of these workers from Qingdao in 1953, wrote about the situation at that time:

The female trainers selected from all the factories in Qingdao were all competent operators familiar with the process’s working method, including the “Hao Jianxiu work method” and “the 1951 weaving working method.” Although they were still very young, most were experienced workers who entered the factory before 1949. Some were still child workers who had entered the factory during the Japanese occupation. To support the new factory in the northwest, some postponed their marriage, and some encouraged their partners to join the ranks of support for the new factory ... The trainers ate and lived with the new workers at the training site. They taught them the techniques by hand and educated them about the

factory and about class with their personal experiences in which they compared the old and new society. As the new workers were young girls recruited from various counties and rural areas, they had left home for the first time and did not adapt to factory life. Some of them often felt homesick and cried, while some cried because of the challenging work. Through several months of training, the new workers who first entered the textile industry became the first batch of qualified textile workers in the new factory in Xi'an's textile town. (Wang 2019)

Support also came from Shanghai, the largest city and the most important textile industry base. Three hundred workers came from Shanghai during the construction of the first textile factory in 1953. After the Spring Festival of 1956, 2001 female workers took the train from Shanghai to the west. According to the arrangements that the Ministry of Textile Industry had made, the Shanghai Labor Bureau was entrusted with recruiting female workers for the second textile factory, that is, for the No.4 Factory in the textile town, which also was the largest textile enterprise in the northwest region.

When they first came to a new place that was in poor condition, many workers found it difficult to acclimatize. They missed Shanghai, the modern city, the prosperous Nanjing Road, and their faraway parents and siblings. They did not adapt to eating wheat-based foods, typically with fewer vegetables. And working the night shift regularly was also difficult. To help them deal with these difficulties, the factory recruited ten cooks who made Shanghai-flavored meals with local ingredients. The factory also arranged for them to live in four new three-story apartment buildings, and so four workers lived in a twenty-square-meter dormitory. This provided them with better living conditions, which comforted their homesickness. After these Shanghai workers had completed a course in safety education, their technical training and a course in factory discipline, these Shanghai workers were assigned to the eight workshops to implement ten industrial processes and carry out more than ten types of work tasks in the factory (Yang 2012: 130). They adapted gradually to the rhythm of being socialist textile workers and got along with other workers from provincial areas.

The workers from the southwest were also a source of significant support for the third factory — the No.5 Factory. In 1956, the Southwest Textile Management Bureau assigned some cadres and workers to Xi'an. The road conditions and travel options from Chongqing to Xi'an were poor. The southwest and the northwest were separated by China's most extensive and treacherous mountain range, the Qinling Mountains. The mountains were high and their paths were winding, and a railroad was not accessible then. They arrived at Xi'an after a hard journey, and so the thirty-member delegation modified the route. Later, 1200 workers (divided into three groups) took ferryboats from the Yangtze River to Wuhan, from where they traveled by train to Xi'an. By May 1956, a total of 1500 employees had settled in Xi'an from the southeast, and they contributed their whole life to the development of the No.5 Factory (Yang 2012).

In addition to the migrant workers from Shanghai, Qingdao, and Sichuan, there were many workers from other cities and towns. Some technical experts and cadres from northwest China provided strong support with management and technology use. Indeed, many graduates of textile technical schools from various places became professional team leaders, and veterans returning from the Korean

battlefield provided core support with equipment maintenance and security work. All worked and lived in this new, fresh place with workers from the inner province. The textile town became their home, and they became tied to it for their entire life.

Dialect

When I walked through the residential area in the textile town, while most textile workers spoke the Shaanxi dialect, I also encountered other dialects. The two main dialects I could distinguish were the Henan dialect in the No.3 Factory and the Sichuan dialect in the No.4 Factory as many workers came from these two provinces. One interesting phenomenon was that the act of imitating another dialect was even prevalent among workers. For example, my informant Aunt Xing is a local worker who had been born in and had grown up in Xi'an, but when she greeted another worker who spoke the Henan dialect, she spoke in Henan dialect. I asked her why she spoke the Henan dialect, which I noticed many workers used, and she explained it as follows:

The use of other dialects was a habit in the past — a kind of convention. In the 1960s, our factory recruited mainly Henan and Shaanxi workers. It became fashionable to speak the Henan dialect then, and so it slowly became a trend and habit of the time.

But speaking the Henan dialect was unacceptable to many workers who had grown up in urban locales in Xi'an. From their perspective, Henan Province was poorer and more backward than Shaanxi, as billions of people fled from Henan to Shaanxi during the Henan Famine (1942–1943) and the Great Chinese Famine (1958–1961). But in the No.3 Factory, the new workers had to adapt to the atmosphere and speak the mainstream dialect, even though they were reluctant. Aunt Lin told me her feelings about speaking the Henan dialect when she graduated from middle school and was recruited by the No.3 Factory in 1978:

I didn't like the Henan dialect when I entered the factory. I believed that speaking blunt Mandarin on any occasion demonstrated that I had cultivation (*xiuyang*). But later, I found that the work environment with pure Mandarin was not only not well regarded by others but also very difficult to integrate into and even despised. So, in time I complied with the trend. I did so because my purpose was to fit in; otherwise, I would be isolated everywhere. So, at that time, this was the only way to integrate into that era and environment. If you did not follow the customs, you would be marginalized or ostracized.

Although many local workers disliked the Henan dialect, they realized that they would be ostracized if everyone else spoke the Henan dialect. Especially at that time, once the operatives had been excluded, the production and quality quotas would be more challenging to accomplish. The spinners hoped their work would be ranked top. The blackboard on the wall of the shop floor (each shift group had one) would announce the completion of the individual production and quality quotas every day, and the workers would examine the figures carefully, even in the middle of meal times, as they were afraid

of falling behind. If a worker seemed asocial, other workers gossiped about them and even reported them to the team leader. Then, the team leader made life difficult for them. For instance, they may be assigned to a difficult position or allocated more complex tasks. In the collective unit, everyone was afraid of exclusion and of gossip; thus, keeping a low profile and working hard was an effective way to survive on the shop floor.

Therefore, although the workers came from different areas and spoke different dialects, direct conflict among them was seldom observed. In this atmosphere of compromise and reconciliation, a tendency toward homogenization emerged over many years of working together. Even if the factory workers were able to get along peacefully and make friends with like-minded coworkers, this *danwei* was not a completely closed space. The external environment affected it all the time and further influenced the individuals in it.

The Reform of the State-owned Enterprises

The SOEs' Reform Policy

The reform in 1978 brought hope after economic development had stagnated during the Cultural Revolution. A decision on economic reform adopted by the 12th CPC Central Committee at its third plenary session in October 1984 defined China's socialist economy as a commodity economy based on central planning and public ownership. It stated clearly that the reform of state-owned enterprises was central to the economic system's reform, which intended to reform the relationship between the state, enterprises, and workers. The shortcomings of the planned economy model had resulted in the enterprises' lack of autonomy. The reforms aimed to change the situation described as eating a "big pot of rice" (*da guo fan*). This had seriously suppressed the enthusiasm, initiative, and creativity of enterprises and the masses of workers. Therefore, the central government proposed economic reform measures, which included plans to 1) enhance the vitality of enterprises, expand their autonomy, and make them genuinely independent economic entities; 2) reform the planned economic system and develop a "socialist commodity economy," a term mentioned here for the first time; 3) establish a reasonable price system and pay full attention to the role of economic leverage; 4) implement the separation of government and enterprise responsibilities, simplify administrative control, and delegate powers; 5) establish various systems for economic responsibility system and adopt a general manager responsibility system (*changzhang fuzezhi*). The enterprises themselves determined enterprise workers' funds in line with their business conditions. The government would reform the original average distribution by widening the wage gap and distinguishing between rewards and punishments.

The decision resulted in significant changes to the SOEs. These changes shifted the SOEs from being administrative units to being relatively independent enterprises. According to the national policy, in 1985 the factories in the textile town established the "general manager responsibility system," which stipulated that the factory manager was the head of a factory and the legal representative of the enterprise, and that the factory manager was entirely responsible for production command,

management, and the appointment and dismissal of enterprise staff in line with the relevant national regulations. In 1987, the 13th Party Congress proposed that “the state regulate the market and the market guide the enterprises,” which broke through the old framework of a dichotomy between a planned economy and market economy, which was present when the reform began. This proposal integrated the role of planning and that of the market. The market’s status was significantly increased. In the case of the No.3 Factory, for example, the new leadership decided to follow the market closely and introduce new technology and a technological transformation. From 1986 to early 1990, the No.3 Factory used bank loans and countertrade five times to introduce advanced equipment from Italy, Japan, the Czech Republic, Germany, and other countries. Also, it built buildings to provide production space for new equipment, and the latest products were constantly developed, with a gradual reduction in low-grade varieties and an increase in export volume.

In 1992, Deng Xiaoping pointed out in the Southern Tour that a “planned economy is not equal to socialism; capitalism also has plans. The market economy is not the same as capitalism; socialism also has a market,” which determined the socialist market economy. In 1992, the 14th National Congress established the reform goal of a socialist market economy system. In November 1993, the Third Plenary Session of the 14th CPC Central Committee adopted the Decision on Several Issues concerning the Establishment of a Socialist Market Economy System. This became the action program for promoting economic system reform in the 1990s. Specifically, the reform of state-owned enterprises (SOEs) proposed the establishment of a modern enterprise system and the implementation of a corporate system for SOEs.

Nevertheless, the reform of SOEs did not go well, and they also suffered from the impact of other economic institutions in the market. In the 1980s, multiple economic institutional forms coexisted and developed, and the two fast-growing economic forms were the primary township and village enterprises (TVEs) and foreign-funded enterprises (FFE). Compared with the slow reform of SOEs, TVEs and FFEs were more independent and autonomous, especially in the textile industry where they proliferated, and their market share increased to the extent that they became SOEs’ most significant competitors (Chiu and Lewis 2006).

Therefore, in February 1998 the State Council issued the *Notice on Issues concerning the Deepening of the Reform, Adjustment, Structure, Relief and Turnaround of the Textile Industry*. This aimed to deepen the reform of the textile industry, adjust its structure, resolve difficulties, and turn losses around. The notice indicated that with

the serious, repeated construction of state-owned textile enterprises, low-level production capacity excess, low technical level, unreasonable structure, excessive surplus personnel, and heavy historical burden, the textile industry has now become the industry with the most difficulties and the most serious losses.

In May 1998, the State Economic and Trade Commission issued an official document titled *Opinions on the Reform and Development of State-owned Enterprises*. It proposed once again that the textile industry needed to undergo radical reform. The specific implementation measures included:

encouraging mergers, standardizing bankruptcy, rearranging for layoffs, reducing staff and increasing efficiency and reemployment projects, eliminating outdated cotton spindles, focusing on the structural adjustment of cities where state-owned textile industrial enterprises are concentrated, and properly resettled laid-off workers.

The three-year goal was to eliminate ten million spindles and to rearrange for 1.2 million laid-off workers by the year 2000. The “compressing spindles” policy (*ya ding*) significantly influenced the textile industry and textile workers.

In response to the national policy, Shaanxi Province planned for the three-year task of compressing spindles (*ya ding*) in the textile industry, with the province having to compress 476 400 pieces. In total, 43 000 laid-off workers (*xiagang zhigong*) had to be shunted and resettled. The individual textile factories in Shaanxi Province were tasked with this mission.

The Reform in the Textile Town

The textile factories in the textile town set about a significant reform of the SOEs in response to the national policy. In 1998, the Shaanxi provincial government approved the establishment of a large textile printing and dyeing group — the Shaanxi Tanghua Textile Printing & Dyeing Group. This entailed a merger and reorganization of the No.3 Factory, the No.4 Factory, the No.6 Factory, the No.11 Factory and the First Printing & Dyeing Factory, completed by China Huacheng Holding Group. The separate legal personalities of the five enterprises were annulled, and the management of people, factory finances, and materials was unified. While the No.11 Factory was in another district, the other four factories were in the textile town. At that time, the total number of textile workers in the textile town was 40 647, and the company covered an area of 2.3 square kilometers, with a construction area of 0.87 square kilometers.

Nevertheless, this operating model ultimately failed. In 2001, Huacheng Group terminated the operation of Tanghua Corporation and restored the business autonomy and legal personality of each enterprise. In March 2001, Shaanxi Tanghua No.3 Textile Corporation was established. Because of the excessive investment in the early stage, however, the company sank into the quagmire of successive years of losses. Other factories in the textile town experienced a similar fate.

The merger and reorganization of the enterprises initially brought hope to the workers. But later, through the policy of “compressing spindles” (*yading*), the workers, especially those working in the first line, had become jittery about the possibility of being laid off. According to the “compressing spindles” task, all the factories were striving to complete the mission. At the same time, reducing the number of workers was also the factory’s primary task. For factories and leaders, this was a campaign, and every factory was afraid that it would fall behind, so each factory tried to complete the task ahead of schedule. The workers, however, were concerned with their fate, so they did everything possible to avoid being laid off. No one wanted to be a victim of the reform.

The “compressing spindle” policy had different effects on workers in the textile town. The policy did not affect workers who were in management or support jobs. But those machines workers engaged

in shift work had all found ways to get rid of the operation shift work, which would reduce the risk of being eliminated. The “compressing spindle” policy directly related to the machine, and the workers were bound to the machine. The machine’s demolition entailed the removal of the people who operated the machine. Thus, many machine operators pulled strings in order to become workers who could work in the factory’s administrative departments.

At the same time, the factory responded to a Ministry of Labor policy known as “internal retirement” (*neitui*). The policy stipulated that

among the spinning and weaving jobs with spindle compressing tasks within three years, the factory implemented early retirement for laid-off workers who had worked for more than twenty years and were less than ten years away from retirement age, who had single skills and were difficult to reemploy.

In addition, some workers who had not reached retirement age but were ill could also apply for “illness-related retirement” (*bingtui*). Thus, in the first year of the reform, more than seventy percent of the laid-off workers in the factory had taken early retirement, which also eased the pressure on the factory to lay off more workers.

The “compressing spindle” policy indeed had a big impact on all workers. The workers’ reaction was that the “iron rice bowl” (*tie fan wan*) era was gone forever. It was an opportunity for some intelligent workers because, in the early days of reform, individual businesses were already booming, and some people began to “go to sea” (*xiahai*) to do business. Also, those who were not comfortable with textile work looked for ways to leave the factory. For most workers, however, while they had not experienced “layoffs,” they had started to think of possible routes out of the industry in the future and what they could do if they were to leave the factory. The “compressing spindle” policy acted like a hurricane in that it swiftly made textile workers who had previously believed their jobs were stable suddenly experience insecurity and crisis.

The “compressing spindle” policy was implemented relatively actively at the factory. The factory could eliminate old equipment on the one hand, while it enjoyed relevant subsidy policies on the other hand. Specifically, the factory could obtain financial subsidies of three million RMB and bank discount loans of two million RMB if it compressed 10 000 spindles. The funds would be used to develop new products, adjust product structures, set up tertiary industry, and compensate and resettle laid-off workers. For the outdated equipment that had been compressed and eliminated, the policy stipulated that the textile and apparel council was responsible for supervising the spindles’ delivery to the furnace for destruction. As there was no supervision mechanism, some factories enjoyed the subsidies and reported the destruction of spindles. But they did not compress the spindles and instead sneakily sold the spindles to other small cotton mills. While the state managed to reduce production capacity in large SOEs, small enterprises and workshops sprang up in the region. The excessive production of many low-quality and low-cost textile products further impacted the entire textile industry and worsened the situation for the state-owned textile enterprises.

The term used in the policy and official document is “compressing spindles” (yading), which refers to the compressing of excess capacity in the cotton textile sector. All the factories and workers throughout the country, however, used the term “smashing spindles” (zading). “Smashing” refers to the process used to compress the spindles. The move from yading to zading reflects a shift from abstract policy to action. There were scenes of workers using hammers to smash the spindles one by one, before they left the spindles broken and scattered all over the shop floor. The term “smashing” demonstrates initiative; it reflects the connection between person and machine, and it displays the “destruction” of an era. It is a kind of helplessness — it bids farewell to the past, and it evidences a determination about the future. When the textile workers recalled the scenes of smashing spindles, they all felt heartbroken, and many female workers gently wiped tears from their eyes.

The smashing of spindles accelerated the pace of reform of SOEs and had a significant impact on the textile town. This struggle lasted for ten years. In 2008, the textile factories in the textile town that had lasted for half a century declared themselves bankrupt.

The Bankruptcy, Layoffs, and Reemployment

China joined the WTO in 2003, and that same year the State Council established the State-Owned Assets Supervision and Administration Commission (SASAC) to perform regulatory functions. SASAC gradually developed a regulatory framework for state-owned assets, and a legal and regulatory system was established. In 2006, the State Council forwarded a document issued by SASAC entitled *Guiding Opinions on Promoting the Adjustment of State-Owned Capital and the Restructuring of State-Owned Enterprises*. The 17th National Congress optimized the layout of the state-owned economy through the reform of the company system and shareholding system. Furthermore, it deepened the structure of state-owned assets with mergers and reorganizations.

The Bankruptcy Policy

The textile factories in the textile town went bankrupt amid the reform of the SOEs. Because of the long-term insolvency of textile enterprises, after the 17th National Congress, the China Huacheng Group Corporation underwent a planned bankruptcy under the auspices of SASAC.

As a result, the affiliated Tanghua Group also met the conditions for overall bankruptcy. The No.3, No.4, and No.6 factories, which the Tanghua Group managed, were all included in the national bankruptcy policy plan. In July 2008, Huacheng Group handed five enterprises belonging to the Tanghua Group over to the Xi'an municipal government. After this takeover, the Xi'an municipal government established a group that would steer the policy-based bankruptcies, and each factory established a corresponding working group. By this point, the policy-based bankruptcy was in full swing.

There is a difference between policy-based bankruptcy and legal bankruptcy. Policy-based bankruptcy, also known as planned bankruptcy, refers to the bankrupting of SOEs in a manner

included in a national bankruptcy merger plan. SOEs affected by this form of bankruptcy enjoy corresponding preferential policies that the relevant departments of the State Council determine. The SOEs implement their own closure and bankruptcy in line with the policy. After state officials have examined and approved all aspects of the bankruptcy, the State Council would then approve the declaration included in the national bankruptcy project plan. Policy-based bankruptcy entails preferential policies on debt write-off, employee placement, and debt repayment orders. The capital gained from sale of the assets would be used to pay for the bankruptcy liquidation costs and employee placement costs first.

The municipal government sought to make employees understand these relevant policies on bankruptcy, and so the working group compiled two brochures, the *Policy Bankruptcy Publicity Handbook* and the *Policy Bankrupt Employee Resettlement Policy Questions and Answers*, which were distributed to all serving and leaving employees. Policy publicity and consultation points were set up in the living and production areas. Retired employees managed them, employees visited them, and consultations were organized to answer questions. These points also held classes for middle-level cadres and employee representatives. On September 30, 2008, the No.3 Factory's Workers' Congress discussed and approved the Policy Bankruptcy Plan and the Employee Resettlement Plan. On October 10, the Intermediate People's Court of Xi'an City declared the No.3 Factory bankrupt.

Although the company went bankrupt, a policy of "bankruptcy does not destroy productive forces" ("pochan bu po shengchanli")⁵ was implemented. In early 2009, Xi'an SASAC, as the investor, established a wholly state-owned company — Xi'an No.3 Textile Co., Ltd. — to continue the former production and operation activities. About half of the old employees were employed by the new enterprises.

After the court declared the bankruptcy, the task of employee placement was initiated immediately. According to the established plan, employees had three options: 1) to enter the newly established enterprise and continue their employment there; 2) to find jobs independently and terminate the labor contract with the original enterprise, with the original enterprise issuing a one-off resettlement fee or economic compensation; or 3) to seek early retirement — for this, all male employees had to be at least fifty-four years old, and female employees had to be at least forty-four years old before October 10, 2008.

After more than twenty days, the factory completed the placement work. In total, 970 workers could retire early in line with the policy, 2427 people chose to leave the factory, and 2338 people decided to continue working in the new factory. On December 8, 2008, Shaanxi Tanghua No.3 Factory ended its policy-based bankruptcy. The No.4 Factory and the No.6 Factory underwent the same bankruptcy procedure.

In 2010, Xi'an Textile Group Co., Ltd. (Xifang Group) was established. It sought to integrate and reorganize the No.3, No.4, No.6, and the Printing & Dyeing factories. Xifang Group is a wholly state-owned enterprise established by Xi'an SASAC and managed by Xi'an Textile Holding Co., Ltd. Xifang Group (Xifang jituan) set up a new factory area, the Modern Textile Industrial Park,

⁵It means that although the company goes bankrupt, the productive capacity — such as labor, technology, and resources — remains intact.

approximately 10 km east of the textile town. It covered an area of 0.52 square kilometers, with a total investment of 1.6 billion yuan and 188 800 spindles. In 2014, the No.3 and No.4 factories moved at the same time to the new industrial park. The No.6 Factory had shut down production before the relocation, and the employees had been reallocated to the No.3 Factory and the No.4 Factory. On October 30, 2014, the new factory officially started production. To date, apart from the Wuhuan Group (which used to be the No.5 Factory), the other four factories no longer exist on the textile town's original site.

Personal Choice — Stay or Leave?

After the bankruptcy of the textile factories, except for those who could retire early, workers faced two choices: one was to continue working in the new factory, and the other was to find their own way out. According to the data, there was little difference between the number of people who stayed in the new factory and those who left. I would now like to analyze their specific choices.

Many workers admitted that in order to decide whether they would leave or stay, they calculated an amount. How they calculated this amount varied according to individual circumstances. There were two factors here: one was the one-off resettlement fee, and the other was how certain each worker was of their own ability to find a job. Resettlement payments also varied depending on the length of service, with each receiving a different amount. The following formula was used to calculate the resettlement fee:

$$\text{Individual resettlement fee} = \text{the average annual resettlement fee of the enterprise} \times \text{the length of service of the individual}$$

Each enterprise fixed the average annual resettlement fee, which would then vary according to each worker's length of service. Thus, the longer a worker had been employed there, the larger the settlement payment they would receive. But after they received this resettlement fee, they would then have to pay their annual pension until retirement. At that time, there was also a policy of subsidizing individual pension payments: they would pay for three years and then receive three years back⁶. Thus, each person would consider the amount of settlement money they would receive and how many years they needed to pay into their pension. For example, in the case of Han, he was forty-nine years old when he accepted the resettlement fee (maiduan), with thirty-one years of working service and eleven years until retirement. Because of his long service, he received a settlement payment of almost 100 000 RMB. In 2008, 100 000 RMB was a lot of money for a factory worker, and this is what Han considered to be his "basic confidence" (diqi). He thought this money would be enough to pay for the pension anyway. Also, he believed that the textile industry had declined, and he wanted to try to find work in another industry. He thought he was still capable because of his years of working experience. For female

⁶This was also a policy that supported the policy-based bankruptcy. According to this policy, workers would pay their own pension for the first three years, the state would waive the fees for the next three years, and then they would continue to pay it after this six-year period until the worker retired. In actual fact, after the workers had paid their pension for three years, the state did not waive 100% of the pension payments for the next three years but instead waived 90% for the first year, 80% for the second year, and 70% for the third year.

workers, the retirement age was fifty. Thus, many in their thirties and forties also considered accepting a resettlement fee and going out to look for work themselves. For example, Xu, who received over 60 000 RMB in her buyout, considered going out to find a job to pay her pension so that the 60 000 could be saved and left untouched. After a while, she got to know other female workers and found a job in a supermarket that would pay her pension. Thus, many who chose to leave the factory were workers with long years of service and a relatively shorter time (around ten years) to retirement.

In contrast to those who left the factory, those who decided to stay also had their own considerations. It was better for them to continue working in a new factory with the possibility of a wage increase. They were generally younger and had shorter service years. So even if they had accepted a buyout, they would not have received a large resettlement fee, and it would also have been a challenge to find work again. In addition, they had other concerns over family issues. For example, their children were still young and needed to be picked up and taken care of. The factory had its own kindergarten and primary school, so if they continued to work in the factory, it would be easier for them to take care of their families, and the commute would be shorter. If they went out to work, the commute would be challenging, and they would have greater difficulties in caring for their family.

Many couples worked in the textile factory together. When everyone made their choice, few families with both husbands and wives employed in the factory left the textile factory together. Most couples opted for one to stay and one to leave. In 2014, the new factory moved to an industrial park ten kilometers away. This time some workers decided to leave the factory because of the distance. Xing, who later worked in a watch shop, said, “If the factory hadn’t moved, I would have stayed on because I lived right in the textile town, everything was convenient, and it was only a ten-minute walk to work. Now it’s moved so far away, and I have to take the bus, and since I’m taking the bus, I might as well go out and find a job. The pay might even be higher.” But her husband still worked at the recombined factory, even though he had to commute by bus every day.

The choice was not a simple one but rather a complex and holistic consideration influenced by the individual, the family, and the social environment. Everything would change no matter who left and who stayed, and the previous life in the state-owned factory would be gone forever.

Conclusion

The danwei, as the fundamental unit of urban society, has played a significant role and profoundly influenced the existence of organizations and individuals within the danwei system. It is not an independent entity but rather is continuously influenced by state power, particularly through detailed reform policies. Nevertheless, the relationship within the “state-danwei-individual” framework is not simply a top-down structure; individuals have played a significant role during periods of industrialization and deindustrialization.

In this chapter, I have sketched how workers who speak different dialects, and who came from other places and families, settled down in the textile town, endeavored to build the factories and work under harsh conditions, and devoted their lives to constructing socialist China. Despite their efforts,

their eventual fate was marked by bankruptcies and layoffs, highlighting the overwhelming power of the state. Nevertheless, although each individual's power is limited and cannot determine the unit's fate, the individuals, as agents, have the capacity to resist, adapt to, and negotiate the changing situation. Understanding workers' agency is impossible without understanding their everyday practice in the factory community, particularly on the shop floors. Therefore, in the next chapter, I will delve into the past and present factories respectively, providing insights into workers' daily lives on the shop floor. I will explore how a sense of working-class identity was forged through work routines and procedures in the past — and how it has led to tensions in the present.