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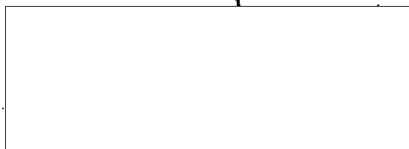
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**NATIONAL POLICY MACHINERY IN COMMUNIST CHINA**

(CIA Contribution to Senate Subcommittee on  
National Policy Machinery)

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THE NATIONAL POLICY MACHINERY IN COMMUNIST CHINA

Table of Contents

	<u>Page</u>
I. INTRODUCTION . . . . .	1
II. THE PARTY . . . . .	3
<u>Policy Formulation</u>	
The Supremacy of the Party . . . . .	3
The Party Congress . . . . .	5
The Central Committee . . . . .	6
The Central Political Bureau . . . . .	7
The Standing Committee of the Politburo . . . . .	8
The Special Position of Mao Tse-tung . . . . .	9
Factors Favoring Bold Policy . . . . .	10
<u>Policy Execution</u>	
The Party Secretariat . . . . .	11
Central Organs of the Party . . . . .	11
The Investigation Department /SECRET/ . . . . .	13
III. THE PARTY AND THE ARMED FORCES . . . . .	15
IV. THE PARTY AND THE GOVERNMENT . . . . .	16
The National People's Congress . . . . .	16
The Chairman of the Chinese People's Republic . . . . .	17
The State Council and the Premier . . . . .	17
Foreign Affairs . . . . .	19
The Ministry of Public Security /SECRET/ . . . . .	20
V. ECONOMIC AFFAIRS . . . . .	21
The Role of the State Council . . . . .	22
Annual Planning--National Economic Commission . . . . .	22
Long-run Planning--State Planning Commission . . . . .	23
Specialized Planning Commissions . . . . .	25
Economic Staff Offices, Economic Ministries, and Local Governments . . . . .	25
Agricultural Policy . . . . .	26
Objectives . . . . .	26
The Pace of Agricultural Socialization . . . . .	28
Some Effects of Policy Shifts on Government Operations . . . . .	29
VI. SCIENTIFIC AFFAIRS . . . . .	31
ANNEX I. Peiping's 1958 Shift in Foreign Policy . . . . .	34
ANNEX II. Adoption of the Commune Program /SECRET/ . . . . .	42

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**THE NATIONAL POLICY MACHINERY IN COMMUNIST CHINA**

**I. INTRODUCTION**

This is a study of Communist China's machinery for formulating national policies and for implementing those policies by appropriate executive decisions. The opening chapter describes the all-important role of the party, both in the formulation of policy and in monitoring the execution of policy. Succeeding chapters set forth the role of the government, which is to draw up detailed national plans consistent with the policy guide lines prescribed by the party and to see they are carried out.

The last two chapters describe how this party-government apparatus of policy-making and execution has worked in two rather specialized fields--in economic affairs and in scientific affairs. Two separate papers along these same lines have been included as annexes. The first, which deals with a 1958 shift in foreign policy, is a free-hand reconstruction of how the machinery was manipulated by the authorities in this instance. The second deals exhaustively with the decision to set up communes in China.

On the whole, the distinctive features in Communist China's policy machinery we would emphasize are:

1. The theoretical formulations of Marx, Lenin, Stalin, and Mao Tse-tung give a sense of direction and purpose to Chinese Communist policy-makers.
2. Broad national policy is not formulated in the government, but by the party. Within the party, it is the Politburo--and particularly its Standing Committee--which is the real center of national policy formulation.
3. The party also has organs to monitor the execution of policy. The powers of these organs are not merely to coordinate but to direct and enforce.
4. Policy implementation is further controlled by the assignment of individuals to interlocking positions in party and government.
5. National viewpoints are represented in Communist China's top policy-making council. The responsibilities of the individuals in the Standing Committee of the Politburo cut across departmental lines.

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6. No effort is made to assure the representation of disparate political viewpoints in the Standing Committee. The Communist Party is of course supreme, and the party is dominated by Mao Tse-tung and his long-time associates.

7. Mao Tse-tung occupies a special position of authority in policy-making. He considers the views of his associates, but he has on occasion authorized policies that did not meet with their whole-hearted approval.

8. Mao considers that his responsibility for policy-making requires time for reflective thinking and freedom from administrative details. He holds no government post.

9. The top leaders in China have had long experience in policy-making roles. They are knowledgeable and confident to the point of cockiness.

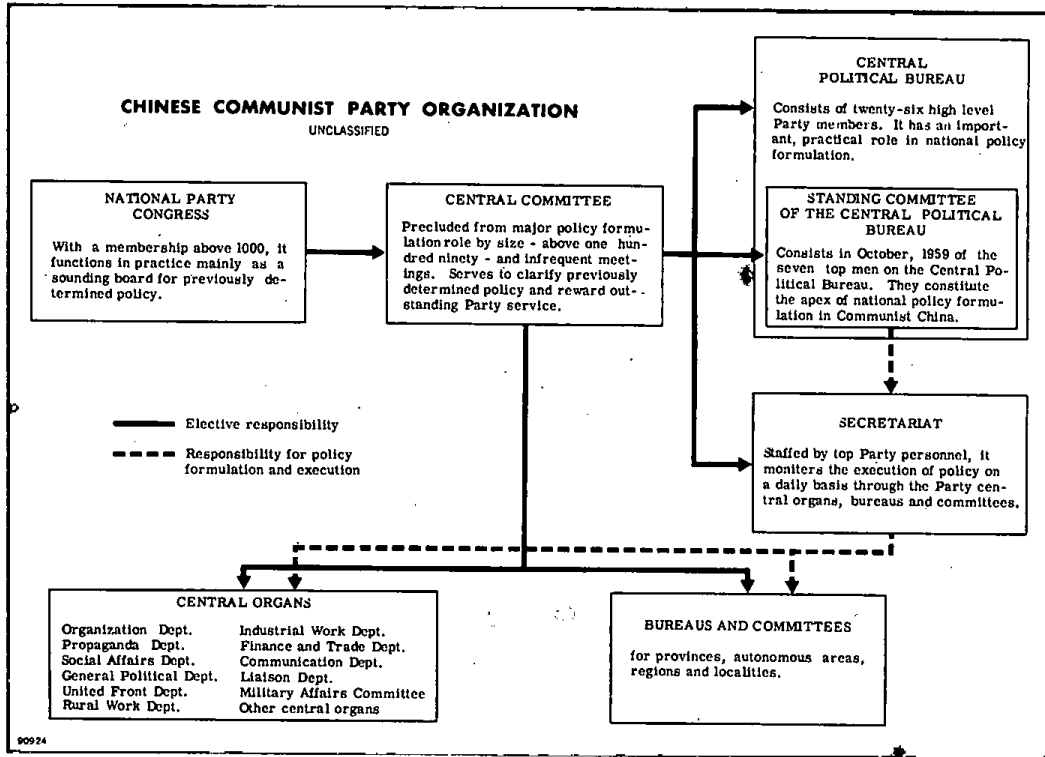
10. Survival of the fittest is the rule in Communist politics; only the boldest and most ruthless reach the top. This fact tends to make for aggressive policies.

11. Consonance with existing public opinion is not an all-important criterion for deciding whether policies are workable. The feasibility of public indoctrination and exhortation--i.e., of making public opinion follow policy--is regarded as more significant. The mass propaganda campaign is an invariable ingredient of policy implementation efforts.

12. A prominent role in this process of indoctrination and exhortation is taken by organs of the party and government which are ostensibly loci of power. Actually they serve primarily as sounding-boards for informing lesser officials and generally popularizing new policy lines.

It will be observed that not all the features in this listing relate to methods and organizational forms. Perhaps the most significant derive from intangibles such as philosophical doctrine and individual personality.

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**SECRET****II. THE PARTY**

A very potent force in the present-day organization for policy-making in Communist China is the implicit set of objectives arising out of the philosophical context of Marxism-Leninism and the writings of Mao Tse-tung.

Rightly or wrongly, the Chinese Communists hold the abiding conviction that they are unswerving Marxist-Leninists. They are motivated by Marxist faith in the redemptive historical process and the Leninist concept of the Communist Party as the only reliable agent of that process. There is thus no need to reconcile the disparate political biases that are accepted in any multi-party state.

The outlook of Communist China's policymakers is strongly conditioned by the Leninist doctrine of imperialism, which holds that imperialism is a phenomenon peculiar to a certain stage of capitalism. This forces Chinese policymakers into a posture of antagonism to the West and gives them a sturdy philosophical link with the general Asian resentment of Western colonialism.

Chinese Communist Party leaders are all committed to the dogmas of the triumph of "Socialism," the need for bloc "unity" against the West, the need for party monopoly of power, and the need for rapid development of the economy (including the military establishment). Thus their policies can vary only within the limits set by these points of dogma.

**The Supremacy of the Party**

Basic to an understanding of the present-day organization for policy-making and execution in Communist China is an appreciation of the all-powerful position of the Chinese Communist Party. At the end of 1958, it numbered 14,000,000 members, whose position--explicitly defined in the country's constitution as "the vanguard of the Chinese working class"--juridically entitles them to lead the worker-peasant alliance, the theoretical basis of the Chinese People's Republic.

As further insurance that it will continue to dominate the country's policy-making apparatus, the party makes use of two other principles. The first involves the organic structure of the Chinese Peoples Republic; no provision is made for a balance of power between legislative, executive, and judicial organs of government to check undue concentration of authority. Rather, authority is merged in a system of overlapping and interlocking organs, which makes effective control from the center possible.

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The other principle, that of "democratic centralism," requires that "the minority shall obey the majority, lower organizations shall obey higher organizations, and organizations shall uniformly obey the control organization." This principle is illustrated, for example, during party conferences. Whenever a party unit convenes, there is present a representative of the next higher organ who is expected to tell the conference what it ought to achieve. This is very often done when he addresses the conference at its opening session. He may then sit through all other sessions and even take part in the deliberations. Occasionally he may be called on to explain the wishes or policies of the higher party organs. Finally, he is expected to sum up in a concluding address the outcome of the conference and his comments. The Chinese Communists call these "conclusions," and they cover practically all of the major decisions the conference is supposed to reach. When the conference is over, the representative has to report back to his own organ on the proceedings of the conference, adding his own observations and recommendations. In other words, this representative serves as a party whip for the conference, whose duty it is to see that the party line is strictly observed.

As the central nervous system of the entire body politic, providing direction and purpose, and coordinating many diverse activities, the party accomplishes its task by placing a host of members throughout the government. These individuals serve as catalytic agents, imparting momentum, guiding and goading the government bureaucracy.

The party is thus the activating and directing force, but Communist theoreticians stress that it must remain organizationally distinct from government agencies, to which is delegated the actual work of administration. Ordinarily, the presence of party members in governmental organizations assures the implementation of policy at all levels without formal orders to the agencies concerned. The system requires a party apparatus roughly parallel, in its organizational hierarchy, to the governmental apparatus. The duplication extends to local areas.

The Party Constitution makes a point of delineating the policy-formulation role of the central and local units.

All questions of a national character or questions that require a uniform decision for the whole country shall be handled by the central party organizations so as to contribute to the centralism and unity of the party. All questions of a local character...shall be handled by the local party organizations....

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Despite this apparent separation of power, control remains ultimately at the party center, for its is constitutionally stipulated that "decisions taken by lower organizations must not run counter to those made by higher organizations." And, of course, the power to decide whether the decisions are in conflict resides in the "higher organizations."

**The Party Congress**

The present constitution of the Chinese Communist Party ordains that the National Party Congress is "the highest leading body of the party." As such, its constitutional functions include the duty to "hear and examine" reports of central party organs, to determine the party's mass line and policy, to revise the Party Constitution, and to elect the Central Committee. It is nominally, but not really, the principal policy-making organ.

The party constitution provides that the convocation of a Congress may be postponed indefinitely by the Central Committee elected in the previous session. In other words, the congress does not meet until the party leaders have formulated the party line for the congress to approve. The fact that no National Party Congress was convened from 1945 to 1956 illustrates how readily the Chinese Communist Party found force and direction for policy formulation in other quarters. The National Party Congress is in fact a rubber stamp organization convened as a sop to party "democracy."

The position of the National Party Congress is well illustrated by the 1956 meeting. Delegates, elected at lower levels, totaled slightly over 1,000 when assembled in Peiping. Such a large-scale convocation is in itself evidence of ineffectiveness; fruitful debate and positive policy-making can scarcely be carried out in such a meeting.

The size of that congress dictated the election of a Presidium to coordinate and direct activities. It is in the composition of this body that a picture of effective control by an elite, higher echelon of party members begins to emerge. The 63-man Presidium of the Eighth National Party Congress contained all the full members of the Central Committee, save four of minor importance. This Presidium then elected a Standing Committee, which was identical with the membership of the powerful Central Political Bureau, or Politburo, the group at the heart of Chinese Communist policy formulation.

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A number of special reports were delivered to the Congress on foreign affairs, economic planning, military organization, and other topics of national interest, but these reports had been first reviewed and approved by a plenary session of the Party Central Committee held shortly before the Congress. The reports were also discussed by delegates in preliminary meetings before the opening of Congress.

When it came time to pass on the composition of a new Central Committee, the power of the higher party echelon again appeared. Through a complex series of straw votes the elections were carefully rigged so that, with one exception, all the old Central Committee membership was re-elected and ranked in proper order of precedence.

Thus, the Congress itself did not formulate policy; it merely listened to explanations of previously formulated policy and gave its stamp of approval. To any serious observer it was clear that major Chinese Communist policy originated at a level no lower than the Party Central Committee.

**The Central Committee**

Like the National Party Congress, the Central Committee is equipped with a constitutional basis for major policy formulation and execution. Its task is defined as one of directing the entire work of the party, representing it in relations with other parties and organizations, setting up and directing new party organs, and supervising and allocating party cadres.

While the Constitution provides that the Central Committee shall meet in plenary session at least twice a year, it suffers a legal limitation on this prerogative, as does the National Party Congress, since it is called into session at the convenience of the Politburo. Furthermore, just as the Central Committee acts for the National Party Congress when that body is not in session, so the Politburo exercises the powers and functions of the Central Committee when it is not convened.

The fact that only seven plenary sessions were held between 1945 and 1956, and four years elapsed between the third plenum in 1950 and the fourth in 1954, illustrates the limited role of the Central Committee in policy formulation. Moreover, meetings from 1945 to 1956 occurred only in connection with the inauguration of new policy lines. At these meetings the policy to be decided upon was served up ready-made. For example, the plenum of October 1955 decided on the rapid collectivization of agriculture, admitting its action was "based on the speech of Comrade Mao Tse-tung at the meeting of provincial secretaries." In actual fact,

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accelerated collectivization was well under way before the October "decision" of the Central Committee.

In line with the post-1956 emphasis on a greater display of democratic forms in party affairs, the Central Committee has since met at least twice a year. However, the short sessions and the enlarged size of the body, which reached 192 members in 1958, suggest that as a deliberative group the Central Committee may be a trifle unwieldy to be useful in direct policy formulation. It is possible, however, that an issue on which the topmost party leaders were seriously divided could be referred to the Central Committee for decision.

While the Central Committee as an organization has been relatively unimportant in the formulation of broad national policy, many of its members are responsible for policy execution at a lower level of party and government. The present membership of the Central Committee is drawn in roughly equal proportions from four major groups: central party organizations, provincial party organizations, central and provincial government organizations, and the armed forces. By approving party policy as elaborated to them while in session, the members of the Central Committee are better equipped to implement it at their own official level.

The exact relationship of the Central Committee to government, mass organizations, and the armed forces is spelled out explicitly in the party's 1956 Constitution. The Central Committee is charged with guiding "the work of the central state organs and people's organizations of a national character through leading party members' groups within them." This task is partly accomplished by the election of four smaller executive agencies, composed of Central Committee members, who exercise daily supervision over party affairs. One of these, the Central Control Commission, has no policy-making function. The remaining three--the Central Political Bureau, the Standing Committee of the Central Political Bureau, and the Central Secretariat--are examined below. They constitute the central core of the policy-formulation and policy-implementation machinery in Communist China.

#### The Central Political Bureau

The Central Political Bureau (Politburo) is authorized by the Party Constitution to exercise the powers and functions of the Central Committee when that body is not in session. This is a sweeping grant of power to the top of the party hierarchy. As of August 1959, the Politburo consisted of 26 men, all long and faithful party members. Twenty were full (voting) members, and six (non-voting) alternates. A variety of background and talent was represented, providing the competence for decisions cutting across many fields.

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The position of Mao Tse-tung as Chairman of the party is of paramount importance and has been singled out for discussion below. Liu Shao-chi, Teng Hsiao-ping, and Peng Chen seem to have special responsibility for party affairs. Chou En-lai and Chen Yun appear primarily concerned with governmental affairs. Chou and Chen Yi carry special weight in foreign policy decisions, while Chen Yun, Li Fu-chun, Li Hsien-nien, Tan Chen-lin, and Po I-po are the party's most prominent economic specialists. Lin Piao seems to be the principal military leader. A range of collective experience in propaganda, minority affairs, military affairs, disciplinary concerns, and ideology--all important questions for the regime--are represented in the remaining Politburo personnel.

The Politburo is very important as a discussion group and perhaps also as a voting body with respect to major policy decisions. It seems highly probable that a definitive stand by Mao on any major issue prevails, since there is little evidence that the members will not vote with the Chairman on those questions where his position is known. In the absence of a definitive personal stand, however, Mao probably is responsive to counsel from different groups in the Politburo. The strongest apparent group, of "party-machine" leaders, is headed by Liu Shao-chi. The group is so called because its members are linked by long and close association in key party posts, as distinguished from those who have made their mark primarily as government administrators or army leaders. Should conditions be right (e.g., in the selection of a successor after Mao's death), the various groups in the Politburo might struggle for power.

Once policy has been formulated, its execution is readily promoted through the interlocking system of concurrent key posts held by many Politburo members in the government. Politburo Vice Chairman Liu is concurrently chairman of the government and thus the formal head of state. Chou En-lai, third-ranking Politburo member, is Premier, while 16 other members serve concurrently as Vice Premiers.

**The Standing Committee of the Politburo**

Before 1956, a Politburo Standing Committee was not provided for in the Party Constitution. In its place there was a Secretariat which attended "to the daily work of the Central Committee, according to the decisions of the Politburo." Composed of the five ranking Politburo members, this Secretariat became an inner cabinet, lending a final degree of centrality and exclusiveness to party policy-making and execution.

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In the Party Constitution of 1956, this locus of real power was formally identified as a Standing Committee, practically identical in membership with the pre-1956 Secretariat. Presumably it acts on the many occasions when Mao does not choose to convene the full Politburo, and its decisions have the force of full Politburo decisions. The leadership, however, apparently considers meetings of the entire Politburo desirable to consider and sanction major policy shifts. For example, the Chinese party line which took issue with the Soviet criticism of Stalin was announced after an April 1956 meeting of the Politburo.

With few exceptions, the same handful of men have remained at the top of the old Secretariat or on the Standing Committee since 1949. A high degree of consistent force and direction has thereby been supplied. The small size of the body and the continuity of membership probably facilitates policy decisions without intricate formal machinery for reaching consensus. A conversation between members would in effect constitute a meeting. Personality factors are of extreme importance at this level, in particular the traits and methods of Mao Tse-tung.

The Special Position of Mao Tse-tung

At the present time Mao is unquestionably the supreme authority in Communist China. Within the confines of Marxist philosophy he has exercised considerable imagination and originality in applying principles to indigenous Chinese conditions. The personal factors which brought Mao to the top and allowed him to maintain his position include great self-confidence, ability to evoke strong loyalties from subordinate party members and the military, and an ability to maintain a balance of power among competing individuals and factions. Recognition that Mao is the ultimate arbiter minimizes serious factional disputes.

While consolidating his control in earlier years, Mao did resort to the liquidation of rivals. More recently the Chairman has treated opposition more magnanimously, preferring as a rule (not always) to reindoctrinate and thus rehabilitate opponents, or, as he puts it, "treat the disease and save the patient." As a result, the Chinese Communist Party has attained a degree of unity and stability at its higher levels which is unequaled by other major Communist parties.

Mao's reputation as national leader was slowly acquired. By the mid 1930s he had outdistanced most of his major rivals for party leadership, although he was still to consolidate his leading position. In the 1940s he followed the world Communist tactic of the "united front" and thus appeared as the sponsor of

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resistance against Japan. Chinese Communist guerrilla operations during the war added to his reputation. Later, especially following the death of Stalin, his writings on doctrine have been hailed as significant "enrichments" or "additions" to Marxist theory.

Mao feels that his all-important position in policy formulation requires freedom from the administrative and ceremonial tasks that beset the top men of many countries. Currently, he holds no position in government and allows himself almost full time for the observation and reflective thinking he regards as the essential prerequisite to sound policy formulation. In recent years he has apparently made very little attempt to intervene in matters of detail and has, in the main, left the execution of programs to his trusted subordinates.

Very little reliable information exists on the degree to which Mao accepts subordinate opinion in his consideration of policy issues. It is asserted that he permits and even encourages private expression and polite argument against his views. Reportedly, he likes to listen to the comments of people outside the Politburo. Certainly it can be said that Mao's actions as Chairman of the Chinese Communist Party have not been limited to simple affirmation of policy recommendations from the Standing Committee or the full Politburo. On several occasions he seems to have taken a position quite apart from the policy recommendations offered him. For example, the "one hundred flowers" campaign of intellectual liberalization from early 1956 to mid-1957 was apparently initiated and insisted upon by Mao, despite the disagreement of other major figures like Liu Shao-chi and Teng Hsiao-ping. He abruptly reversed the Central Committee on the cooperativization of agriculture in 1955.

#### Factors Favoring Bold Policy in Communist China

Survival of the fittest in the Communist political system allows only the boldest and most ruthless to reach the top. These are men, moreover, who are indoctrinated with the need to maintain an atmosphere of struggle to inspire accomplishment and are therefore disposed to formulate policies that present continually fresh challenges to the Chinese people.

The party's inclination toward bold policies is enhanced by the freedom it enjoys from harassment by press and parliamentary bodies, since both are the practical and obedient tools of the party. The Communists cannot disregard public opinion entirely, but they do not compromise with it to the extent necessary in other countries. Policies are adjudged practical not so much by their consonance with existing public opinion, but by the feasibility of influencing and directing public opinion.

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**CONCURRENT POSITIONS OF  
POLITBURO MEMBERS IN THE NATIONAL GOVERNMENT**

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<u>Politburo Member</u>	<u>Positions held in the National Government</u>
Mao Tse-tung	None.
Liu Shao-chi	Chairman, Chinese People's Republic; Chairman, National Defense Council and Supreme State Conference.
Chou En-lai	Premier, State Council.
Chu Te	Chairman, Standing Committee of the National People's Congress (NPC).
Chen Yun	Vice premier, State Council; Chairman, State Capital Construction Commission.
Lin Piao	Vice premier, State Council; Vice chairman, National Defense Council; Minister of Defense; Marshal, People's Liberation Army.
Teng Hsiao-ping	Vice premier, State Council; Vice chairman, National Defense Council.
Lin Po-chu	Vice chairman, Standing Committee of the National People's Congress.
Tung Pi-wu	Vice chairman, Chinese People's Republic.
Peng Te-huai	Vice premier, State Council; Vice chairman, National Defense Council; Marshal, People's Liberation Army.
Peng Chen	Vice chairman and Secretary general of the Standing Committee, National People's Congress.
Lo Jung-huan	Vice chairman, Standing Committee NPC; Vice chairman, National Defense Council; Marshal, People's Liberation Army.
Chen I	Vice premier, State Council; Vice chairman, National Defense Council; Minister of Foreign Affairs; Marshal, People's Liberation Army.
Li Fu-chun	Vice premier, State Council; Chairman, State Planning Commission; Director, Office of Industry and Communication.
Liu Po-cheng	Vice chairman, National Defense Council; Marshal, People's Liberation Army.
Ho Lung	Vice premier, State Council; Vice chairman, National Defense Council; Chairman, Physical Culture and Sports Commission; Marshal, People's Liberation Army.
Li Hsien-nien	Vice premier, State Council; Director, Office of Finance and Trade; Minister of Finance.
Ko Ching-shih	None.
Li Ching-chuan	None.
Tan Chen-lin	Vice premier, State Council.
Ulanfu	Vice premier, State Council; Chairman, Nationalities Affairs Commission.
Chang Wen-tien	None.
Lu Ting-i	Vice premier, State Council.
Chen Po-ta	None.
Kang Sheng	None.
Po I-po	Vice premier, State Council; Chairman, State Economic Commission; Deputy director, Office of Industry and Communication.

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The breadth of responsibility entrusted to the men in the nation's top policy-formulation council--the Standing Committee of the party Politburo--means that there is less tendency toward "least common denominator" policies. Men like Mao Tse-tung, Liu Shao-chi and Premier Chou En-lai have responsibilities which cut across departmental lines, and they do not bring to policy-making sessions the parochial views of particular departments. Despite the misgivings of "conservatives" from economic ministries and the military establishment in 1958, for example, the regime decided on a crash economic program to achieve a "great leap forward" under a slogan of "let politics take command."

The Party Secretariat

The Secretariat created by the 1956 Constitution operates "under the direction" of the Politburo and its Standing Committee in attending to "the daily work of the Central Committee." Supervision and coordination of policy, rather than formulation, appears its primary responsibility. The political stature of its membership suggests that the Secretariat's powers exceed the mere monitoring and reporting of measures to implement party policy; it can and does enforce its decisions on party personnel responsible for carrying out policy directives. The Secretariat is directed by Teng Hsiao-ping who, as Secretary General of the party, has over-all responsibility for translating Politburo directives into action and for supervising the subordinate departments. Teng is the only top leader concurrently a member of the three most important central organs--Politburo, Standing Committee, and Secretariat. The second through fifth ranking secretaries are also full members of the Politburo.

Central Organs of the Party

At least nine central (organs) function under the Secretariat. From the party standpoint, the Organization Department is probably the most important. In the past it was entrusted with many aspects of party personnel administration, including recruitment, training, promotion, allocation of cadres, and maintenance of personnel records. With regard to the party's top personnel, it has almost certainly given up some of its functions to the higher-level Secretariat; but it probably is still very important in party personnel matters anywhere below the top level.

The Propaganda Department is responsible for supervising and directing a part of the training--principally indoctrination--of party members through the organization of programs, schools and the like. In the main, however, it acts as the nerve center for a large system of propaganda and thought-control activities carried out at



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lower party levels and in the government apparatus. Its activities extend to the whole range of literary and educational work.

The Social Affairs Department remains one of the most shadowy of the central organizations. It is believed to exercise the function of investigating the loyalty and security of party members, and it probably directs some intelligence, counter-intelligence, and public security work. This department exercises close control over the governmental Ministry of Public Security and keeps its separate social affairs or security units in operation throughout the government and the armed forces. Army loyalty is a concern of the General Political Department, empowered by the Party Constitution with taking "charge of the ideological and organizational work of the party in the army."

The United Front Department is concerned with the puppet political parties that exist in China's democratic facade, important non-Communist figures, national minority groups, and Overseas Chinese. The department and its local branches are responsible for maintaining liaison with these individuals and groups and enlisting their cooperation and support.

The tasks of the Rural Work Department and the Industrial Work Department are parallel. Rural conditions are investigated by the former, and party policy in the field of agriculture is implemented by it. The Industrial Work Department seems responsible for activities in industrial enterprises, and branches of it may exist for heavy, light, and local industry.

The Finance and Trade Department has apparently been newly raised to departmental status. Finance and trade committees existed on the provincial level for some years, and the establishment of a department was probably necessitated by the increasingly complex problems in these fields. The department's main concern would be with party committees which supervise governmental activities in finance, trade, taxation, banking, and food distribution.

Also relatively new is the Communications Work Department, organized in 1956. This organ replaced the party's older political departments in the ministries of railways, communications, and posts and telecommunications.

There is also a Liaison Department for contacts with other Communist parties. Peiping does not identify this department publicly.

Under the Party Constitution, departmental organs are authorized at the local as well as the provincial level of party hierarchy. For example, the Central

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Committee of a province has departments responsible to it which are roughly parallel to the organs considered above, and serve to implement party policy at the provincial level.

In addition to the party's Central Departments, various party committees operate under the guidance of the Secretariat. Whereas the departments are standing bodies, the committees appear to be convened irregularly to enunciate policy. For example, the Women's Work Committee periodically states party policy in the realm of women's activities.

Branches of the party reach into every government office. The party groups work in two ways: first by stating party policy in the office; and second by sending reports to higher party organizations which can give any necessary instructions to the higher level government office. Such a system must inevitably result in complex and difficult relations between higher and lower governmental offices. This in turn must involve the Communist regime in an even sterner struggle against rank growth in the bureaucracy than is the case in states where the party is not so closely identified with government. However, it does promote continuing vigilance to ensure that executive decisions are consistent with party-formulated policy.

In recent years, an Investigation Department--on a level with the other central departments of the party--has been identified as the organization with primary responsibility for intelligence on foreign countries. Representatives of the Investigation Department often operate abroad under cover provided by such government organizations as the Ministry of Foreign Affairs, the New China News Agency, and the Commission for Cultural Relations with Foreign Countries. They may also operate by engaging in business abroad under assumed names. There is evidence of occasional friction between the Investigation Department and the Ministry of Foreign Affairs because of the latter's anxiety lest its embassies abroad be embarrassed by Investigation Department operations.

The quality of information provided by the Investigation Department is apparently uneven, and comment in some quarters appears to have been critical. Others, however, have defended its general performance. As one member of the Central Committee reportedly put it: "You comrades of the Investigation Department often become tense because people question the quality and quantity of your work. Sometimes there are criticisms, but these criticisms are good. Don't be afraid of anyone's underrating your intelligence information work."

Intelligence information collected in the field is sent back directly to the Investigation Department.

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Where the Investigation Department representative operates out of an embassy, he may or may not pass the information to the ambassador, depending on the sensitivity of the information. In Peiping, the information is evaluated and disseminated to those units in the party and government concerned with the type of information involved.

In addition, there may be units within the Investigation Department at Peiping concerned with the preparation of estimates and studies on particular situations of national interest. These estimates and studies, are probably designed to serve policy-makers at the highest level. They are probably presented to the Secretariat for its approval and eventual transmission to the Politburo or Standing Committee of the Politburo.

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**SECRET****III. THE PARTY AND THE ARMED FORCES**

Although Party supremacy over the Army is a cardinal Communist doctrine, the "military viewpoint" in China does carry some weight in the formulation of national policy. Five members of the party Politburo made their mark as combat leaders, other attained prominence as political officers in the armed forces. Continuous indoctrination of military personnel is designed to promote viewpoints in line with party thinking on major issues.

The party Politburo, or Standing Committee acting for the Politburo, is the ultimate arbiter of military policy. At a lower level in the party, the Military Committee may make policy recommendations. The committee which meets irregularly is important in articulating policy and has explained major policy lines in several long sessions. One meeting ran from late in May to late in July 1958. Construction work by the army was checked, policies for strengthening the army were reviewed, and discussions held on "national defense vis-a-vis the current international situation." Mao spoke at the session, as did a number of army marshals.

Aside from its role in policy formulation, the committee may also take an occasional direct hand in deciding on particular details of military work. For example, a "directive" of the Chinese Communist Party Military Committee "stipulated" the integration of the militia and the reserves in 1957.

In the government, the Ministry of Defense implements the general directives issued by the party's Military Committee and engages in the routine business of operating the military machine on the mainland. Such weight as the ministry carries in actual policy formation derives from the high party rank of its officials. The present minister is a member of the inner core of power, the Standing Committee of the Politburo.

Under the government Constitution, one other organization, the National Defense Council, is concerned with military affairs. It has at most an advisory role; more likely it exists as a purely honorific body. It has been convened only four times for sessions of two days each since 1954. Many of its members are not Communists. Almost one third of its members are former Chinese Nationalist generals and it includes a fairly large number of party faithfuls who have been, so to speak, put out to pasture.

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**SECRET****IV. THE PARTY AND THE GOVERNMENT**

Insofar as broad national policy is concerned, the government in China is clearly subservient to the party. As the Chinese put it, "In all departments of state, all decisions on important questions are made on the proposal and according to the directives of the party." The correct policy line having been indicated, it becomes the general duty of the government to formulate and execute plans for the implementation of policy. Party committees both inside and outside the various organs of government monitor performance to ensure compliance with policy directives.

The National People's Congress

In theory, ultimate governmental authority resides in a system of people's congresses on the village, county, provincial, and national level. Popular election is constitutionally provided at the village level, while at higher levels delegates are elected by the next lower congress. But the democratic patina is thin, since all candidates are screened by the party prior to election so that only "safe" candidates stand and are elected.

At the apex of the congressional pyramid is a body known as the National People's Congress, defined in the 1954 Constitution as "the highest organ of state authority" in Communist China and the "exclusive legislative authority in the country." In practice, the National People's Congress has no real power and acts primarily as a sounding board for Communist policy statements and as a channel for transmitting party policy to the nation. An examination of the Congress to date bears this out. Sessions have been short, voting has been characterized by "unanimous decision," and speeches have parroted the party line after it has been explained to the session.

When the National People's Congress is not in session, its Standing Committee acts for it in conjunction with the Chairman of the Chinese People's Republic. Constitutionally the Standing Committee is empowered to interpret laws, issue decrees, ratify treaties, declare war, proclaim martial law, and order mobilization. It appoints or removes, on the Premier's recommendation, vice premiers, ministers, and heads of commissions. On its own initiative it can appoint or remove many other less important state officials. It is also empowered to supervise the State Council and can annul decisions of this body when such contravene the Constitution or other laws and decrees. All such powers appear to be formal rather than actual, however; there is no evidence that the Standing Committee has contravened any previous action of the State Council.

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**SECRET**The Chairman of the Chinese People's Republic

The formal head of state is the Chairman of the Republic, elected by the National People's Congress. This office is invested by the Constitution with broad administrative and appointive powers. These include nomination of the Premier and members of the National Defense Council, together with the right to preside over that body and sessions of the Supreme State Conference. Most of the Chairman's rights are procedural, however, and require the concurrence of the National People's Congress or its Standing Committee. The Chairman has no direct control over the State Council or the ministries which comprise the day-to-day administrative centers of government. The office of Chairman of the Republic in itself, therefore, is unimportant either for the formulation or implementation of policy. The office has been reserved for the highest ranking members of the party, Mao Tse-tung and Liu Shao-chi, and the party attaches great symbolic importance to the post, since its occupant can be cast in the traditional paternal image of the emperor.

Two bodies are directly responsible to the Chairman of the Republic: the afore-mentioned National Defense Council, and the Supreme State Conference. The Supreme State Conference is theoretically an advisory body consisting of the ranking personnel of all major agencies of the central government. It is convened whenever necessary by the Chairman, and sessions are usually attended by more than 300 government officials. The Supreme State Conference, as in the case of many of the other organizations described above, appears to provide merely another convenient sounding board for the explanation and publication of policy formulated by the party.

The State Council and the Premier

The State Council supervises the formulation of national plans to implement party directives and makes the necessary high-level decisions for carrying out policy. Envisioned by the Constitution as the "highest administrative organ of the State," it is made up of the Premier, 16 vice premiers, and over 30 ministers and heads of commissions, together with the secretary general. The high-level membership of the State Council includes a wide range of occupational backgrounds; thus experience and competence characterize Communist China's top executive personnel.

A plenary session of the State Council is scheduled monthly to include all the above-mentioned officials. There is, however, an informal Standing Committee or "inner cabinet"--composed of the Premier, vice premiers, and the secretary general as available--which appears to meet much more often. Premier Chou En-lai

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and 12 of the vice premiers belong to the Politburo of the party and the other vice premiers are important Communists. In this inner group, the Premier seems to carry by far the most weight. It is likely that in making executive decisions, the Premier is guided but not bound by the advice of his associates in the council.

The formal administrative purview of the State Council is very broad, including such diverse fields as the development of defense forces, conduct of foreign relations, formulation and execution of the national economic plan, and direction of governmental activity in the fields of culture and education, nationality affairs, and Overseas Chinese.

In carrying out its duties, the State Council directs and coordinates the work of 30 ministries, plus a number of commissions and special agencies. The power of the State Council to annul or reject any "inappropriate directives" issued by the agencies for which it is responsible gives it effective control over the entire central administrative structure of government.

To date, the operation of the State Council suggests that it has in fact as well as in theory carried out its constitutional function and is the most important and active agency in government engaged in the execution of national policy. Administrative coordination by the State Council is exercised primarily through six staff offices and secondarily through the personnel in a secretariat and a premier's office. Two of the staff offices are headed by members of the Politburo, and the remainder by members of the Central Committee. The areas of concern for the staff offices are: foreign affairs, internal security and related judicial matters, education and culture, finance and trade, industry and communication, and agriculture and conservation. These staff offices are supervised by central departments of the party Central Committee. Several party leaders in effect supervise themselves, holding concurrently the central department and staff office posts.

Below the staff-office level, an extensive reorganization of the various ministries and commissions, as well as the bureaus and special agencies under the State Council, was commenced in 1957. The reorganization apparently was designed to streamline a governmental apparatus which had become increasingly top-heavy and bureaucratic. Superfluous staff has been reduced by reassigning cadres to more "productive" jobs at lower levels. From a high point of 48 ministries and commissions, the number has been reduced to 39. The majority--some 23--are concerned with economic matters, four with social matters, two

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with political affairs, and one with military affairs. Reorganizations of this sort have been fairly frequent since the regime was established in 1949, as the Communists keep striving for better machinery to carry out the policy lines set by the party.

Foreign Affairs

The especial importance of foreign policy in Communist China is indicated by the fact that until 1958, Premier Chou En-lai was his own Minister of Foreign Affairs. It is believed that the Premier still takes a direct hand in activities of the ministry, despite his withdrawal from the post. His rank of number three man in the party assures him of a continuing role in foreign policy formulation.

The Foreign Ministry itself is probably the executor rather than the formulator of general policy lines, but it is possible that the recommendations of the ministry carry considerable weight. The temporary recall of diplomats just prior to important party conferences suggests that Foreign Ministry viewpoints are solicited by the party.

Party respect for Foreign Ministry views probably has grown over the years with the increase in experience and competence of ministry officials. In organization, the Foreign Ministry seems to have undergone a steady growth in complexity during the Communist decade. It is divided into five offices on a geographical basis and seven departments on a functional basis. The detailed structure of this organization reveals a mature administrative concept of departmental responsibility.

Geographically, there is a department for the USSR and Eastern Europe which is primarily concerned with Occidental bloc affairs. The Department for Asian Affairs is split into the First Asian Department, concerned with non-Communist Oriental countries, and a Second Asian Department with responsibility for relations with Oriental Communist countries. There is also the West Asian and African Department, concerned with the Middle East and Africa both north and south of the Sahara. The West European Department is responsible for non-Communist Europe, and the American and Australasian Department is concerned with the western hemisphere, Australia, and New Zealand.

Functionally, the Ministry for Foreign Affairs contains a General Affairs Office, apparently of a coordinative nature, a Protocol Department, an Information Department, a Treaty and Law Department, a Consular Department, or International Department--apparently concerned with international organizations--and a Personnel Department.

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In March 1958, Peiping announced the apparent organization of a new office whose duties appear to overlap in some degree those of the Foreign Ministry. Called the "Office in Charge of Foreign Affairs," it has been given the status of a staff office under the State Council. It is headed by the Minister of Foreign Affairs, but most of its top personnel do not appear to have been previously associated with the Foreign Ministry. All, however, are ranking Communists. The composition of the office indicates that its responsibility involves coordination of international activities among all ministries whose work touches the international areas. This includes the Ministry of Foreign Trade, perhaps the Overseas Chinese Affairs Commission, and the Committee for Cultural Relations with Foreign Countries. One could surmise that failures in the coordination of foreign policy programs which cut across ministry lines occasioned the formation of this new staff office.

The Ministry of Public Security

The Ministry of Public Security is the center of a nationwide system of police controls which reach all the way to the local level. It does not appear to have specific responsibilities in the collection of foreign intelligence, but is authorized to conduct such covert operations in Macao, Hong Kong, and other border areas as may be necessary to do its assigned job; a limited amount of foreign intelligence, therefore, is a by-product of its work.

On the mainland, the ministry is responsible for maintaining public order, preventing sabotage, guarding important government installations, and suppressing all political activity the party regards as hostile. The ministry reportedly is divided into divisions--or departments--for political and economic security, border defense, and related functions. Its components on all working levels conduct investigations, run surveillance, censor mail, make arrests, and carry out interrogations.

There appear to be close ties between the Ministry of Public Security and the Social Affairs Department of the party. It is the latter which plays the more important role in formulation of national policy pertaining to matters of internal security.

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**SECRET****V. ECONOMIC AFFAIRS**

Economic policy in Communist China is formulated by about ten leaders of the Communist Party and is based on the Marxist-Leninist-Stalinist aims of (1) socialization of private property, (2) expansion of heavy industry, (3) restriction of increases in consumption in order to channel a maximum of increases in output into investment, and (4) maintenance of large armed forces for protection in a hostile capitalistic world.

The greatest possible increase in output is a basic objective of economic policy decisions in Communist China. Just as the Soviet Union has its "storm" and "Stakhanovite" tactics, so Communist China has its "struggle targets" and its "leap forward" programs. Maintaining a balance in output is generally a secondary but nevertheless important consideration. The endeavor is to use every possible resource in order to drive the economy forward at a rapid pace, but the drive is not evenly sustained, as there are periods of ebb and flow in the energies of the drivers and the driven.

The formal method of carrying out party policy decisions on economic matters is through the government structure. In a command economy such as Communist China's, broad policy decisions of the party are translated into specific programs of action by the formulation of a national economic plan. A party structure paralleling and sometimes interlocking with that of the government, it should be noted, provides to the top leadership of the party an effective means of overseeing the economy at all levels and of exerting pressure on administrators and workers alike in order to spur them on in carrying out their economic tasks.

The division of labor between the party and the government organization in the formulation and execution of economic policy may be compared with that between the prospective homeowner, the architect, and the contractor in the building of a new home. The party has the same role as the homeowner in telling the government in general terms how it wants the building of the economy to be carried out for the next year or period of years. The government, in its role of architect, draws up the plans and, in its role of contractor, accepts the task of building the economy for the given period. At any stage the party may step in and revise the plans or complain about the manner in which the work is being done, but if the party interferes too often, the final product may be more costly and take more time to complete than originally planned. Of course, the analogy falls down with respect to the punishments that can be meted out if the construction comes off poorly.

The following sections describe in some detail the role of government organizations in the formulation and implementation of economic plans.

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**SECRET**Role of the State Council

The State Council, the highest executive organ of the government, is responsible for preparing and carrying out the national economic plans. The State Council has established three economic planning commissions--the State Planning Commission, the National Economic Commission, and the State Capital Construction Commission--which function as staff departments for planning purposes. A fourth, the Scientific and Technological Commission, has important ramifications in the economic field. The actual transformation of party policy decisions into annual and long-run plans is accomplished in these commissions of the State Council. Some of the officials of these commissions, in their role as party members, have also participated in the formulation of economic policy in high-level party councils. The commissions themselves have no direct authority over execution of the plans. The State Council hands down to the lower units its instructions on the execution of plans through economic ministries of the central government and through local governments.

Annual Planning -- National Economic Commission

The annual national economic plan, which is a basic element of a planned economy, governs the operation of the economy for the year. In Communist China this plan is prepared by the National Economic Commission. Formulation of the annual economic plan commences when the party sets forth the major economic objectives for the year. These objectives, which may include targets for key commodities, have been established only after considerable consultation with the many regional officials and economic ministries and within the planning commissions of the State Council. Once determined they provide the broad framework within which the National Economic Commission prepares the annual economic plan.

The process of formulating the annual plan is as follows: The National Economic Commission establishes, ideally in July or August of the preceding year, aggregate targets for all sectors of the economy, such as the level of production for major commodities, the amount and types of capital construction, and the allocation of labor and materials. These control figures--so called because in all stages of planning and execution they serve as benchmarks for the evaluation of production and the revision of plans--are sent down to the operating units through the vast economic control structure under the direction of economic ministries and local governments. On the way down, specific details are filled in by each intervening administrative level. Ministries and local governments break down the assigned figures and add new and additional ones of their own.

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They may add targets for commodities which are not of national concern, and they determine standards for output per worker, total value of production, cost reduction, and trial manufacture of new products.

After the plan has reached the producing units themselves, the procedure is reversed and the plans of individual enterprises are forwarded back up through the administrative hierarchy to the National Economic Commission. Lower levels of the planning structure--especially the producing units which know that fulfillment of targets rests there--may seek acceptance of targets easy to carry out. Considerable bargaining may go on before a compromise is reached, but the relatively weak bargaining power of lower units means their targets will be largely imposed from above. By November, if all goes well, the National Economic Commission has the information necessary to prepare the draft of the national economic plan. The draft becomes the plan of operation for the following year after approval by the party. The approved plan is routed through government channels to the State Council for execution.

The economic control structure in Communist China requires periodic reporting on plan progress by all operating units. These statistical reports are prepared according to uniform standards and procedures established by the State Statistical Bureau, which is attached directly to the State Council and works very closely with the planning commissions. The annual operating plan of each basic production unit is broken down into semiannual, quarterly, monthly and even ten-day periods. At the end of each time period the unit reports to its supervising authority on the degree of fulfillment. The individual reports, added together at the national level by the State Statistical Bureau, provide central planners with a periodic bird's-eye view of how the plan is working out. Armed with data of this type, the top-level administrators may call for adjustments in the allocation of men and materials in order to ensure fulfillment of the annual plan, or targets in the plan may be revised. The key role of the party in the revision of annual plans is demonstrated by the major downward adjustment of targets of the 1959 plan in August 1959. These revisions were made only after the Central Committee had so decided.

#### Long-Run Planning -- The State Planning Commission

Long-run planning, the responsibility of the State Planning Commission, has generally been for periods of five years. Designed to serve as a general guide for economic development, a long-run plan is less detailed and more flexible than an annual plan. Targets are frequently changed--China's Second Five-Year Plan (1958-62) targets, for example, were in part outdated by accomplishments in the very first year of the plan.

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Long-run plans reflect the manner in which the party wants the economy to grow. General Communist aims such as the emphasis on expansion of heavy industry relative to light industry and agriculture show up in the five-year plan primarily in the division of national product between investment and consumption and in the allocation of investment among different sectors of the economy. The scheduling of major investment projects is therefore the basic element of five-year planning. These projects often have lead times of five years or more and require fairly detailed advance planning. Major construction projects such as the Lanchow-Sinkiang railway, the double-decked Yangtze River bridge, and the Wuhan Iron and Steel Complex require long-range scheduling of delivery of construction materials, machinery and equipment from domestic and foreign sources, arrangements for domestic investment funds and for foreign exchange, as well as the training of great numbers of specialists of all sorts.

The geographical distribution of industry is also a concern of five-year planning. The first section of the First Five-Year Plan (1953-57) was devoted to the allocation of investment between the inland and coastal areas. In the Second Five-Year Plan period, emphasis on developing industrial bases in some seven economic regions has resulted in organizing a regional planning authority in each of these regions, although so far these authorities have not been very important.

Long-run planning in Communist China also includes plans for more than five years, although such plans are often only a statement of general goals. Thus, the Twelve-Year Plan for Agricultural Development announced in 1956 contains only targets for yields per acre for a few major crops and general recommendations for the socialization of agriculture. The plan does not provide additional resources to agriculture; it simply exhorts low-level cadres to accomplish the targets and to figure out for themselves how it can be done. Where state investment funds are to be devoted to a project, much more detailed plans are compiled. For example, the ten-year (1957-67) construction program for control of the Yellow River (the first phase of a 50-year multi-purpose plan for the major water network) has specific targets for investment and construction.

Long-run planning activity in Communist China suffers from a serious lack of personnel experienced in the planning process and, to a lesser extent, from inadequate statistical reporting. Deficiencies in long-run planning are indicated by the experience of the drafts of the first two five-year plans. The draft of the First Five-Year Plan was not published until midway thru the plan period. Targets for the second plan were presented publicly in September 1956 but have never been compiled into a draft plan of the nature of the First Five-Year Plan. The targets are already out of date, but no new ones have been announced.

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As the leadership of Communist China becomes more adept at setting long-term economic goals, and as the number and quality of people experienced in the planning process increases, long-run planning in Communist China should approach much closer to the standards in the USSR and the European Satellites. Two underlying factors, however, make long-run economic planning in Communist China an inherently more difficult task than in other bloc nations: (1) the great extent to which fluctuations in Communist China's agriculture can upset the best laid schemes of planners, and (2) the almost religious fervor with which the top leaders of Communist China drive the economy forward, sometimes almost oblivious of the human and economic costs.

**Specialized Planning Commissions**

The other planning commissions of the State Council --the State Capital Construction Commission and the Scientific and Technological Commission--perform rather more specialized functions. The State Capital Construction Commission, as the name implies, plays a coordinating role in the construction field. The central industrial ministries in Communist China are responsible for much of their own capital construction work, and coordination of their construction plans and activities has become an increasingly complex task. It has been the responsibility of the Capital Construction Commission since the fall of 1958. The commission oversees preparation of the annual capital construction investment plan, an important section of the annual plan.

The Scientific and Technological Commission strives to stimulate the introduction of new technology and attempts to secure the balanced introduction of technological change throughout industry and agriculture. For example, it coordinates medical research with the trial manufacture of new drugs and chemicals; agricultural research on seeds, soils, and fertilizers with the introduction of new techniques in agricultural production; geological prospecting for new resources with the preparation of studies on the formation of natural economic regions; and river surveys such as the joint Sino-Soviet investigation of the Heilungkiang River Valley with plans to develop the area and improve navigation.

**Economic Staff Offices, Economic Ministries, and Local Governments**

Three economic staff offices--industry and communications, finance and trade, and agriculture and forestry--have been set up below the State Council. These offices are directed by high-ranking party members who enjoy either Politburo or Central Committee status--a status which puts them in close touch with the making of economic policy. The

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staff offices, responsible directly to the Premier, have authority to resolve differences in their fields among the economic ministries. It is believed, however, that the economic offices perform more of a staff function rather than serving as an operating echelon in the chain of command. Governmental orders probably go directly from the Premier and the State Council to the central economic ministries and local governments.

In the formulation and the execution of annual economic plans, therefore, the line of command is from the State Council through either central economic ministries or local governments to the lowest level economic unit. In industry, for example, the major enterprises are directly subordinate to the ten industrial ministries of the central government; most small-scale enterprises are run by provincial and county governments. Orders to these industrial enterprises are handed down through the dual control structure. In the case of agriculture, the line of authority goes directly from the State Council to provincial-level governments and thence on down to the producing units.

**Agricultural Policy**

Agricultural policy is perhaps the most volatile of all areas of Chinese economic policy-making. Some features of its evolution deserve separate consideration because it remains the most fundamental problem of the leadership and because it illustrates the extent to which policy problems in China are subject to the personal domination of the leadership--and of Mao in particular. It also illustrates some of the drawbacks for efficient administration of "the continuous revolution."

**Objectives**

The Marxist-Leninist framework within which agricultural policy is made in Communist China and the USSR has not prevented the evolution of differing national programs. Both programs are designed to eliminate the peasant's attachment to his private plot of land and to mold him into a proletarian wage earner. Policies of agricultural development in both countries are aimed at mobilizing farm resources in support of the priority development of heavy industry as the basis of national power. In many respects, the agricultural sector's support of heavy industry is indirect: that is, agriculture is tapped for manpower and may be severely limited in obtaining machinery and construction and other materials needed by heavy industry. Nevertheless, the Chinese Communist program of agricultural socialization and development has differed radically from that pursued by the Soviet Union.

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The USSR's first attempt at attaining these objectives took place in the period of the First Five-Year Plan (1928-32). In the interest of increasing productivity in Soviet agricultural and at the same time increasing the industrial labor force, a threefold program of mechanizing agriculture, promoting large-scale farming, and transferring the farm population into the non-agricultural sectors was adopted. The Soviet plan devoted one third of all state agricultural investment to farm equipment and machinery, and by the end of the plan period half of the total sown acreage in the USSR was mechanized. The program succeeded in mechanizing agriculture, in enlarging the industrial labor force, and in transforming some of the peasantry into wage-earners, but its disastrous effects on Soviet agricultural production detracted from the program's effectiveness.

The Chinese Communists, on the other hand, working toward achievement of the same over-all objectives, have employed different policies. With the view of raising agricultural output through increasing yields rather than through increasing output per worker and at the same time holding the level on non-agricultural employment steady, the Chinese (1) emphasized cultivation methods in which immense amounts of labor were combined with relatively small amounts of capital and land, (2) increased the extent and intensity of irrigation, and (3) started a program for more effective employment of both organic and inorganic fertilizers. In the period of the First Five-Year Plan, expenditures on water conservancy and irrigation were 30 percent of all state expenditures on agriculture. The relative lack of interest in agricultural mechanization was illustrated by the fact that only 2.7 percent of the total sown area of Communist China was worked by mechanized means by the end of 1957.

The differences between the Chinese and Soviet programs arise from several factors. Soviet agricultural policies represented a radical departure from traditional Russian production patterns. The Chinese program attempted to introduce new and more intensive methods of cultivation within the framework of established production patterns. The Chinese, although partially motivated by the desire to avoid Soviet mistakes, also had different economic resources to consider. First, a low standard of living coupled with a high rate of population growth made the raising of agricultural output imperative if even the existing low level of subsistence were to be maintained. Second, Chinese industry did not need, and could not absorb, an increased labor force, and the Chinese peasant--unlike his Russian counterpart--remained on the farm. Third, Chinese industry has been in no position, considering the many pressing demands made upon it, to supply appreciable quantities of machinery and equipment to agriculture.

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Mao appears to have recognized that institutional changes which would accomplish the doctrinal objectives of eliminating private property in the Chinese countryside and transforming the Chinese peasantry into wage-earners could provide an excellent mechanism for implementation of the Chinese program of agricultural development. Thus the effectiveness of labor-intensive measures implicit in the Chinese agricultural development policies would be increased by institutional changes giving the state greater control and direction over the activities of the rural labor force. Mao's recognition of these possibilities and his sense of timing in initiating changes is probably the chief reason Chinese Communist agricultural policies have been relatively more successful than those of the Soviet Union at a comparable stage of development in the late twenties and early thirties.

The Pace of Agricultural Socialization

Over the last eight years, private property in rural China has been almost eliminated and there has been a great increase in state control over human activity in the countryside. Policy on agricultural socialization over this period falls in a pattern in which sharp accelerations of the pace are followed by qualifications and consequent slowing-up of the speed of development. Mao Tse-tung has been intimately involved in each instance of speed-up and only inferentially associated with the slow-up which has followed. Mao appears to have been successful in his role as the most aggressive exponent of moving into higher levels of socialization for, in each case of slow-up after speed-up, some of the gain has always been maintained.

Mao personally made sharp changes in agricultural policy twice in the last four years. In July 1955 he called a special conference of regional party secretaries in order to speed up the rate at which peasant households were moving from mutual-aid teams into agricultural-producer cooperatives. Mao's insistence that the movement had to be accelerated reversed the established gradualist policy which had been estimated by the Central Committee earlier in July. The effect of Mao's statement was almost immediately translated into action by the organizational and propaganda apparatus of the party, and five months later--in January 1956--the regime was able to claim that virtually all the peasant households in China were in agricultural-producer cooperatives or collectives. Again, Mao's intervention was noteworthy in the 1958 headlong rush into communes. The manner in which this radical system was conceived, discussed and adopted bears a striking resemblance to the policy-making process accompanying the speed-up of agricultural collectivization in mid-1955. A special regional party conference convened by Chairman Mao and a plenary session of the party congress in the spring of 1958 provided the forum for introducing and developing in secret discussions the concept for the commune. (There is an exhaustive study of this process in Annex II.)

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Again, as in 1955, there was a trial period of experimentation before the policy was finally adopted and promulgated in the form of a Central Committee directive. At this point, the organizational and propaganda apparatus of the party again served as the transmission belt for implementing the policy.

It is probable that, despite the party conference forum for presentation and discussion of policy in these two cases, the occasion for genuine debate on the merits of the policy changes was an earlier meeting of the Politburo whose final decision was strongly influenced by the views of Chairman Mao.

#### Some Effects of Policy Shifts on Government Operations

The concentration of decision-making power and of the initial implementation of economic policy in the hands of the top party leaders which enables them to make these abrupt and often doctrinaire changes of line means that certain practical considerations are often overlooked. Operations of the government organs has often been disrupted when changes in policy made obsolete portions of the other economic plans and operating procedure.

One such problem was brought about by Mao's acceleration of socialization in 1955. The subsequent movement of almost all peasant households into collectives by early 1956 was accompanied by propaganda which held out several advantages to peasants who allowed themselves to become collectivized. Among these was increased eligibility for agricultural loans, and the government organs--principally the Ministry of Finance and the People's Bank--made arrangements to meet the large demand for loan funds which followed. Loans such as these are normally fixed at specific levels which are set forth in the annual economic plan. The actual amount of loan funds extended in 1956 was double the amount set forth in the plan for that year, and one of the regime's planners later admitted that this had caused excessive depletion of state financial reserves.

Agricultural socialization was also supposed to bring increased state aid to collectivized peasants in the form of technological advice and designs for equipment. One very highly propagandized measure was the development of a new two-wheel plow to replace the traditional one. Much publicity was given to the shift and the machine-building industry began to produce large numbers of the new plows. Almost three million were produced by the end of 1956, but a combination of poor quality and peasant dissatisfaction with their operation forced the regime to abandon the program.

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The sudden conversion of collectives into communes in 1958 also created great problems for government organs. By the latter half of 1958, spokesmen of the ministries of agriculture, finance, and commerce were extremely concerned over the impact of communal changes in the allocation of rural labor on the plans of their respective ministries. Too great an emphasis on cultivation of main food crops and the neglect of subsidiary agricultural production brought about shortages in consumer goods production and declining tax revenues. Still later in the year the large-scale shift of the rural labor force to construction and operation of backyard blast furnaces and a similar campaign for use of rural labor in transportation to break the bottlenecks in the distribution system resulted in shortages of rural manpower for harvesting the crops.

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**SECRET****VI. SCIENTIFIC AFFAIRS**

Broad policy decisions in the field of science are of course made at the highest level of the Communist Party. Party leadership is manifested not only in formulation of scientific policy, but control is exercised down to the individual research institutions by party members who frequently have little or no scientific or technical background. The assignment of five members of the party's Propaganda Department to the Scientific and Technological Commission--the government's top scientific body--suggests that the Propaganda Department may be the party organ which has the responsibility for maintaining constant cognizance of scientific affairs and for presenting to the top party leaders the ideas originating in the scientific community.

Within the government, the Scientific and Technological Commission is directly subordinate to the State Council. Its membership can be divided into two separate and distinct categories: 1) officials representing the ministries and agencies of the government with an interest in scientific affairs, and 2) officials and working members of the Academy of Sciences and other research organizations. The first group, representing the government, is composed almost entirely of influential party members who know what the party wants the scientific community to do. The second group is made up of scientists, only a few of whom are known to be party members. They consider the feasibility of the party's proposals and make other scientific contributions. The Commission also gets advice from Soviet experts.

As the highest planning and supervisory organ of scientific research and development, the commission governs: the programs of the Academy of Sciences, the Academy of Agricultural Sciences, the Academy of Medical Sciences, ministerial research organs, and institutions of higher learning. The Chairman of the Commission is an old-line army man and a member of the party's Central Committee. He very likely has access to the top-level policy makers in the party.

The government's highest operational body in science is the Academy of Sciences. It directs the activities of some 70 scientific research organizations and employs the majority of Communist China's thin stock of scientists. It takes a leading role in China's research and development within the framework of directives and executive orders issued by the party, the State Council and the Scientific and Technological Commission.

Each technical ministry of the government carries out research and development activities bearing on its own area of responsibility. The institutions of higher

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learning under the Ministry of Education also conduct some research, particularly in a few of the better universities and technical colleges.

The history of China's scientific effort is rather short. The initial landmark was a decision, probably taken in late 1955, to increase sharply the research and development effort. This involved doubling the annual budgets for the purpose, taking a positive stand on the value to the state of intellectuals (scientists), even though their backgrounds made them politically suspect, and the drawing up of a long-term plan for the development of Chinese science. The decision appears to have included a provision that China should strive to free itself of its complete dependence upon foreign technology (which had been coming largely from the Soviet Union), in the belief that an indigenous research and development capability was required for the party's economic and military ambitions. It was decided that no time was to be lost in launching the new program.

These plans for science were first broached in early 1956. Public discussion was launched by Premier Chou En-lai at a meeting in January 1956 called by the Central Committee. Chou spoke of the party's concern for the intellectuals, of its need for their services, and of its intention to improve their opportunities to contribute. Mao Tse-tung also spoke and called on the party to redouble its efforts to absorb scientific know-how, to bring nonparty intellectuals into the program, and to strive to catch up quickly with the world's most advanced levels in science.

In March 1956, a 12-year plan embodying the party's policies was announced. Its broad outlines had been determined at the top level of the party on the basis of overriding political, military, and economic requirements although most of the country's top scientists--plus 16 Soviet experts--had been called in to assist with the details of the plan. The authority for refinement of the plan and the development of supporting yearly plans has devolved onto lesser figures. By 1959, fewer Central Committee members appeared to be taking direct supervisory roles in the scientific and technological areas; however, lower ranking nontechnical party men still fill all the leading positions in the government's top scientific organs. The one reputable scientist who once had planning responsibilities, Li Ssu-kuang, was dropped when the present Scientific and Technological Commission was set up in 1959.

It can be assumed safely that any further important national decisions on scientific matters will be made at the top level of the party, although the Scientific and Technological Commission can and will offer advice and may even originate policy recommendations. The relatively early stage of technical development in China

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permits the making of broad scientific policy decisions with less consideration for purely scientific criteria than is the case in countries with advanced technology. Research and development work in China is still largely of a "catching-up" type and does not yet involve much venturing alone into new and uncharted realms, either in pure or applied science.

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**ANNEX I**

**PEIPING'S 1958 SHIFT IN FOREIGN POLICY**

A free-hand reconstruction of the machinery employed by the Peiping authorities in the shift. It is based for the most part on information released by the Chinese Communists themselves and on a series of inferences drawn therefrom.

	<u>Page</u>
Policy Toward Neutralist Countries . . . . .	35
Policy Toward Pro-US Countries . . . . .	36
Policy Toward Offshore Islands . . . . .	38



**SECRET****PEIPING'S 1958 SHIFT IN FOREIGN POLICY**

In the spring of 1958, Peiping felt the need for a far-reaching foreign policy review. Relatively conciliatory policies pursued since 1955 had not succeeded in gaining recognition for the regime; neither had they eroded US support for the Chinese Nationalists nor softened the resolve of the Nationalists to resist "peaceful liberation." These were some of the matters uppermost in the thinking of Mao Tse-tung and leading members of the party Politburo when they called back their ambassadors to many bloc and Asian countries in April.

For the preceding four months, Mao had been touring various provinces with several Politburo members and provincial party first secretaries, reviewing domestic policy and approving the dismissals of local "rightist" party officers. Mao has insisted for years that on-the-spot investigations were indispensable for any policy-maker. As he put it, "If you have done no investigating, you have no right to speak"; opinions not based on such investigations are "nothing more than groundless fantasies." With this predisposition for first-hand examination of problems, he clearly felt the need for briefings on foreign policy matters from experts who had been in personal contact with problems in posts abroad.

Following preliminary briefings from the envoys, the Politburo informed the ambassadors through Foreign Minister Chen Yi of its decision to take a new look at the government's foreign policy. At small, informal meetings with officials in the Ministry of Foreign Affairs and the State Council's Staff Office for Foreign Affairs, the ambassadors outlined what they considered to be the best tactics for the immediate future.

**Policy Toward Neutralist Countries**

Future policy toward neutralist countries was discussed first. The envoy to Cambodia, for example, expressed confidence that Peiping was increasing its influence in that country, and he suggested a continuation of economic aid to Phnom Penh. He also suggested that work at the grass-roots in the Overseas Chinese community could be expanded considerably without arousing suspicions among the members of Premier Sihanouk's cabinet and without provoking the Premier himself.

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His suggestions were considered good by all officials present. A few, however, made the point that an economic aid program would not be generally applicable to other countries in the area. They cautioned against high hopes for Southeast Asia, noting that Thailand and Laos were still no less pro-US today than they were several years ago. The recommended policy toward Cambodia was conciliatory; the policy toward Thailand would be less cordial, but not threatening; the posture toward Laos, where the "ruling circles" were seen as moving closer to the United States, would be watchful and--when necessary to inhibit measures against the Pathet Lao--threatening.

Policy toward these countries, as well as toward India, Indonesia, and the Middle Eastern and African countries, was discussed by all present. After a few days, the debates (the Chinese insist that every official must speak out frankly in policy discussions) were halted and the participants told by Foreign Minister Chen Yi that they should take time off for a rest. He invited the ambassadors to accompany him to the Ming Tomb Reservoir--ostensibly to observe the progress there, but primarily to give them an opportunity to relax and clear their heads.

The discussion was resumed after a few days, and for the next two weeks the policy toward the neutral countries was debated further. The question of the level of economic aid became a center of contention as each country in the underdeveloped areas of the Middle East, Africa, and Asia was discussed.

The participants finally submitted a report to the Central Committee Secretariat recommending economic-aid levels for each country and detailing the political and diplomatic effort to be carried out in the future. The Secretariat was asked to submit the report to the full Central Committee later in the month for a decision. In practice this meant it would be submitted first to the Politburo, and the Politburo's decision would be ratified by the Central Committee.

#### Policy Toward Pro-US Countries

Foreign Minister Chen Yi was joined by several other members of the party's Politburo when the meetings with the ambassadors and Foreign Ministry officials turned to consider the question of Peiping's policy toward pro-US governments. The Politburo members offered the view that it was time for China to take a harder line against these governments; there had been few diplomatic successes under the soft line, which had sought to use low-level economic and cultural contacts as preliminary moves toward the establishment of diplomatic relations. They suggested "struggle"--political warfare--over the long haul to compel these governments to change their alignment with the United States and eventually accept the necessity for formal recognition of the Peiping regime.

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The ambassadors and other Foreign Ministry personnel added their comments, all of which concurred with the views advanced by the Politburo members. These comments were reported to a session of the full Politburo at which Mao and his top lieutenants put the final stamp of approval on the hard line.

A Politburo report detailing the hard line was one of several general policy reports read to the Central Committee plenum which met in late April prior to the convening of the larger body, the National Congress of the Chinese Communist Party. Discussion of the foreign policy report resulted in minor changes in the text. The report was then expanded for presentation to the National Congress.

The presiding officer of the Central Committee's Secretariat, Secretary General Teng Hsiao-ping, read the draft report on foreign policy to the National Congress at its first meeting on 4 May. He stated that a trade embargo might have to be imposed on Sino-Japanese trade if a strongly pro-US government were put into power as a result of parliamentary elections, urged that an "uncompromising" diplomatic and propaganda attack be waged against the Yugoslavs, who had criticized the Soviet Communist Party at their April Congress, and declared that all "imperialist" states should be subjected to bitter criticism in China's propaganda. Officials on lower party and government levels were instructed to adhere "strictly without variation" to the new concept, which totally modified the "be reasonable" approach of the 1955-58 period.

During the following two weeks, delegates to the Congress commented on the draft report in compliance with the suggestion of the Presidium (presiding committee) of the Congress. "Reasonable" amendments and alternative suggestions were taken into account when the draft was finally revised and "unanimously" approved by the delegates in late May.

Chinese propagandists--following a briefing from their superiors, who had discussed the new line with members of the Central Committee's Propaganda Department--began to stress the need for the Communist bloc to "struggle" against the major capitalist states, "headed by the United States." Peace must not be "begged"; and if war comes, the "peoples of the world" should not doubt the outcome--a victory of the bloc over the "imperialist" states.

Foreign missions in Peiping were subjected to petty harassment. Chinese employees in the missions went on temporary strikes, and food became difficult to obtain. The situation became even worse for the British mission following US and UK landings in the Middle East in July.

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In consonance with its policy shift toward a harder line in foreign affairs, the Politburo during this period considered the advisability of a new initiative in the Taiwan Strait. The Politburo called on Peiping's military leaders to begin a series of round-robin policy discussions on "national defense in the light of the current international situation" and the future development of the armed forces. The Military Committee of the party's Central Committee met in an enlarged conference between 27 May and 22 July. Outside the conference, those politburo leaders concerned with formulating military policy met to decide on a tactical course. US and UK landings in the Middle East were viewed by Politburo members as providing the Chinese with an opportunity for a new initiative to probe US determination to help the Nationalists defend the offshore islands, particularly since the US was "committed" in Lebanon. Defense Minister Peng Te-huai "summed up the discussion," which led to a decision calling for preparations for shelling of the Chinmen complex, naval harassment of this complex and the Matsus, and attacks against any Nationalist aircraft penetrating mainland airspace. The military committee "approved" the politburo's decision.

China's major military ally--the USSR--was probably informed of the decision in late July at the top-level meeting in Peiping with Khrushchev and his military advisers. Mao and Khrushchev engaged in a four-day series of meetings (31 July - 3 August), during which decisions were presumably made on how to coordinate the Chinese probe with Soviet diplomatic efforts against the West. The USSR was to lend its support to the Chinese move indirectly by suggesting to foreign diplomats that the Nationalists were becoming "provocative" in the Taiwan Strait and were being encouraged by the United States. Moscow was to direct other Communist regimes to follow a similar line.

As Chinese Communist air activity began to increase in the Strait, Peiping's propaganda machine stated that the "liberation" of the offshore islands and Taiwan was an "urgent" matter. A belligerent article in the Chinese theoretical journal Red Flag in mid-August boasted that the Communists were not afraid of US A-bombs, while the Communist newspaper in Hong Kong warned that the South China Fleet was prepared to attack the Chinese Nationalist Navy.

On 23 August, the day of the first major barrage against Chinmen, Foreign Minister Chen Yi assured foreign diplomats in Peiping, "We will take those offshore islands!" Chou En-lai in September deliberately attempted to create the impression that unless the United States forced Chiang Kai-shek to withdraw his troops from Chinmen, the Chinese Communists would attack the islands and any US military forces seeking to support the Nationalists. Chen Yi's statement and Chou's effort were clearly intended to carry out

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the Politburo decision to probe US willingness to stand firm in defending the Nationalists. The precise timing of the first major barrage may have reflected another Politburo decision, that is, the decision to push ahead in the program to form communes. This decision was approved by a Central Committee plenum which ended in late August. By 6 September the slogan "Liberate Taiwan" was being used by local Communist cadres to convince the people they should enter military-type communes and work for the coming war effort. The slogan was a key theme at the Supreme State Conference, convened on 6 September, which called for nationwide "mobilization."

A series of statements by top American officials and the "beefing-up" of the Seventh Fleet made it clear to the Politburo that if they ordered an attack against one of the offshore islands, the United States would commit its forces. Peiping decided to backtrack. Premier Chou En-lai was designated by the Politburo to state in his 6 September reply to Secretary of State Dulles' 4 September statement at Newport (which implied the United States would regard an attack on Chinmen as preparatory to an attack on Taiwan and therefore a reason for war) that Peiping was ready to resume ambassadorial talks with the United States. The decision to agree to reopening talks was made by the Politburo after consultation on the night of 4 September and at resumed consultations and discussions on 5 September. The Politburo acted itself in a fast-developing situation; it did not convene a Central Committee plenum to inform the Central Committee members formally of the decision to avoid a military clash with American air and naval units. There was simply not sufficient time for round-robin discussions, the hearing of various views, and the drafting of lengthy reports.

The peaceful overtures were combined with warnings designed to head off a military clash with the United States. The Chinese leaders probably sent a communication to Moscow through their ambassador Liu Hsiao. Pravda stated on 5 September that the Soviet Union would not quietly watch United States military operations in the Pacific, "whose waters also wash Soviet shores." Soviet Premier Khrushchev wrote President Eisenhower on 7 September that an attack on China "is an attack on the Soviet Union." Later, another communication from Peiping to the Soviet leader resulted on 19 September in the strongest official Soviet statement ever directed against the US Government: Khrushchev wrote Eisenhower that "may no one doubt that we will completely honor our commitments" to China as stipulated in the 1950 Sino-Soviet treaty of alliance; if China falls victim to nuclear attack, "the aggressor will at once get a rebuff by the same means."

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In addition to invoking the Sino-Soviet alliance as a deterrent to attack by the United States, the Chinese on 4 September proclaimed a 12-mile territorial limit, placing the offshore islands clearly within Chinese Communist jurisdiction. On 8 September the Foreign Ministry was directed to start its numbered "serious warnings" of US "intrusions" into claimed waters. The Politburo was convinced that one way to avoid the risk of engagement with American forces was to discourage the United States from allowing its naval vessels to escort Chinese Nationalist resupply ships to the offshore islands.

The party leaders, at Politburo meetings in late September and early October, delineated in some detail a policy of political rather than military struggle against the United States without agreeing to a cease-fire. Odd-day shelling, they decided, permitted them to use artillery as a political weapon--to prevent the status quo from appearing "frozen" while keeping hostilities at a minimum. Above all, it was to be made clear to the United States that Peiping had no intentions of starting a major war. Foreign Minister Chen Yi was directed to communicate this attitude to the United States through a visiting Canadian journalist. At a five-hour interview on 30 October, Chen told the journalist that "peaceful means" of approaching the Nationalists would prove effective.

The effect on local cadres of this backdown in the Taiwan Strait situation became a matter of concern to the Politburo, which had operated without keeping the Central Committee fully informed. It was agreed that Chou Enlai should present a rationalization designed to make the retreat look more like a rebuff to the United States. Members and alternate members of the party Central Committee and heads of national governmental and party organizations, as well as provincial and municipal propaganda chiefs, rushed to Peiping to attend the hastily convened meeting of the party's Propaganda Department. To help cadres to a "correct understanding of the present struggle in the Taiwan Strait," Chou discussed Mao's new book, "All Imperialists and Reactionaries are Paper Tigers." Chou cited a series of events going back to World War II "to prove" Mao's thesis that imperialist nations are really hollow shells which will "eventually" collapse. Follow-up commentary in People's Daily--the daily organ of the Propaganda Department--carried the key statement that, as Mao has put it, "Strategically we should despise all enemies; tactically we should take them seriously"--or in other words, the United States is a "paper tiger" that "can still bite."

When the Central Committee was called together in late November, the Politburo informed the members that China needed at least "ten years of peace" in order to develop its economy. The Central Committee plenum then proceeded to consider the reports read by Politburo members, which stated that with the first phase of the "rush to communes" completed, the serious work of modifying (commune) procedures and commune

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organization must now be undertaken--together with the work of relieving food shortages and transportation difficulties. This concentration on the economic situation in the country facilitated the Politburo's effort to minimize the Taiwan Strait backdown.

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ANNEX II

**ADOPTION OF THE CHINESE COMMUNE PROGRAM**

This study, originally prepared for another purpose, is the most exhaustive work available on a national policy decision in Communist China.

	<u>Page</u>
INTRODUCTION	43
I. Socialist Construction, the First Attempt (December 1955 - September 1956) . . . . .	44
II. Socialist Construction and "Contradictions" (September 1956 - September 1957) . . . . .	47
III. Socialist Construction, the Second Attempt (September 1957 - December 1957) . . . . .	53
IV. Socialist Construction and the Transition to Communism (January 1958 - March 1958) . . . . .	60
V. The Commune Conceived (March 1958 - April 1958) . . . . .	65
VI. The Commune and the "General Line of Socialist Construction" (May 1958 - June 1958) . . . . .	71
VII. The Commune Revealed (July 1958) . . . . .	80
VIII. Initial Organization of the Communes (August 1958) . . . . .	88



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## II. ANNEX

INTRODUCTION

The first sentence of the August 1958 Central Committee resolution on establishing communes in Communist China described their formation as "the logical result of the march of events." Stripped of the Marxian connotation that the communes were the inexorable result of the dialectical process, this statement means simply that the origins of the communes must be traced in the complex of problems confronting the leadership of the Chinese Communist regime and in the policies adopted in response to these problems in the period leading up to the initiation of this radical program.

An intensive review of the record suggests that the central problem of this background period was that of discovering a method of building socialism suited to China's specific conditions--a backward, underdeveloped economy, and a largely illiterate and untrained society, national characteristics which Mao Tse-tung has classified under the terms "poor" and "white."

The review also suggests that the process of discovery began in late 1955 and early 1956, when the rudiments of China's own "general line of socialist construction" first appeared and when one of the major themes underlying the subsequent massive "rectification" campaign--that of mobilizing the energies of the Chinese people for socialist construction--was introduced. In this sense, the Chinese Communist explanation of the communes as an outgrowth of the "general line" and the "rectification" campaign is essentially correct.

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**SECRET****I. SOCIALIST CONSTRUCTION, THE FIRST ATTEMPT (DECEMBER 1955 - SEPTEMBER 1956)**

In keeping with the solemnity and importance of the occasion Chairman Mao publicly assumed the leading role in the winter of 1955-1956 in undertaking what in effect was a new stage of the Chinese Communist revolution, the stage of socialist construction. Elated with the successful acceleration of the agricultural socialization program which he had personally ordered in mid-1955, Mao pointed out in a series of speeches and articles that the question of socialist transformation of the economy had been settled basically, and that the new problem confronting the party and the people was that of economic and social construction on a larger scale and at a faster tempo than originally planned.

It was at this time that Mao coined the slogan which figured so prominently in the "general line" of 1958--that of building socialism by achieving "greater, faster, better and more economical results"--and labeled rightist conservatism as the political heresy which had to be constantly criticized in all lines of endeavor. It was also at this time that the Draft 12-Year Program for Agriculture was first published. This program contained the ambitious and inspiring targets of the doubling of food production, of the elimination of illiteracy in rural areas, of the gradual mechanization and electrification of agriculture, and in general of the transformation of the backward economic and cultural conditions in the countryside. It was also at this time that Chou En-lai introduced a new "soft" party line toward the intellectuals which was designed to enlist the cooperation of this suspect class in overcoming China's backwardness in modern science. An ensuing 12-Year Plan for science called for attainment of the advanced world levels in scientific research by the end of the plan period. Thus the signal had been given for the Chinese people to begin the march toward the goal of achieving a prosperous and powerful socialist society by 1967, the final year of the Third Five-Year Plan.

More was needed, however, than the signal to commence the long march and the identification of a distant goal. Chairman Mao apparently attempted to meet this need in a report to the Politburo in April 1956 on the "ten sets of relationships" involved in the formulation of specific economic policies for China's socialist construction and in the undertaking to enlist popular support and enthusiasm to engage in this great effort. Although Mao apparently did little more in this unpublished speech than call attention to the existence of a series of problems requiring further study and elucidation, there are indications that the policy of emphasizing construction of small- and medium-size industry was foreshadowed. As such, the report represented the first of a series of departures from the Soviet model of economic development, culminating in the creation and promulgation of a distinctive Chinese "general line of socialist construction" in May 1958.

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The transition in Communist China's revolution initiated at the beginning of the year was carried a step further at the eighth party congress in September 1956. It was claimed that the stage of socialist revolution (the substitution of state and collective ownership for private ownership of the means of production) was basically completed and that the current task was to undertake socialist construction, "to build our country as soon as possible into a great socialist country...uniting all forces that can be united..." In contrast with the ebullience and confidence which characterized the speeches of Mao at the beginning of the year, however, the tone of the reports at the party congress was one of caution and indecisiveness. For the first time "leftist" adventurism was attacked as a deviation which had appeared in the course of socialist construction--specifically in the failure to take into account objective conditions, the limitations of resources, and the need to maintain adequate reserves. As a result there had been a tendency to "set too rapid a pace." This tendency was formally recognized at a subsequent plenary session of the Central Committee when a policy of "suitable retrenchment" was adopted.

In retrospect, it has become increasingly clear that a major consideration prompting this reversal of course was the poor showing in agriculture in 1956. There were abundant reasons why this factor was glossed over at the time. Chairman Mao himself had publicly stated that the upsurge of agricultural cooperativization in late 1955 would result in a great liberation of the productive forces, or, as the Draft 12-Year Agricultural Program put it, in an "immense nationwide expansion of agricultural production."

In order that this production might be realized, an unprecedented program of irrigation and water-conservancy construction was carried out in the winter of 1955-1956. This was followed by a mass movement in the countryside in the first half of 1956 which in many respects was the prototype of the frenetic campaign accompanying the agricultural production upsurge in the spring 1958. It was a movement based on propagandizing the Draft 12-Year Program which swept the great majority of peasants into advanced agricultural cooperatives (collective farms) ranging in size from 10 to 30 times larger than the lower stage, semisocialist cooperative of the preceding year. To accomplish this revolutionary transformation of rural society, the cadres held forth to the peasants the glowing prospect of fulfillment of the 12-Year Program far ahead of schedule, of the rapid mechanization and electrification of agriculture of substantial increases in agricultural production, and of a significant increase in the remuneration and consumption of the new collective farm members. In addition, nearly two million modern farm plows were manufactured and rushed to rural areas in the first half of the year as a major start toward the goal of mechanizing agriculture.

What was the net effect of this forced draft program to increase agricultural production rapidly? With respect to the experiment in agricultural mechanization, first of all, it was soon discovered that the plows in many areas were unsuited to the terrain and existing methods of cultivation,

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and that nearly half of them could not be used. This was a classic illustration of adventurism which was to haunt the Chinese leadership for many months to come. The promised substantial increment in agricultural production following collectivization did not materialize. Claimed output of food crops rose only some 4 percent over the previous year, and even this modest increase is open to doubt. State grain collections fell below the level of the preceding year and, what was more alarming, the exigencies of state grain supply in the first half of 1957 necessitated a substantial reduction of state grain reserves. The party directive that 90 percent of the new collective farm members receive at least as high an income in 1956 as in 1955 meant there was little if any increase in the capital funds available to the agricultural cooperatives for investment purposes.

In light of the above, the party decision to slacken the pace of socialist construction becomes more comprehensible. It should be stressed that this decision was apparently endorsed by all the top leadership, including Chairman Mao, at the November 1956 plenary session of the Central Committee. It is important to note this because of the concerted effort during the "great leap forward" in 1958 to blame rightist conservatives for slackening the pace of economic development during the "retrenchment" period, which lasted until September 1957, and for the policies of that period.

One of the policy changes which occurred in the fall of 1956 was an increased emphasis on material incentives as a means of raising agricultural output. It is significant that one of the rare discussions of Khrushchev's 1953 agricultural development program which stressed material incentives appeared in the Chinese Communist Party's theoretical journal at this time. In particular, the article hailed Khrushchev's program as having "guiding significance for China," especially its provisions for increasing cash payments to collective farmers. Specific measures designed to implement this new policy of greater material incentives were an enlargement of the peasant's private plot, increases in state procurement prices for agricultural products, the return of hogs to private care, and the inauguration of a so-called "free market" in which the peasant could sell secondary farm produce.

The situation at the close of 1956 could be summarized as follows: although the economy as a whole had experienced a general upsurge during the year, registering impressive gains in both industrial production and capital construction, the anticipated leap forward in agricultural production which was to result from collectivization had not materialized. The implications of this shortfall for the future development of what was an essentially agrarian economy were not lost on the Chinese Communist leadership. In a sense, China's first all-out effort to commence socialist construction had proved to be a false start. It was a time for a reappraisal of fundamental policies, for a new look at basic problems or, to use the term so dear to the hearts of the Chinese Communist ideologues, at basic "contradictions" in the economy and in society.

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**SECRET****II. SOCIALIST CONSTRUCTION AND "CONTRADICTIONS" (SEPTEMBER 1956 - SEPTEMBER 1957)**

Mao's major address on "contradictions," delivered in February 1957, at first glance appears to have had little direct connection with the undertaking to chart a new course of socialist construction in Communist China. In part occasioned by the outbreak of antiregime violence in Poland and Hungary, the speech sought to demonstrate that similar disturbances could not arise in China, first by admitting the existence of certain basic economic and social problems (contradictions) and then by offering a general prescription for resolving these problems before they assumed critical proportions. A "rectification" campaign was launched shortly thereafter which, in its early stages, was aimed at improving the working style of party cadres and at bettering relations between party members and the masses.

Mao and subsequent commentaries on the report were quite explicit, however, in pointing out that a major purpose of "rectification" was to unite and mobilize the people of China for the great task of socialist construction. In both his February speech and in another delivered in March on the same subject, Mao adopted an optimistic view of the cohesiveness and loyalty of Chinese society on the point of formal entry into a new stage of the revolution. As Lu Ting-i, a spokesman for Mao, put it at the time: "Our country is already a socialist country, classes have been basically eliminated, counterrevolutionary power has basically been wiped out, intellectual elements have undergone ideological remolding, the people of the entire country have been organized." Lu added, again undoubtedly speaking for Mao, that since the two stages of the democratic revolution and the socialist revolution had been completed, it was time to devote full energies to the new stage: "cultural and technical revolution (socialist construction)." It was not until a year later, however--at the May 1958 party congress--that this stage was initiated officially by Liu Shao-chi.

It is important to note the reasons for this hiatus in the timetable of Communist China's revolution. Apparently this interruption of the revolution (to call to mind the theory of the "uninterrupted revolution" advanced by Mao in justification of the commune movement in 1958) for more than a year was occasioned by two developments. The first was the need for time to recover from the damaging "rightist attack" in May 1957 which followed the invitation to nonparty people and organizations to participate in the "rectification" movement by criticizing the Communist party and the government. The second was the even longer period of time required to solve the contradiction posed by Mao between "the objective laws of development of socialist economy and our subjective understanding of these laws."

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It was for this latter reason that Mao eschewed lengthy discussion of economic questions in his February speech on "contradictions." There were clear indications in his report and in subsequent journal articles, however, that the answer to these questions could not be found in the Soviet model of economic development. In addition to the injunction against mechanical borrowing of Soviet experience, there was a specific directive to keep in mind China's own special conditions when drawing up plans or studying problems. Foremost among these conditions were China's large and rapidly growing population, the predominant role of agriculture in China's economy and the dependence of agricultural production on the vagaries of weather, and the low technical levels (level of mechanization) of production which precluded rapid increases in output.

It was in light of these considerations that Mao in his speech advocated greater emphasis on agricultural development, advancing for the first time--albeit in somewhat tentative form--the distinctive Chinese policy of "simultaneous development of industry and agriculture, while giving priority to heavy industry." In a similar vein, Mao affirmed the policy proposed nearly a year earlier of emphasizing the construction of small and medium industrial enterprises as a means of accelerating the process of industrial development. In short, the speech revealed a new awareness of the gravity of China's population problem when viewed from the existing low levels of production--especially agricultural production--and implied that the solution of this problem in whatever form it might take would require a long time.

On the premise that production could not be expanded rapidly, Mao then turned to the thorny problem of distribution of existing output among China's 600,000,000 people. Although denying that the lot of the peasants was substantially inferior to that of other segments of the population, Mao did concede that the wages of some workers and government personnel was "rather high," that "the peasants have reason to be dissatisfied with this," and that it was necessary "to make certain appropriate readjustments in the light of specific circumstances." In another section of the speech he emphasized that with respect to every question, including that of distribution, "we must always proceed from the standpoint of over-all and all-round consideration for the whole people." With these somewhat bland remarks Mao sanctioned the initiation of a protracted and sometimes acrimonious debate in party journals and newspapers on the sacrosanct socialist law of distribution "according to work"--which was to develop into one of the crucial issues in the Sino-Soviet dispute over communes 18 months later.

Many of the arguments advanced a year later to justify tampering with this law appeared in a discussion in the official Chinese Communist Party organ, Study, shortly after Mao's speech in the spring of 1957. Although conceding that the principle of distribution "according to work" was predominant in determining payment to individuals in socialist society, the author stressed that the problem of distribution was very complex and could not be solved by relying on this one law alone. More specifically, he cited a number of

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precedents in the historical development of the international revolutionary movement to demonstrate that this law had not always been applied in determining payment for government workers. The first example was one of particular relevance to the subject of this paper--the Paris Commune. He then cited the distribution system in effect in the initial stage of the Russian Revolution and in the period of military communism during the revolutionary war in China. In his approach to the problem of payment of government workers in the current period, the author introduced a theme which was to be propagandized to all the people in 1958: the desirability and necessity of inculcating a high degree of Communist consciousness among individuals so that their labor enthusiasm would be animated primarily by this consciousness and only secondarily by considerations of material interest. Thus the policy of stressing material incentives as a means of raising production--a policy which had been adopted at a plenary session of the central committee only a few months earlier--was already coming under attack.

Although it was still too early to evaluate the effectiveness of this policy in solving problems in the agricultural sector, it was becoming increasingly clear that these problems were manifold and serious. In the revised version of his "contradictions" speech published in June 1957, Mao admitted that due to lack of understanding "among some people, a miniature typhoon was whipped up around what they call the cooperatives having no superior qualities." That this was a gross understatement was revealed in other more candid discussions of conditions in rural areas during the spring and summer months of 1957.

One basic difficulty was that peasant consumption and living standards had not risen following collectivization, as had been promised. Journal articles at the time referred to the "unrealistic" expectations and demands of the peasants for improved living conditions and pointed out that marked improvement in the rural standard of living could only come about after the technical reform (mechanization) of agriculture and after socialist industrialization. One can imagine the peasant reaction to this rationalization, which stood in direct opposition to the propaganda line accompanying collectivization in 1956--that agricultural cooperativization (the revolution in production relations) would result in an "immense nationwide expansion of agricultural production" (the liberation of the production forces). Nevertheless, this argument foreshadowed the new "hard" line which was to be adopted in the last months of 1957, a line which called for maximum austerity and sacrifice on the part of the peasants in order to achieve agricultural mechanization and the industrialization of the countryside.

The disappointing harvest in the autumn of 1956 aggravated what would already have been a difficult problem of income distribution to the new collective farm members in the winter and spring of 1957. Since payment in the previous, lower stage, semisocialist cooperative had been largely

((49))

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based on land contributions, and since the land had been distributed on a more or less equal per-capita basis, there had been a marked tendency toward a fairly equal distribution of income. The new system of distribution under the collective, however, was based entirely on the amount of labor contributed--the socialist principle of distribution "according to work." What must have proved to be both perplexing and distressing to the rural cadres was the fact that in so many cases this principle simply did not work. In some of the reported instances, as many as 30 to 40 percent of the households were classified as "overdraft" or "underdraft," terms which referred respectively to labor-short families which had to be subsidized by the collective in order to receive a subsistence income and to families whose labor contributions exceeded the capacity of the collective to pay according to the set standard. The ramifications of this experience were far-reaching and would appear to constitute one of the major factors shaping the decision in 1958 to move away from the principle of distribution "according to work" toward the principle of distribution "according to need."

There were a number of lesser problems which further detracted from the "superior qualities" of the new cooperatives. The larger scale of operation, the complexities of calculating and recording work points, and the increased demands for bookkeeping and record keeping exceeded the abilities of the rural cadres, which in turn occasioned suspicion and jealousies between the villages in the enlarged cooperatives. The upshot was a wholesale dissolution of the large cooperatives which Mao had called for at the outset of collectivization. The example of Honan may be considered fairly typical in this respect. Whereas at the height of cooperatization in 1956 there were some 26,000 collectives in Honan averaging 360 households, the corresponding figures following the dissolution movement in 1957 were some 54,000 collectives and 180 households. This loss of confidence in the "superior qualities" of the large collective continued unchecked until early September 1957, when it was expressed in dramatic form in a central committee directive calling for a nationwide reduction in the size of the collective to a suggested optimum of about 100 households.

The headlong retreat on the agricultural front in mid-1957 called into question the viability not only of the 12-Year Agricultural Program but also the larger program of socialist industrialization and socialist construction in Communist China. These doubts were expressed most effectively in a paper presented to the July session of the National People's Congress by Dr. Ma Yin-chu, a noted Chinese economist and president of Peiping University. The mere fact that the paper, entitled "A New theory of Population," was publicized at this time is significant. In the course of his discussion, the author clearly implied that he had been constrained from presenting these views for a period of several years, but that Mao's recognition of the population problem in his "contradictions" speech had restored this formerly forbidden subject to a position of

(50)

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respectability. The burden of his argument was that unless China's population, already excessive and growing at a rapid rate, could be brought under control, it would be difficult if not impossible to extract the necessary amount of savings from current production to industrialize the economy and thus construct a socialist society. To buttress his argument and to forestall the charge that he was propagating the odious Malthusian theory of population, Ma . . . relied heavily on Soviet experiences in building a socialist economy and stressed that the existing two-levels of agricultural production in China could be raised only after the mechanization and electrification of agriculture in accordance with the Soviet example. In a concluding section, he touched briefly on the delicate and potentially explosive problem of the relationship between population and food supply in Communist China, pointing out that the average per-capita area of cultivated land had fallen during the period of the First Five-Year Plan.

Although not included in Ma's article, confirmation of the growing pressure of population on food supply at this time was provided by the final figures on state purchases and sales of foodstuffs during the grain year ending in June 1957--figures which showed a substantial reduction in the level of the state's grain reserves over the course of that year. Judging from the results of the summer harvest, there probably was already a growing realization that grain production in 1957 would not increase significantly over that of 1956.

In a sense, Ma Yin-chu presented in extreme form the case of the senior government administrators and economic specialists among the Chinese Communist leadership who had been instrumental in formulating the "retrenchment" policy adopted in November 1956 and who had figured prominently in explaining and implementing this policy in the first six months of 1957. Chief among this group was Chou En-lai, the third-ranking member of the Politburo and premier of the People's Republic of China. The senior economic specialist was Chen Yun, fifth-ranking member of the politburo and senior vice premier of the government, followed by three other politburo members--Li Fu-chun (chairman of the State Planning Commission), Li Hsien-nien (minister of finance), and Po I-po (chairman of the National Economic Commission).

Furthermore, it is possible to find certain parallels between the views of this group and those associated with Khrushchev in the recent history of Soviet economic policy. Foremost among these is the apparent predilection for material incentives to elicit higher levels of labor productivity and output; another might be a preference for large-scale industrial installations equipped with modern machinery and utilizing modern techniques in production; a third might be an appreciation of the complexities inherent in the operation and management of a planned economy. In this connection, despite the relatively minor roles assigned the members of this administrator-specialist group in the "great leap forward" and communalization movements which dominated

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the Chinese economy in 1958, these were the very persons selected to explain and justify these revolutionary programs to the leadership and people of the Soviet Union--a service which they performed in a series of conversations, speeches, and articles from May 1958 to February 1959.

As indicated above, the similarities in the views of such an incongruous group as Ma Yin-chu (who was subsequently branded a "rightist conservative"), Chen Yun, and Khrushchev probably should not be emphasized. It is enough to note that such similarities probably exist and that the new "hard" revolutionary line of economic development adopted by the Chinese Communist leadership in late 1957 constituted a flat repudiation of these views. Let us now examine this new policy which represented a sharp turn to the left in the development of China's own "general line of socialist construction."

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**SECRET****III. SOCIALIST CONSTRUCTION, THE SECOND ATTEMPT (SEPTEMBER 1957 - DECEMBER 1957)**

The situation which confronted the Chinese Communist leadership as it met in the central committee plenum of September-October 1957 was far from promising. Two major domestic policies espoused by Chairman Mao during the preceding 18 months were in disrepute. The proposed answer to China's agricultural problem--the Draft 12-Year Agricultural Program and the rapid creation of large-scale collective farms as the means for implementing the program--had failed to provide either the promised increments in production or a stable organizational form in the countryside. Mao's original conception of the "rectification" movement as a means of improving the "work style" of party members, who would thus be better equipped to lead a united and dedicated people in constructing a socialist society, had been blasted by the "rightist" attack on the party and government in May 1957. Moreover, the program adopted in November 1956 of providing greater material incentives to the peasants was not proving any more effective in raising either agricultural output or peasant consumption. Faced with a rapidly growing population, with relative stagnation in food production, with dwindling food reserves, with a disaffected intellectual class, and with mounting dissatisfaction among the peasants and rural cadres, the leaders reacted by adopting a series of radical measures designed to transform and develop at a revolutionary pace the recalcitrant human and material resources at their disposal.

The first measure was to extend the "rectification" campaign, now merged with the "antirightist struggle," to encompass all the people. The peasants and cadres in rural areas were a primary target of this expanded campaign which would serve both to silence criticism and suppress doubts and at the same time incite a great new effort of construction and production in the countryside. In order to prosecute the campaign at the desired tempo and degree of intensity, it was necessary to admit that Mao had erred in his earlier analysis that classes had been basically eliminated from China's society and that as a result the socialist revolution had been completed. The socialist revolution was resurrected and described as having entered a new stage of "political and ideological" revolution. The concept of class struggle was revived and identified as the "main contradiction" which would endure throughout the entire period of transition to socialism, thus enabling the party to brand all critics and criticism of the regime as capitalists or bourgeois inspired. In another reversal of Mao's earlier judgment that intellectual elements had completed "ideological remolding," the plenum more or less abandoned the attempt to convert existing intellectuals--who were consigned to the ranks of the bourgeoisie--in favor of a drive to foster a new group of intellectuals drawn from the proletariat. This drive was subsequently referred to as the movement to train cadres

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who were both "red and expert." This in turn was closely linked with the "back-to-the-farm" drive, also decided at this plenum, which was to send over a million cadres and many of the intellectual class to rural areas to participate in the agricultural construction program.

Even the favored urban working class was included in the expanded "rectification" movement. The objective here was to promote a new "rational, low-wage policy" designed to narrow the sizable gap between urban and rural living standards and to strengthen the worker-peasant alliance. In a revealing editorial comment on this decision, People's Daily on 21 November made the following statement: "In our wage policy in the past...we have also overemphasized the importance of material incentives, while inadvisably relaxing our political and ideological work among the workers and employees." The editorial went on--in much the same language employed by Mao in his February "contradictions" speech--to make the following assertions: (1) that the problem of distribution must be approached "from the standpoint of 600,000,000 people"; and (2) that policy decisions must be made "in accordance with the actual conditions of our country, which has a large population and is basically poor and whose production level is still rather low." It was but a short step from this position to the view which was soon to appear in the party journal that the sacrosanct socialist principle of distribution "according to work" must yield to the primary consideration of guaranteeing an adequate livelihood for all.

It should be emphasized that the basic decisions to redefine and expand "rectification" on a nationwide scale were taken prior to the party plenum and in all likelihood on the initiative of Chairman Mao himself. Indeed, Teng Hsiao-ping, member of the Politburo Standing Committee and chief of the party's secretariat, indicated as much in his report on "rectification" to the plenum, citing the occasion as a party conference held in July 1957. At this time, according to Teng, "Comrade Mao presented an over-all appraisal of the nature and status of the 'rectification' movement and the antirightist struggle and offered clear-cut principles for the development of the movement." Granting this, it is instructive to note the extent to which Mao felt compelled and was willing to go in conceding the errors of judgments made in his speech on "contradictions" in February--mistakes which were carefully excised from the published version of the speech released in June. In referring to a complex of views, nearly all of which can be fairly ascribed to Mao in only slightly different form in the unpublished version of his speech, Teng Hsiao-ping was authorized to make the following statement: "In the party there have also existed for some time the serious rightist views that the struggle between the two roads in the rural areas had been completed, that the class line should not be arbitrarily emphasized, that efforts should be devoted solely to production, and that socialist education among the peasants might be slackened." (Underlining supplied). In this case, of course, Mao's retreat was facilitated by his ability to dissociate himself from previously held but unpublished positions.

(54)

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"Rectification" conceived as a means of isolating and suppressing dissident elements in the countryside was only a start. The more basic and difficult task was to devise a new approach to the problem of agricultural development--a new program which would be both feasible and capable of instilling a much-needed revolutionary elan among rural cadres and the peasantry. For this purpose, the Draft 12-Year Agricultural Program, first formulated in January 1956, was reintroduced to the September 1957 plenum by Tan Chen-lin, who in 1958 was to become the regime's chief spokesman on agricultural policy and the communes. The general tone of this document was cautious, even defensive, no doubt reflecting the conspicuous lack of progress toward achieving the program's goals in the 18 months since initial publication. To cite the one example, the program specified that "birth control and planned parenthood should be propagated and encouraged." There were, however, indications that the somewhat jaded provisions of the program were to be implemented by strikingly different means than those previously employed--indications which were revealed in the new emphasis attached to the "abundant labor force in the countryside" and in the call for "an agricultural mechanization program adapted to the conditions of our country."

Although Mao's "summary speech" to this party plenum was not and still has not been published, Chinese Communist spokesmen have since indicated that his remarks were largely concerned with charting a new course of socialist construction for Communist China--a course in which rapid development of the agricultural sector was considered indispensable for achieving agricultural mechanization and socialist industrialization. This was the import of the slogan which elevated agriculture to a level of importance almost co-equal to that of industry and which was widely publicized for the first time in the fall of 1957: "simultaneous development of industry and agriculture, while giving priority to heavy industry." It was in support of this policy that Teng Hsiao-ping in his published speech to the plenum called for a redirection of the party's energies from the industrial to the agricultural front and for a campaign which would "emphatically publicize the importance of developing agriculture." In order to translate this policy into a practical program, the regime took a new hard look at the relative importance and potential contribution of machinery and human labor in China's agricultural production and construction. Since the Chinese Communists were to cite this new approach to agricultural mechanization and socialist industrialization as the major stimulus for establishing subsequently the communes, it is important at this time to trace the origins of this new policy in the proceedings of the party plenum.

Fortunately, the substance of the unpublished discussions of this conference may be gleaned from a series of articles and editorials appearing in Study, the party journal, and in People's Daily, the party newspaper, following the close of the plenary session. First, the natural conditions governing economic development in China were identified

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as a large territory, a large population, a small amount of arable land, and a predominantly agrarian economy. These were contrasted with the corresponding attributes of the Soviet Union, listed as large territory, a large amount of arable land, a small population and a predominantly industrial economy.

Given these conditions, the only way to achieve substantial increases in China's national income and output was to elevate the productivity of agricultural labor, but the traditional method utilized by the Soviet Union in raising productivity by means of agricultural machinery was not a feasible short-term solution for China. Indeed, the attempt in 1956 to introduce new-type agricultural plows as a modest step toward mechanization of China's agriculture had ended in failure. The conclusion to be drawn from this analysis was clearly stated in a People's Daily editorial on 11 November--shortly after the termination of the plenum:

"It should be pointed out that, since our country's industry and technology are comparatively backward and within a short period cannot supply agriculture with any large quantities of modern machinery, our agricultural production for a considerable period to come will still have to rely mainly on comparatively simple tools and heavy manual labor. This is an historical phenomenon of our country in the transition to socialism. Our task is to change this phenomenon and to change our country into a great, modernized agricultural country. In other words, in the future we will replace the present heavy manual labor by large-scale mechanical power. To reach this goal, the people of the entire country have to strive hard, suffer hardships and endure fatigue, conscientiously perform agricultural manual labor, elevate labor productivity, and increase the volume of agricultural production."

Other articles developed the theme that China's abundant labor supply was unique among socialist countries and stressed that proper organization of labor was the key to agricultural development. Huang Ching (since deceased), minister of machine building and a leading spokesman for this new approach to agricultural development, expressed the idea succinctly in a November article citing Mao's speech at the party plenum as a text. "We must have a new approach to the problem of agricultural population and mechanization. The basic problem in the countryside today is the problem of unevenness in the utilization of labor between the busy and slack seasons." And to demonstrate that this leitmotiv of the plenary session had passed beyond the stage of academic discussion, a peasant labor army some 100 million strong was already being organized to undertake during the slack winter season a gigantic program of water-conservancy construction and fertilizer accumulation which would dwarf all such previous efforts in the countryside.

It is almost impossible to exaggerate the importance of this decision to exploit to the fullest possible extent

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the economic factor of labor power in the evolution of the two fundamental programs which would dominate the Chinese scene in 1958; the "great leap forward" in economic development and the commune movement. The underlying premise was a simple one--that the solution to the problem of economic development lay in the massive and intensive application of China's abundant labor supply; or, to employ the jargon of the Chinese Communist leadership, in the application of the "mass line," which had proved so successful in the revolutionary struggle for power, to the infinitely more complicated process of socialist construction. Moreover, this tremendously augmented labor effort would have to be secured without resort to material incentives--a policy which had already been tried and found wanting and which, in any case, was ruled out in order to maximize savings and investment for future growth. Given these conditions, it became imperative to devise a mechanism through which the party could most effectively mobilize and control the rural labor force and at the same time restrict consumption; this mechanism would in time appear as the people's commune.

The immediate problem in the final months of 1957, however, was to formulate a whole new set of psychological and moral incentives to take the place of material incentives in mobilizing popular energies and maximum labor enthusiasm among the people. An early, obvious example of this new type of incentive appearing in November was the slogan: "Catch up with and outstrip Great Britain in 15 years." This widely publicized slogan served both to exploit the hated image of China's traditional imperialist foe and to hold forth an inspiring and not too distant goal.

A less obvious but more significant manifestation of this new type of incentive was the concept of the "leap forward" itself. At this stage there were widespread doubts, bred by the experience of the preceding 18 months and extending into the higher echelons of the leadership, whether China could sustain any more than a slow, painful rate of growth in economic development. Mao's confident assertion at the party plenum that China could build socialism at a rapid tempo, as expressed in the slogan "Greater, faster, better, and cheaper, (in which the operative word was "faster"), must have provided a tonic to the flagging spirits of the party and populace. Subsequent events were to demonstrate the intoxicating effect of this slogan upon large segments of the party, appearing first in a frantic competition to raise 1958 plan goals in industry and agriculture and resulting finally in the telescoping of the entire historical process leading to socialism and then to Communism.

It should be stressed at this point that the "rapid" development policy was conceived not as one of several alternatives, but as the sole course open to the Chinese if they were to achieve socialism. In an authoritative discussion of the new construction policy, an editorial in People's Daily of 12 December 1957 made the following statement:

(57)

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"We are a country of huge population with relatively scarce arable land, both backward in economy and culture and weak in foundation. To build a powerful socialist material foundation in such a country, catapulting its economic level to that of the advanced nations of the world within several decades and bringing great improvement to the life of the people, we have to hasten the tempo of construction by adopting a policy of industry and thrift in order to move it forward with gigantic and rapid strides. No other paths are open." (underlining supplied)

In a major report at this time on the progress of the "rectification" campaign, Hsi Chung-hsun, secretary general of the State Council, made the same point in strikingly similar language. "Without a number of revolutionary sudden progressions," he said, "it would be impossible to build socialism in China." He went on to give as examples of such "progressions" the nationwide "rectification" campaign and the forthcoming "upsurge" in socialist construction in rural areas.

It is important to note at this early date the firm, almost desperate resolve to "press ahead consistently" in economic development and socialist construction, for this resolve permits one to understand the "sudden, revolutionary progressions" in the development of Communist China's economic, social, and political policies throughout 1958. Furthermore, it is suggested that herein lie the seeds of the daring theoretical innovation advanced by Mao Tse-tung to rationalize and justify the headlong pace toward the goals of socialism and Communism--the theory of "uninterrupted revolution" which would prove so unpalatable to Moscow.

The third and final incentive was the electrifying vision of a Communist society which the leadership was to hold before the people as the ultimate and not far distant goal of their bitter struggle. Although this theme was not widely publicized until the summer months of the following year, it is apparent that the inspiration for this bold, calculated propaganda campaign derived from the international conference of Communist parties which convened in Moscow in November 1957 to celebrate the 40th anniversary of the October Revolution. It was on this occasion that Khrushchev announced the entry of the Soviet Union into a "new stage"--of "favorable conditions...for the transition to a higher stage..." He also asserted at this time, in language which the Chinese Communists would incorporate almost verbatim into the August 1958 party resolution announcing the establishment of communes, that "Communism is no longer a matter of the distant future." The remainder of his remarks on this subject were vague and perfunctory, hardly substantiating his claim that the Soviet people were "solving the historic task of the transition to Communism." Khrushchev advocated the launching of a campaign to educate the broad masses in the spirit of Communist consciousness and to inculcate a new Communist attitude toward

(58)

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labor. This must have aroused the immediate interest of Mao and the other top Chinese leaders in attendance, for an almost identical campaign was undertaken in Communist China within two months.

Another major document emerging from the Moscow conference with important implications for subsequent developments in Communist China was the joint declaration of policy signed by all Communist parties of the bloc. Although designed to present a solid facade of unity among bloc parties following the Polish and Hungarian incidents of 1956, the propositions advanced to guide the development of the international Communist movement were so nebulous that widely divergent interpretations of the provisions were possible. Indeed, this is precisely what was to happen a year later when the Sino-Soviet dispute over the commune program was to erupt into public discussion, with both parties citing the Moscow Declaration in support of diametrically opposed positions.

Thus it is reasonable to conclude that Mao viewed Khrushchev's speech as a sanction for exploring the road leading to a Communist society in China and the Moscow Declaration as a mandate for undertaking a distinctive program of socialist construction adapted to the national characteristics of China and incorporating such unusual "forms and methods of building socialism" as the people's commune. Additional confirmation of this conclusion is provided by the fact that almost within a month after the termination of Moscow Conference, the Chinese Communist party newspaper, in a keynote New Year's Day editorial, laid out for the first time a timetable for the transition to a Communist society in China. It is to this new stage in the evolution of the communes in Communist China that we now turn.

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**SECRET****IV. SOCIALIST CONSTRUCTION AND THE TRANSITION TO COMMUNISM (JANUARY 1958 - MARCH 1958)**

The New Year's Day editorial of People's Daily ushered in 1958 with a great flourish. After a summary and appraisal of the major developments of the preceding year, the editorial foreshadowed a number of the developments to come. The "rectification" campaign for the first time was firmly linked to China's economic development program; the regime for the first time revealed its determination to promote this latter program at top speed--in other words to "leap forward"--in all branches of the economy; and the Chinese Communists for the first time published a timetable presenting their estimate of the periods of time required to complete the transition not only to a socialist society but also to a Communist society.

Since the time factor is crucial in interpreting the plans and expectations of the Chinese Communist leadership throughout 1958, it is necessary to present the following lengthy extract from this editorial bearing on the transitions to socialism and Communism:

The completion of the First Five-Year Plan is only the first step in the long march to build our country into a powerful socialist country. Counting from the present, it still requires 10 to 15 years to establish a modern industrial base and a modern agricultural base in our country. Only after 10 to 15 years of comparatively adequate development of our social productive forces, can we consider that our socialist economic system and political system has a comparatively adequate material base (at present this base is far from adequate) and that our state (the superstructure) is sufficiently consolidated. Only then can we consider that we have basically completed construction of a socialist society. Within a period of approximately 15 years, we shall catch up with and surpass Great Britain in the output of iron and steel and other major industrial products. After that, it will still be necessary to develop further our productive forces and make preparations during the ensuing 20 to 30 years to catch up with and surpass the United States economically, in order to carry out the gradual transition from socialist society to Communist society. This is the great, glorious, and arduous task of our people.

Since our people have successfully overthrown the three big mountains which held sway over us in the past--imperialism, feudalism, and bureaucratic capitalism--and since we have within a very short period made such rapid development in economic and cultural construction, we have full reason to believe that our people will surely build our country into a strong state with modern industry and modern agriculture, into a socialist society and a Communist society. Our country is large, has rich resources and large population, our people are industrious and courageous, and our country has the most advanced socialist system. There is no reason why we should not exert our utmost for the realization of our great ideal.  
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Aside from the calculated tone of "revolutionary optimism" permeating this passage, there are several specific ideas which deserve elucidation. The first concerns the criteria for measuring the achievement of socialism in 10 to 15 years, here given as "a comparatively adequate material base" and a consolidated state structure. Attainment of this objective would then enable the regime to claim that it had "basically completed construction of a socialist society." This then would correspond to the stage reached by the Soviet Union in 1936 when Stalin asserted that socialism had been "basically" constructed, despite the relatively low level of development of the Soviet economy at that time.

The second idea is the implication that at least the material prerequisite for a Communist society in China could be satisfied by "catching up with and surpassing the United States economically," a process which would require from 30 to 45 years. To demonstrate the close attention paid this editorial by the Soviet leadership, it is worth while to anticipate developments by noting that Khrushchev was to repudiate this proposition in his 21st Party Congress speech delivered more than a year later. In language, so similar as to be more than accidental, Khrushchev made the following statement: "It would be an oversimplification to assume that when we catch up with the United States economically, we will complete Communist construction. No, this is not the end of the road... (but) only the initial stage of Communist construction."

The final characteristic of this editorial which deserves special attention is the amalgamation of socialism and Communism into a single "great ideal"--an early example of blurring these two separate historical stages which was to be such a bone of contention in the Sino-Soviet dispute over the communes.

The first steps toward the realization of this "great ideal" were taken at a secret party conference held during the middle of January at Nanning, the capital of China's southernmost province. This was the first of three top-level Chinese Communist party conferences which were to play a dominant role in policy formation during the first six months of 1958. Chairman Mao is known to have delivered a major address at Nanning under the pedestrian title "Sixty Methods of Work." Although this address has never been reported and is rarely cited, there is reason to believe that many of the innovations in theory and practice which were to appear during the first half of 1958 were introduced at this time.

It was at this time, as subsequent provincial party reports were to demonstrate, that Mao advanced the concept of "uninterrupted revolution" (which Marx had introduced more than a century before to urge that the German "bourgeois-democratic" revolution be continued into a "socialist" revolution) as a theoretical justification of the accelerated tempo of socialist construction in Communist China. A formal explanation of this daring theoretical innovation was not forthcoming until Liu Shao-chi's work report at the

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Central Committee party congress in May. The concept was reflected, however, in the major reports to the National People's Congress session held in early February immediately after the Nanning Conference and in an editorial in People's Daily on 3 February.

In his annual budget report to the congress, Li Hsien-nien likened this principle of continuous advance to the motion of "waves driving each other forward" and called it "the law of progress of our cause." The editorial stipulated that socialist construction must demonstrate the same pattern of advance as that which had characterized past struggles during the period of democratic revolution--that is, a continuous advance by leaps and bounds. The following little-known quotation of Lenin on the eve of the October Revolution was cited in support of this stand: "Either we face destruction (by the advanced countries) or else we must...overtake them economically.... Either it is destruction or else it is an advance forward at full speed. This is a question posed by history." Thus at this date Mao was already searching the early canonical writings of Marxism-Leninism for doctrinal authority which would support a program of socialist construction differing sharply from the Soviet model.

Another theme of Mao's speech at Nanning was the need to combat the "rightist" conservatism existing in the minds of a number of party comrades. This was of pressing urgency at this time, when the rate of advance was to be accelerated much more rapidly than in 1956, and was made particularly difficult because the party was already on record as having condemned the pace of 1956 as an example of "rash advance." The problem was stated succinctly in the People's Daily editorial on 3 February: "Some people fail to understand that by leaps and bounds is different in principle from rash advance." It is apparent that Mao was unable at Nanning to dispel the doubts of these comrades who were referred to throughout the ensuing months by such epithets as the "tide watchers," the "tide blockers," and as those "waiting to settle accounts after the autumn harvest."

More was needed to step up the pace, however, than mere theoretical expositions and admonitions. This was provided by Mao at Nanning in a 14-point program for agricultural development which he epitomized in the slogan "Three years of bitter struggle to basically change the appearance of the countryside." This was conceived as a three-year period of maximum effort and sacrifice (1958-1960) which would permit most areas to complete the Draft 12-Year Agricultural Program by 1962, or five years ahead of schedule. Again, the key to success in this forced-draft program was the massive and intensive application of peasant labor power, which Li Hsien-nien hailed in February as the "primary decisive factor in agricultural production and construction." The necessary investment funds were to be provided by the collectives themselves rather than by the state, thus demanding additional sacrifices from an already heavily burdened peasantry.

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Mao apparently advanced still another, although related, goal at Nanning--that the various provinces strive to make local industrial output (as distinct from the output of industrial enterprises under central government control) exceed the value of agricultural output by 1962. This process would be facilitated by the implementation of a series of "decentralization" measures which had been decreed in November 1957 and which were designed to give more authority and incentive to local governments in administrative, financial, and industrial matters. Local industrial development at this time, however, was still considered to be largely an adjunct of agriculture and did not assume the character of a mass campaign in its own right until after the Chengtu Conference in March.

In order to present a comprehensive discussion of the origins of the commune, it is necessary at this point to anticipate the major policy decision reached at Chengtu--the adoption of a mass line for industrial development which greatly enlarged the scope and objectives of the local industry program. No longer considered a mere adjunct to the agricultural sector, this undertaking to construct thousands of small-scale industrial installations in rural areas was now hailed as a major means of accelerating socialist industrialization for the economy as a whole and as a distinctive feature of China's program of socialist construction. Of even greater significance, it was decided at Chengtu to transform the program into a mass campaign which would penetrate beyond local levels of government to exploit the underemployed labor force of the agricultural producer cooperative. Following the decision at the September 1957 Central Committee plenum to organize a huge peasant labor army to engage in agricultural production and construction, this decision at Chengtu to initiate a mass movement in rural industrial construction appears to be the second decisive factor leading to the establishment of communes in China. Indeed it is possible to argue plausibly, as the Chinese Communists have done, that the communal organization was a necessary corollary of the rural industrialization program.

To return to the Nanning Conference in January, it is fair to conclude that the basic purpose of Mao's speech on that occasion was to arouse revolutionary optimism and fervor among the party leadership at all levels and to exhort them to draw up a series of advanced plans and ambitious goals. This was to be accomplished by means of a new Communist working style of "daring to think, speak, and act with courage"--a working style both exemplified and advocated by Mao in his address. At first directed principally at the party leadership, this undertaking to inculcate revolutionary attitudes and approaches to problems was soon to assume the proportions of a mass campaign and become, to use the expression of Liu Shao-chi in his party congress speech in May, "a Communist ideological emancipation movement... among the broad masses of the people." As early as January, an article in the party journal devoted to the "red and expert" and "down to the farm" movements called for the organization of a Communist education campaign to propagandize a

(63)

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"new Communist spirit" and a "new Communist viewpoint" so that these two movements might succeed. Another journal article at this time advocated that the workers receive an "education in the spirit of Communism" as an antidote for individualism and discussed in somewhat slighting terms the socialist principle of remuneration "according to work." Still another example of this development appeared in the People's Daily editorial of 31 January, shortly after Nanning, in the reference to "the task of using the spirit of Communism in the education of our younger generation and the currently developing high tide of industrial and agricultural production in our country."

Thus it was becoming increasingly clear that the Chinese Communists intended to exploit the shimmering ideal of a future Communist society in China by directing the fervor aroused by this goal into an immediate program of socialist construction conducted at top speed and demanding maximum sacrifice. This, in brief, was the situation just prior to the convocation of Communist China's leadership at the Chengtu Conference in March 1958, the party conclave in which the commune as the chosen instrument of China's distinctive program of socialist construction is believed to have been conceived.

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**SECRET****V. THE COMMUNE CONCEIVED (MARCH 1958-APRIL 1958)**

Little more is known of the secret proceedings of the Chengtu conference than of its predecessor in Nanning. It was later described as having been convened by the "Central Committee and Chairman Mao" and as having brought together "responsible comrades of provincial and municipal party organs and of the concerned departments of the central government." There are several indications, however, that the conference outranked its predecessor in the quantity and quality of leadership in attendance and in the significance of the policy decisions adopted. For example, Chou En-lai remained in Peiping for at least part of the period during which the Nanning conference was in session, but he unquestionably participated at Chengtu. Of the full membership of the politburo, only the relatively unimportant Chen Yi and Ho Lung were left in Peiping to greet visiting delegations during the period of this conference. The second clue bearing on the relative importance of these two conferences is that the one at Chengtu was of longer duration, lasting through much of the month of March. Mao is known to have arrived in this southwestern provincial capital on 5 March; his departure, in company with a number of prominent party leaders, did not take place until 28 March.

If the basis purpose of the Nanning conference was to arouse revolutionary optimism and promote the drawing up of a series of advanced goals, the objective at Chengtu was to devise ways and means of realizing these goals. Support for this view is provided by an editorial on 27 April in People's Daily stating, "If several months ago /Nanning/ the question was to think of things none dared to think of in the past, do things which were considered to be impossible in the past, combat all sorts of rightist conservatism and draw up advanced plans and advanced targets, then the question today /Chengtu/ is to put into effect the advanced plans and advanced targets already compiled...."

Among the major policy decisions reached at Chengtu to carry out these ambitious goals was the adoption of a mass line for industrial development which enlarged greatly the scope and objectives of the local industry program. No longer considered a mere adjunct to the agricultural sector, this undertaking to construct thousands of small-scale industrial installations in rural areas was hailed as a major means of accelerating socialist industrialization for the economy as a whole and as a distinctive feature of China's program of socialist construction.

Of even greater significance, it was decided at Chengtu to transform the program into a mass campaign penetrating beyond local levels of government to exploit

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the underemployed labor force of the agricultural producer cooperatives. Since this was the last element of China's own "general line of socialist construction" to be adopted, it is interesting to note that at least one of the reasons for its belated appearance was the resistance of a number of "economic workers and technical personnel" who questioned the feasibility of applying the mass line to the industrialization process. Mao himself was to attack these skeptics as late as October 1958, citing their contemptuous references to the mass movement in industry as "irregular," "of rural style," and "analogous to the practice of guerrilla warfare."

Following the decision at the September 1957 Central Committee Plenum to organize a huge peasant labor army to engage in agricultural production and construction, this decision at Chengtu to initiate a mass movement in rural industrial construction appears to have been the second decisive development leading to the establishment of communes in China. Indeed, it is possible to argue plausibly on purely deductive grounds that the communal organization was a necessary corollary of the rural industrialization program, as the Chinese Communists themselves contended in subsequent explanations of the derivation of the people's commune.

The events and published discussions following the close of this conference provide external evidence to support the conclusion that the commune itself was conceived at Chengtu. That the decision was not made earlier is suggested by a Study article appearing while the conference was still in session. In a very strong plea that the socialist principle of distribution "according to work" must not be changed, the author cited the early experience of the Soviet Union with agricultural communes, concluding that the Russians organized "a communal system in the spirit of equalitarianism...but soon found that this system was not suited to production relations under socialism and changed to collective farms." Such views would not have been disseminated by the party organ after the decision to establish communes had been reached.

The best evidence that the concept of the commune originated in the March party conference is that a campaign to merge small agricultural producer cooperatives began immediately thereafter, principally in the two provinces of Honan and Liaoning, which had been selected as the vanguards in the communalization movement. The record indicates that cooperative mergers were performed in two ways:

The first way was a relatively modest undertaking to double or triple the size of the cooperative and, in effect, was no more than an effort to regain the ground lost during the widespread dissolution of agricultural

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producer cooperatives in 1957. Liu Shao-chi, who was to play a leading role in the commune movement, was reported as advocating cooperative mergers of this type in Szechuan Province almost immediately after the close of the Chengtu conference.

The second method was the experimental formation of greatly expanded "large cooperatives," which represented the amalgamation of 20 to 30 of the existing collectives. The best known example of this second type was the precursor of the famous Sputnik Commune, which was to serve as the model for all China during the high tide to communalization in September.

In addition to the quantitative change in size, a number of qualitative changes in April indicate that this new type of "large cooperative" was in fact the embryo of the commune. There was the intensive development of small-scale industry; the incorporation of handicraft, supply and marketing, and credit cooperatives into the large collective; the formation of communal dining rooms and nurseries, although described as merely temporary during the busy farming season; the establishment of primary and middle schools to be run by the cooperatives; and the concerted effort to train large numbers of cadres and activists who would be both "red" and "expert." All of these characteristic features of the commune were introduced in April in the pilot provinces of Honan and Liaoning, and to a lesser extent in other provinces as well. This period of experimentation, which has marked the preparatory stage in all previous mass movements undertaken by the Chinese Communists, was to extend through the month of June. It should be emphasized that these early prototypes of the commune were described as collective farms at the time; the identity of this revolutionary social organization was not revealed to the peasant membership until the end of this trial period.

There have been elaborate, if not farcical, efforts by the Chinese Communist leadership to present the commune movement as having been from its very inception the product of a spontaneous and irresistible demand raised by the broad masses of the people. In the voluminous Chinese Communist literature which purports to trace the origins of the commune, all but one article call the early cooperative mergers a spontaneous development. In an account appearing in People's Daily on 2 September describing the April-May movement to establish large cooperatives in Liaoning Province, the author committed the indiscretion of admitting that the cooperative mergers resulted from a "directive of the Central Committee of the party," a directive which must have been issued shortly after Chengtu. The almost invariable explanation, however, was that the large cooperatives were established to satisfy the urgent demands of the masses,

(67)

**SECRET**

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who, according to some accounts, were determined to effect these large-scale mergers even if the authorities refused to honor their requests.

Although the commune was yet to be revealed as a vehicle for accelerating the advance to Communism, there were a number of indications during April that the rate of advance toward this distant goal had been stepped up. Since most of the top leaders were touring the provinces--a practice which would occupy much of their time and energies throughout 1958--it remained for lesser figures to present these new perspectives to a National Conference of Young Workers' Representatives meeting in Shanghai. Lu Ting-i, Director of the Chinese Communist Party's propaganda department, employed this occasion to assert that "the young generation...will personally build a Communist society in China." Hu Yao-pang, secretary of the Young Communist League, developed this theme at great length, inciting his audience to cultivate the same lofty ambitions as those displayed by Marx, Engels, Lenin, and Mao Tse-tung, and concluding with the following peroration:

We are people living in the era of Mao Tse-tung, and youth of the era of Mao Tse-tung. Our revolutionary forerunners have created a new country for us and established a bright avenue for Communism...Comrades, let us closely unite to contribute our efforts for the fatherland, the people, and Communist undertakings under the leadership of the great party and Chairman Mao.

Hu's remarks were important, not only because they treated "Communist undertakings" as an immediate concern for the youth of China, but also because they foreshadowed the impending revival of a "cult of personality" built around Mao Tse-tung. The ensuing adulation of Mao, already linked in Hu's speech with the classical founders of Marxism-Leninism, was soon to dominate Chinese Communist discussions of revolutionary theory and practice. As a parallel development, references to the Soviet model and to the applicability of Soviet experience to China's program of socialist construction were to disappear almost completely from Chinese Communist publications.\*

That Mao was in fact, as well as in name, the driving force behind the headlong advance toward socialism and Communism was already becoming clear in

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\*During the spring of 1958, Soviet theoretical discussions of the commune took the line that even in the advanced USSR the commune was a distant prospect.

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April. An editorial in the party newspaper of 27 April provides striking evidence of this: "We have already erred twice in 'opposing rash advance'--in the cooperativization high tide of 1955 and in the production-construction high tide of 1956--and we absolutely cannot make the same mistake again." By invoking two major campaigns which Mao had sponsored in 1955-56, a fact known to all, the editorial managed in one sentence to emphasize the leading role of Mao in the current campaign and to serve notice on skeptical party elements that they should mend their ways.

The final clue to the momentous decision taken at the Chengtu conference is to be found in an article written by Chairman Mao for the first issue of Red Flag, a new theoretical journal of the Central Committee. In retrospect, it appears that a major objective of this new publication was to launch and promote the communalization movement. Although the first issue did not appear until 1 June, Mao's article, entitled "Introducing a Cooperative," was written on 15 April and took as its text a report presented by a cooperative director on 20 March, presumably at the Chengtu conference. Only two paragraphs in length and couched in cryptic language, the article nevertheless qualifies as an important document in the chronology of the communes.

After pointing out that "the Communist spirit is surging forward throughout the country," Mao went on to assert that "China is forging ahead in its socialist economic revolution" (where transformation of the relations of production has not yet been completed). "Since the transformation of production relations in the stage of cooperativization had already been virtually completed, this passage suggests an intention to move into a more advanced stage of production relations--that of the commune. But a more revealing passage was the following:

Apart from China's other characteristics, its 600,000,000 people are first of all "poor" and secondly 'white.' This seems a bad thing, but in fact it is a good thing. Poor people want change, want to do things, want revolution. A clean sheet of paper has nothing on it, and so the newest and most beautiful words can be written and the newest and most beautiful pictures painted on it.

This statement was to serve as a theme of many subsequent discussions of the commune movement, both during its early organizational phase and during the latter phase of rationalization and justification of this audacious experiment. With the advantage of hindsight, it is fair to conclude that the inspiration for this flight of poetic imagery was in fact the commune, conceived as "the newest and most beautiful picture" which would soon be painted in China.

(69)

**SECRET**

**SECRET**

The cooperative introduced in Mao's article deserves separate mention.\* One commendable feature was the progress already achieved by this cooperative in implementing Mao's call at the Nanning conference: "Struggle hard for three years in order to basically change the appearance of the countryside." A more interesting feature was the novel system of income distribution adopted by the cooperative following a period of experimentation. The essence of this system was that income payments would be made on a monthly basis in accordance with a dual standard of work performance and of need. If individual households were unable to fulfill their quotas of labor days for acceptable reasons, their livelihood requirements would still be met through this method of advance payments. Moreover, the cooperative was preparing to introduce a "fixed-wage system" for its members in 1959, when public reserves would have risen to the necessary level. Thus Mao was on record at this early date as favoring a distribution system based partly on need and oriented toward the payment of wages, two distinctive characteristics of remuneration under the people's commune.

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\*The report describing the experiences of this cooperative, which Mao recommended as a model for all the remaining 700,000 agricultural producer cooperatives in China, has never been translated.

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**SECRET****VI. THE COMMUNE AND THE "GENERAL LINE OF SOCIALIST CONSTRUCTION" (MAY 1958 - JUNE 1958)**

The last of the three major party conferences during the first half of 1958 was the second session of the eighth party congress which met in Peiping from 5 to 23 May. Unlike those at Nanning and Chengtu, two of the principal speeches delivered at the congress were published in full and a third was summarized. As in the antecedent conferences, however, a major address by Chairman Mao was not reported, and no public reference was made to the almost certain discussion of communes at this party gathering. The published reports of Liu Shao-chi and Tan Chen-lin, although purporting to deal extensively with the party's future tasks, were remarkably reticent about future developments in the countryside. Thus, in spite of the expanded coverage, it is still necessary to resort to newspaper and journal discussions in order to understand the proceedings of this congress.

One aspect of the session was clear almost at the outset--the new dominant role of the party and of the leaders of the party organization, both in the formulation of economic policy and in the implementation of that policy. In place of the senior government administrators and economic specialists (Chou En-lai, Chen Yun, Li Fu-chun, Li Hsien-nien, and Po I-po) who had figured prominently in the discussions of the first session of the Eighth Party Congress in September 1956 and who had been instrumental in formulating the "retrenchment" policies of the period from November 1956 to September 1957, a new cast of characters, together with Chairman Mao, dominated the proceedings of the May party congress. They were to continue to dominate and control the two principal campaigns of 1958, the "great leap forward," and the communalization movements. These men, who have been described in POLO papers as the "party-machine" leaders and, in the context of events in 1958, as the "exhorters," were--in order of importance--Liu Shao-chi (second only to Mao in party leadership and Mao's heir apparent), Teng Hsiao-ping (chief of the party's secretariat) and Tan Chen-lin (the secretariat's specialist since 1957 in rural policy and agriculture).

The rationale for the party's arrogation of authority and control over China's economic-development program was provided by Liu Shao-chi in the following passage from his speech to the congress:

Ideological and political work is always the soul and guide of every kind of work... It should be realized that machines are made and operated by men, and materials are produced only through the efforts of men. It is man that counts; the subjective initiative of the masses is a mighty driving force... Some people say that ideological and political work can produce neither grain nor coal nor iron. This is like failing to see the woods for the trees. One may ask: Have we not

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produced more grain, coal, and iron by formulating and carrying out correct political lines, by correctly handling contradictions among the people, and by raising the socialist consciousness of the workers and arousing the enthusiasm of the masses, and are we not going to produce more and more by so doing? (Underlining supplied)

Thus "economic work," by definition a highly complex activity involving economic planning, cost accounting, calculation of work norms, and provision of material incentives based on work performance, was being displaced by "political and ideological work," by definition an undertaking to arouse "the subjective initiative of the masses" and the "enthusiasm of the masses" to a maximum production effort through a program combining political persuasion and coercion. Among the factors prompting this new application of the "mass line" to economic development must have been the opportunity it afforded the top leaders of the Chinese Communist Party to exert an even greater measure of control over China's program of socialist construction.

Liu Shao-chi's report to the congress, while intentionally vague on future developments, provides an indispensable source for understanding the genesis and evolution of China's own "general line of socialist construction" from December 1955 to the congress session in May 1958. Since much of the discussion in earlier portions of this study is devoted to this subject, it is sufficient here merely to reproduce the "general line" as enunciated in final form and to describe certain of the new features and implications of the "line" which were noted at this time by Liu and other commentators. The official formulation of this key Chinese Communist policy was as follows:

In the light of practical experience gained in the people's struggle and of the development of Comrade Mao Tse-tung's thinking in the past few years, the party Central Committee is of the opinion that the following are the basic points of our general line, which is to build socialism by exerting our utmost efforts, and pressing ahead consistently to achieve greater, faster, better, and more economical results:

To mobilize all positive factors and correctly handle contradictions among the people;

To consolidate and develop socialist ownership--that is, ownership by the whole people and collective ownership--and to consolidate the proletarian dictatorship and proletarian international solidarity;

To carry out technological revolution and a cultural revolution step by step, while completing the socialist revolution on the economic, political, and ideological fronts;

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To develop industry and agriculture simultaneously while giving priority to heavy industry; and

With centralized leadership, over-all planning, proper division of labor, and coordination, to develop national and local industries, and large, small, and medium-size enterprises simultaneously.

Through all this we will build our country, in the shortest possible time, into a great socialist country with a modern industry, modern agriculture, and modern science and culture.

One of the most striking features of the formal promulgation of China's "general line of socialist construction" was the almost immediate claim appearing in both Study and People's Daily that the line constituted a new development of the Marxist-Leninist theory of socialist construction and as such was "significant...for the other fraternal states engaged in building socialism." This assertion was remarkable on two counts: first, that it was advanced within a month after the "line" was formally announced; and second, that it should have been advanced at all, since there was a good chance that it would incur the displeasure of the Soviet Union, always jealous of its leadership prerogatives in the bloc. As an explanation for this novel development, it is suggested that the Chinese Communists were convinced that the "general line" had already proved itself in practice and therefore deserved serious study and possible emulation by other bloc countries, especially those Asian countries faced with problems and difficulties similar to those already surmounted in China.

Two reports delivered by Tan Chen-lin in East China in June support this conclusion. After revealing that the Chengtu conference in March had estimated an increase in 1958 grain production of 10 to 20 percent, he noted that a more recent estimate of the increment was in excess of 50 percent, thus constituting a victory of "historic significance" which would basically solve China's food problem. As such, it represented "the application of dialectic materialism and the 'mass line' to production and construction and a new development of Marxism on the question of socialist construction." More succinctly, Tan asserted that the production increase in agriculture had demonstrated once and for all that "Marxism can produce grain."

China's spectacular achievements in socialist construction were not confined to agriculture. In a series of articles beginning in May, the claim was advanced and reiterated that Communist China's estimated increase in industrial production in 1958 would be the "largest in the world" and, specifically, would rank "first among socialist countries." This was attributed in large part to the widespread development of local industry consisting of small- and medium-size industrial installations, a distinctive feature of China's own "general line."

(73)

**SECRET**

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One of the articles lauding the local industry program deserves special mention. In effect, it denied the argument subsequently advanced by Khrushchev (in late 1958) that socialist industrialization, a prerequisite for completing the building of socialism, required a highly modern, technical, and automated industrial base. Citing the early scriptural writings as his authority, in this case a quotation from the works of Lenin, the author asserted that industrialization on an extensive scale, rather than large-scale industry per se, was all that was required to complete the stage of socialist construction. It should be emphasized that this apparently innocuous formulation provided a theoretical justification for reducing drastically the period of time necessary to complete the socialist stage and enter the higher stage of the transition to Communism. In this sense, it offers a significant clue for understanding the time factor as expressed in the planning and policy statements surrounding the "great leap forward" and commune programs in the latter half of 1958.

The classic example of telescoping the passage of time appeared in Liu Shao-chi's congress report, in which he characterized the age as one when "twenty years are concentrated in a day." There were more specific indications, however, that the tempo of advance to socialism and Communism was being greatly accelerated. In place of the earlier estimate (as, for example, in the 1 January 1958 People's Daily editorial) that a 10-to-15-year period would be required to complete basically the construction of a socialist society in China, the "general line" now specified that this would be accomplished "in the shortest possible time." The implications of this change were spelled out in a People's Daily editorial of 4 May in the following passage: "Successes...in the great leap forward in production show that we shall not only be able to build socialism, but complete this work ahead of schedule. Since this is so, the day of constructing Communism in China is not very far off."

Replacing the original timetable, which had called for completion of the Draft Agricultural Program in 1967, Tan Chen-lin confidently informed the congress session that most of China's provinces would achieve by 1962 the targets set forth in the program. The mechanization of agriculture, rural industrialization, and the electrification of the countryside, goals which had appeared remote only a few months previously, were also to be realized in a number of provinces by the end of the Second Five-Year Plan in 1962.

In a rare early reference to the estimated period of time necessary to "complete our country's transition from socialism to Communism" (underlining supplied), a People's Daily editorial on 1 June implied that China would achieve a Communist society before the end of the century. These were the heady dreams inspired by the successes already

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claimed for the "great leap forward" in socialist construction in 1958 and by the confident belief that China had indeed discovered a shortcut to socialism and Communism.

The leap forward on the production front demanded, according to the dialectic, a leap forward on the ideological front. This was to be accomplished by a campaign initiating the masses into the mysteries of Marxist-Leninist theory which, appropriately, was launched on the 140th anniversary of the birth of Karl Marx--the eve of the May party congress. The medium for promoting the campaign was a series of theoretical magazines to be published beginning 1 June by party committees at various levels, including the new theoretical journal of the Central Committee entitled Red Flag.

Although the purposes of this campaign were variously stated, it was apparently designed to accomplish two objectives. The first was to sustain the "heaven-storming enthusiasm" of the masses during the trials and tribulations experienced during the initial period of their "three years of bitter struggle" (1958-60). This aim was stated succinctly in a May journal discussion denying that a policy of material incentives was the only way or even the best way to stimulate production. Rather, the article continued, "To raise the class consciousness of laborers and establish their Communist ideology is the best way of raising their production activity." The second purpose, perhaps only implicit at the outset of the campaign, was to prepare the peasants for the impending organization of communes. The two purposes were reflected in a provincial party secretary's report appearing in People's Daily on 18 May:

It is necessary to develop the Communist ideological liberation movement and raise up the Communist work style among the masses so that everyone will have ideals and ambitions, dare to create, and strive to become advanced. Then with the initiative of the 600,000,000 people sufficiently mobilized...this will quicken the process of completing the building of socialism and moving ahead to Communism.

It is important to note the substantive content of this mass indoctrination campaign. In general the tone of the new theoretical magazines might be described as radical and chauvinistic. The term "radical" refers to the pronounced tendency of the theoreticians to go to the early writings of Marx, Engels, and Lenin in search of doctrinal authority for Communist China's innovations in theory and practice. The chauvinistic aspect was manifested at the very outset of the campaign by the revival of a concept which had not appeared in Chinese Communist literature since 1953--the concept of "Mao's ideology." The reappearance of this concept, which had proved distasteful to the Soviet Union in the past, was a good indication that the Chinese Communists intended to proceed

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on a distinctive Chinese road of socialist construction. What is more, the concept clearly implied that the Chinese regarded Mao as the ranking Marxist-Leninist theoretician of the day and, as such, eminently qualified to provide theoretical guidance in their audacious commune experiment.

Indeed, as the campaign unfolded, it was not uncommon to see "Mao's ideology" given precedence over "Marxism-Leninism," and on occasion seemingly equated with the entire body of Marxist doctrine. The following extract from a 31 May issue of Study provides a good illustration of this development:

Following the development of the all-people "rectification" campaign, there has universally appeared throughout urban and rural areas a torrential leap forward movement... In order to enable our ideology not to lag behind the situation which is developing at the pace of 1,000 miles per day, we must destroy superstition, liberate our ideology, and firmly overcome subjectivism. The basic method of liberating our thinking lies in the thorough study of Chairman Mao's ideology and in studying the policies of important resolutions of the party. Chairman Mao, combining the universal truths of Marxism-Leninism with the specific practice of China's revolution, and using the methods, viewpoint, and stand of Marxism-Leninism, creatively analyzes and solves the problems of China's revolution, synthesizes China's revolutionary experiences, elevates them to the level of Marxist-Leninist theory, and thereby enriches and develops Marxism-Leninism. Chairman Mao's works are discussions of the various basic problems of our country's revolutionary practice and employ the freshest, liveliest, and most correct language. Quite a few of these problems transcend the limits of our own national experience. The study of Chairman Mao's work is the best way for us to receive and grasp the weapon of Marxism-Leninism. Chairman Mao's ideology concentratedly reflects our people's most basic ideals and most urgent aspirations. Chairman Mao's working method is to proceed from the masses and return to the masses. By studying Mao's ideology, we can then become intimately linked with the masses and can, in the complex conditions of actual life, ascertain the proper direction and develop unlimited wisdom and power.

The presentation of Mao as the outstanding Marxist-Leninist theoretician of the age was unprecedented. The claim for Mao's pre-eminence was to appear overtly on at least one occasion--in the 13 September issue of People's Daily. Full credit for the formulation of China's own "general line of socialist construction," already hailed as a contribution to Marxist-Leninist theory, was given to Chairman Mao. The party organ Study published a special issue in mid-June marking the anniversary of Mao's "contradictions" speech, which a number of authors characterized

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as "a great, creative contribution to the development of Marxist-Leninist theory." It was still another theoretical innovation of Mao, however, his version of "uninterrupted revolution," which was to dominate the theoretical discussion of the party and, to a lesser extent, the mass indoctrination campaign throughout the remainder of 1958.

As analyzed in a definitive discussion appearing subsequently in the 10 October issue of Study, Mao's concept of "uninterrupted revolution" sought to provide theoretical justification both for the commune program and for the headlong advance to Communism. An early formulation advanced by Marx and Engels to sanction the rapid transformation of "bourgeois-democratic" revolution into the stage of socialist revolution, the idea was expanded by Mao to become a principle governing the entire course of revolution in China, encompassing the stages of new democratic revolution, socialist revolution, socialist construction, and the transition from socialism to Communism. This concept was an ingenious, if heretical, argument for accelerating China's revolutionary process.

The time was not ripe for revealing the true dimensions of this theoretical innovation at the May party congress. Liu Shao-chi's published discussion of "uninterrupted revolution," though suggestive, confined the application of this doctrine to the past revolutionary history of the Chinese Communist movement and to the immediate future tasks of technological and cultural revolution in the stage of socialist construction. Yet there were indications in party newspapers and journals during and immediately following the congress that the concept had already matured into final form and had been the subject of extensive private discussion during the party conclave.

In a series of articles by provincial party secretaries published in People's Daily while the conference was still in session, there appear the following statements.

Chairman Mao's instructions on "uninterrupted revolution", on abandonment of superstition, on ideological liberation, and on the line of socialist construction have a far-reaching and inestimable bearing on Communist undertakings in our country.

The future of the development of worker-peasant relations and urban-rural relations must lead to the removal of differences of a basic character between the workers and peasants and between the cities and the countryside. This is naturally a long-term process. During the current transitional period, however, we must be ideologically prepared for it, and in our practical work we must gradually create the spiritual and material conditions for the eventual goal /Communism/. If we say that during the past stage of the democratic revolution there were already found the factors and rudiments of the socialist revolution, then

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in the current transitional period there must necessarily also emerge the factors and rudiments of the stage of Communism.

The latter passage refers unmistakably to the premise of "uninterrupted revolution"--that rudiments of a higher revolutionary stage will appear in a lower stage--and foreshadowed the introduction of such "Communist factors" as the free-supply system under the people's communes.

The final indication of the maturity of Mao's concept at this time is provided by a People's Daily editorial on 10 June firmly linking "uninterrupted revolution" with the ultimate goal of a Communist society. The editorial observed: "In order to attain the great ideal of Communism, revolutionaries must grasp this law [of 'uninterrupted revolution'], constantly set new tasks for themselves, and carry on revolution without interruption."

The commune was yet to be revealed as the chosen instrument for China's "uninterrupted revolution," but it was becoming increasingly evident in June that some such revolutionary change in social organization was imminent. A lengthy article in the 18 June issue of Study alluded to this in a general discussion of production relations in China. Taking as his text Mao's earlier "contradictions" speech, the author attempted to demonstrate that China was ready for a more advanced type of production relations despite the existing low level of production, thus playing fast and loose with the traditional Marxist dogma that production relations are necessarily determined by the level of development of the productive forces. Less sophisticated discussions at the time implied that the "great leap forward" had already elevated the productive forces to a point where changes in the relations of production were necessary.

More concrete evidence of the impending transformation of rural society was provided by a People's Daily article on 2 June written by the secretary of the All-China Women's Federation. Here for the first time the intention to collectivize the rural household economy, a cardinal feature of the commune, was clearly revealed. After documenting the growing labor shortage in the countryside and advancing as a solution the liberation of female labor to engage in production, the author lauded the advanced experiences of Honan and Hunan provinces in establishing public mess halls, nurseries, and kindergartens as a means of releasing this additional source of labor power. As an indication that this was to become a general practice, the author stated: "Activities performed by household labor--such as bringing up children, processing food grain, preparing meals, and sewing clothing--are gradually becoming collective enterprises in society." To round out the discussion, Lenin was cited as the architect of this policy in a passage which would become a standard reference in subsequent explanations of this distinctive feature of the commune. The quotation, taken from Lenin's article "The Great Beginning," was paraphrased as

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follows: "The setting up of public mess halls, children's nurseries, and kindergartens is the beginning of the great Communist enterprise."

Thus the record suggests that the commune, conceived at the secret party conference at Chengtu in March, was a major topic on the agenda of the formal party congress in May. The record also suggests that the leadership of the Communist Party of the Soviet Union was still blissfully ignorant of this startling development on the eve of the unveiling of the people's commune. As evidence of this, a Pravda editorial on 10 June contained the following laudatory appraisal of the recently concluded Chinese Communist Party congress:

The Soviet people and all loyal friends of the Chinese people rejoice over the successes achieved by the Chinese people under the brilliant leadership of the Chinese Communist Party. The Chinese Communist Party, basing itself on the teachings of Marxism-Leninism, creatively applies international experience in socialist construction to the conditions in China and unswervingly leads the Chinese people on the road of socialist construction."

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**SECRET****VII. THE COMMUNE REVEALED (JULY 1958)**

The commune was formally unveiled by Chen Po-ta, traditionally a spokesman for Mao Tse-tung, in two articles appearing in the 1 and 16 July issues of Red Flag, the new theoretical organ of the Central Committee. These articles constitute one of the best sources of information for documenting the origins of the commune program.

Chen's initial article, entitled "New Society, New People," commenced with an enthusiastic discussion of China's "general line of socialist construction," including the assertion that it had "thoroughly solved the problems of the general upsurge of our national economy and its high rate of growth..." In agriculture the mass water-conservancy and fertilizer-accumulation campaigns of the winter of 1957-58 had already paved the way for bumper crops. Chen placed greater emphasis, however, on industry and on the mass movement under way to construct small- and medium-size installations as the key to rapid industrialization of the economy. According to the author, this new approach to industrialization would permit the iron and steel and certain nonferrous metals industries to achieve greater increases in capacity within one year than they had attained during the entire period of the First Five-Year Plan.

At this point Chen turned to the major theme of his article--the role of the peasantry in this new approach to industrialization and the best organizational form for mobilizing the rural population to undertake this role. As Mao had done three months earlier, Chen held up the experiences of an advanced agricultural cooperative as a model for emulation by all others in the country. In Chen's example the model cooperative had pioneered in promoting small-scale industry, in training "all-round men," and in solving the problem of combining agricultural and industrial administration in rural areas, thus "demonstrating the role that local and mass creativeness will play in the industrialization of our country." In the process, this cooperative had been transformed "into a basic-level organization of both a people's commune in which agriculture and industry are combined." (underlining supplied). This led in turn to the following rhetorical question:

Can it be said that this cooperative has actually pointed out the correct road whereby our country can develop the productive forces of society at a rate unknown in history and can relatively quickly eliminate the distinctions between industry and agriculture and between mental labor and physical labor, thereby creating advantageous conditions for our country's transition from socialism to Communism? I think it can be said.

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Thus the "people's commune" was revealed for the first time in a Chinese Communist publication, albeit in somewhat tentative and incomplete form. It is of considerable importance in tracing the evolution of the commune program to note Chen's heavy emphasis in this initial discussion on the commune as an instrument for achieving rural industrialization. Also of interest is the author's identification in this article of one of the principal sources in Marxist-Leninist theory for the concept of the commune--Engels' "Principles of Communism." Although the article does not say so specifically, the term "people's commune" apparently derives from the following sentence in this work of Engels: "The citizen's commune will engage in both industrial production and agricultural production as a matter of course and will combine the advantages of urban and rural ways of life while avoiding the one-sided tendencies and shortcomings of each." (underlining supplied)

Chen's second article, appearing in the 16 July issue of Red Flag, provided a considerably longer and more detailed discussion of the commune concept presented as the latest in a series of "creative developments" of Marxist-Leninist theory by Mao Tse-tung. This article, entitled "Under the Banner of Comrade Mao Tse-tung," was the most extravagant eulogy of Mao as a Marxist-Leninist theorist yet to appear. At the same time and partly for the same reason, it was a remarkable exercise in chauvinism which could not but give offense to the Soviet Union.

As a point of departure, Chen asserted that Marx and Engels had pointed out only the "general direction of the struggle" and had not pretended to "write out a prescription for each nation... (to) ensure the victory of the revolution and the realization of Communism." Moreover, Marx, Engels, and Lenin had stressed that "Marxist theory could not be allowed to remain where it was but should be constantly enriched and developed according to life and different historical conditions."

Chen went on to argue that the development of Marxist theory had been a particularly urgent task for Asian countries, which were characterized by "special conditions unknown to the European nations," and that Chairman Mao had accomplished this task of enrichment and development in the course of the Chinese revolution. The implication was strong that Mao had solved the special problems of socialist revolution and socialist construction not only for China but for other Asian countries as well. This claim, whether regarded as asserted or implied, was so audacious as to merit expression in Chen's own words:

"If we recollect what Lenin told the Communists of the East during 1919, we will understand that the complex problems confronting us here /in socialist revolution and construction/ were not encountered by the Communist movements of the past, and we will realize

(81)

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how important it is to the international Communist movement as a whole to solve these problems.\*

Lenin said: 'You are confronted with a task never before encountered by the Communists of the world. That is, you must, in the light of special conditions unknown to the European countries, apply the general Communist theory and Communist measures and realize that the peasants are the principal masses...This is a difficult and special task as well as an extraordinarily noble task.'...

Comrade Mao has achieved this extremely momentous task courageously and magnificently in the Chinese revolution.

In order to demonstrate this conclusion, Chen recounted a series of struggles through the course of the Chinese revolution in which Mao's ideology had invariably emerged triumphant, culminating in the victorious conclusion of the "rectification" campaign and in the vindication of China's own "general line of socialist construction" in the "great leap forward" of the economy in 1958.

Then followed a discussion of the integral relationship between "rectification" and the "leap" and of their combined influence in the creation of the commune. The text for this discussion was provided by a quotation from Marx: "Theory, once it has a grip on the masses, is instantly transformed into a material force." In this instance the "theory" consisted of Mao's ideology of "rectification" and his formulation of the party's "general line," and the "material force" was China's vast labor army, which had already performed miracles in production and would soon achieve even greater successes in socialist construction. The masses, gripped by Mao's theory, had confounded the "so-called experts and scientists" by their high yields from experimental plots in agriculture and their demonstrated ability to mount a program of industrialization in rural areas. The development of industry by all the people--on country, township and collective farm levels--was the beginning of the combination of industry and agriculture" which Marx had predicted. And a parallel development of education on a mass basis indicated the beginning of the "combination of education and productive labor," a two-way process wherein the illiterate masses would become "cultured" and the intellectuals would learn from the "surging enthusiasm and developed mental endowments of the masses."

Thus the stage was set for introducing in the following passage a new development of Mao's ideology, his conception of the commune as the basic unit of Chinese society:

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\*Lenin's address was to Communist organizations of Eastern Russia, not of Asia. Chen admitted this, but held that the tasks presented by Lenin were "likewise placed before the Communists of Eastern countries."

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Karl Marx and Engels in the Communist Manifesto listed the last two of the ten measures to be taken after the realization of the proletarian dictatorship as follows: 'combine agriculture and industry and facilitate the gradual elimination of distinctions between town and country'; and 'combine education and material production.' The general line for socialist construction and the basic points contained therein as proposed by Comrade Mao Tse-tung and adopted by the second session of the Eighth National Congress of our party are, in China's actual practice at present, clarifying the conditions and concrete forms for realizing these two measures. Comrade Mao Tse-tung said that our direction must be gradually and systematically to organize 'industry, agriculture, commerce, education, and the militia' into a big commune, thereby to form basic units of our society. In this commune, industry, agriculture, and commerce are the material life of the people; culture and education are the spiritual life reflecting the material life of the people; militia will protect such material life and spiritual life. The militia is absolutely necessary pending the complete elimination of exploitation of man by man in the world. This conception of the commune is a conclusion drawn by Comrade Mao Tse-tung from actual life.

It is obvious that under the direction of Mao Tse-tung's ideology, under the banner of Comrade Mao, and at a time when the national economy and culture are developing at such a rate that 'twenty years are concentrated in one day,' the people already can see that the time is not far off for our country's gradual transition from socialism to Communism...

Mao Tse-tung's banner is a banner which combines the Chinese Communists and the people, a banner integrating the universal truths of Marxism-Leninism with the concrete practice of the Chinese revolution, and a banner which creatively develops Marxism-Leninism under the conditions of China...

Mao Tse-tung's banner is a red flag held aloft by the Chinese people. Guided by this great red flag, the Chinese people will in the not distant future continue victoriously on to reach the great Communist society.

This key passage in Chen's article is revealing in several respects. It firmly identifies Mao as the architect of the commune program and suggests that he discussed his conception of the commune at the party congress in May. It asserts that Mao's concept, while inspired in some measure by the Communist Manifesto, was a conclusion drawn primarily from practical experience in China. It implies that China had discovered its own special road to Communism, that this road was to be a shortcut which would bring China to the ultimate goal at a relatively early date, and that this road, as a "creative development" of Marxism-Leninism, was relevant to bloc countries other than China. These implications were

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later to be developed into contentions, and the set of contentions was to put a significant strain on the Sino-Soviet alliance.

The next step in the unveiling of the commune was performed by ranking leaders of the Chinese Communist Party who, on tour through the provinces in July, explained and promoted the commune concept in a series of on-the-spot conferences with local party cadres. A striking example of this is afforded by a lengthy report of a discussion between Liu Shao-chi and a number of young party cadres on 12 July (published in People's Daily on 30 July). Liu revealed boundless optimism in estimating the future rate of growth of China's economy, characterizing the process as a series of "great leaps forward" continuing at least through 1960. He also had high hopes for the local small-scale iron and steel plants, stating his belief that they would in time "approach the advanced levels of the world." He then elaborated Mao's concept of the commune, although not identified as such in the published version, in the following passage:

An agricultural cooperative must not merely engage in a single occupation but must develop in an over-all manner in various ways. (He counted on his fingers as he spoke.) (1) You can operate industry, and run more small factories of a local nature. (2) In operating agriculture, you must attend to water conservancy, fertilizer, tool reform, and seed selection. Production must take one leap after another, and there must be no peak set. (3) You can also operate commerce--socialist commerce-- and combine credit cooperatives and supply and marketing cooperatives with the agricultural cooperatives. (4) You can also take up education, rid yourselves of illiteracy, and let all children attend school. (5) You can also take up physical culture... Generally speaking, (1) industry, (2) agriculture, (3) commerce, (4) education, and (5) militia must all be developed. (Underlining supplied)

It should be noted that in this formulation the "militia" aspect of the commune is equated with "physical culture," perhaps indicating that the purely military function of the commune has been exaggerated in subsequent discussions by some Western observers.

Even more noteworthy was Liu's assessment of the period of time required for China to achieve Communism, certainly the most sanguine view put on record by any of the top Chinese leaders. This appeared in the following statement:

He went on to unfold before us the future of the motherland, saying: "Communism will definitely be realized in China. We now do not need 15 years to catch up with Britain; we can overtake her in a very short time. We must go right ahead to reach

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Communism. "Now we must not think that Communism will only be realized very slowly. So long as we work properly, the time will be very soon when we realize Communism." (underlining supplied)

Chu Te, Vice Chairman of the People's Republic of China, was also on tour during the month of July. The published account of his activities in Northwest China, although meager, indicates that he too was engaged in promoting the commune, advocating the establishment of public dining rooms and nurseries, and describing the future happy life of the Chinese people in a Communist society. He was quoted as saying: "We must run the country with more, better, faster, and cheaper results, for otherwise the arrival of Communism will be delayed." On his departure from an agricultural cooperative, the members all agreed that "we must do our bit for Communism."

A third party leader active in promoting the communes in the month of July was Tan Chen-lin, who addressed his remarks to an audience of rural cadres attending a regional agricultural coordination conference for North China. It is important in developing the chronology of the commune movement to note that at a similar conference for East China held in late June, Tan had postponed discussing the subject of the agricultural cooperative (their organization, operation, and management) until a later conference session. Now in mid-July, according to a subsequent account in Red Flag, he explained to the North China delegates the reasons prompting the decision of "comrade Mao and the party Central Committee to establish large communes embracing 'industry-agriculture-commerce-education-militia.'" The account of the conference given in the 19 July issue of People's Daily indicated that this revolutionary organization was soon to move beyond the experimental stage:

"The conference then discussed in detail the revolutionary change which had appeared in rural areas following the bumper harvest--the fact that in some places a type of more advanced communal organization has appeared. Although these are still not very numerous at present, we must anticipate this development and in timely fashion undertake surveys, research, and preparations."

There were no other references to the commune in Communist China's mass media throughout the month of July. Three key editorials in People's Daily, however, provided further indications that a fundamental policy change was in the offing. The first of these, appearing in the 1 July issue under the title "The Peasant Question Is Still the Fundamental One," stressed that mobilization of the peasantry was indispensable if China's program of socialist construction was to succeed. The increase of 60 percent in the summer grain harvest--"unprecedented in the history of the world"--had already demonstrated the mighty creative force of the peasants. The next step was to mobilize fully this peasant initiative in order to

(85)

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"usher agriculture, industry, and the whole national economy and national culture into a golden age."

The manner in which this would be accomplished was indicated in a 22 July editorial entitled "Can Manpower Be Increased?" Here for the first time appeared the positive declaration that "the great development of production relations," a clear indication of an impending change in social organization. Whereas previous discussions of the labor shortage in rural areas had prescribed improvement of farm tools as the solution, the answer now lay in the improvement of labor organization. Only by stressing manual labor at the present stage would it be possible to achieve semimechanization and then the final goal of agricultural mechanization. The editorial did not identify the commune as this improved form of labor organization, but merely alluded to certain of its characteristic features by recommending "the serious and systematic organization of the household labor power of women and the labor power of other services and trades into a large-scale collective economic enterprise."

The last of these illuminating editorials appeared in the 28 July issue under the title "New State of Affairs on the Theoretical Front." Referring to the campaign to indoctrinate the Chinese people in Communist dogma, the editorial asserted with unconscious humor that "the study of Marxist-Leninist theory, especially the study of Comrade Mao Tse-tung's writings...has become the rage among the masses." More to the point, it listed a number of new theoretical problems which had come to the fore following the "great leap forward" in socialist construction, including "the question of combining industry and agriculture; the question of how to improve production relations in line with the development of the productive forces; and the question of how to create rapidly in China the conditions for the transition from a socialist society to a Communist society." Then followed the bizarre conclusion that these problems were already being solved by the people who were "implementing the principle of combining the general truths of Marxism-Leninism with the specific practice of China." Thus the groundwork was laid for subsequently attributing to the creative wisdom of the masses both the theoretical basis and the organizational form of the commune.

Khrushchev's visit to Peiping--31 July to 3 August 1958--marks a decisive point in the evolution of the commune movement. Mao had been put on record two weeks earlier--in Chen Po-ta's article--as favoring the establishment of communes as the basic units of Chinese society, but the program was still in the experimental stage, had not been publicized in mass media, and had not been officially launched. In other words, it was not too late for Mao to draw back from his program or at least make important modifications.

(86)

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It is impossible to judge how well informed about the commune program Khrushchev was, either when he arrived or when he departed. The presence in the Soviet delegation of Boris Ponomarev, a theorist who has been concerned inter alia with problems of "building Communism," might be taken as evidence that Khrushchev came prepared to discuss the commune program; however, Ponomarev is also a specialist in intraparty relations and might have come in any case. Mao might have been frank about his plans, but he might equally well have been evasive.

Whatever the content of the Khrushchev-Mao talks, Mao, after bidding Khrushchev farewell on 3 August, left Peiping the very next day to initiate the mass campaign to organize communes throughout China.

(87)

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## VIII. INITIAL ORGANIZATION OF THE COMMUNES (AUGUST 1958)

The first phase of the organization of the commune movement was, appropriately, dominated by Chairman Mao. Whereas the activities of other top leaders had been featured during the month of July, national attention throughout August was focused on Mao as he toured the provinces and assumed personal leadership of the commune program.

As noted above, this first phase commenced immediately after Khrushchev's departure from Peiping, when Mao paid a visit to a cooperative in Hopei Province on 4 August. Although only a brief account of this visit is available, Mao is known to have described the happy prospect of communal living in the following terms: "When you have an adequate surplus of grain, you can grow less the following year. You can work half the day on crop production and devote the other half to culture, science, and recreation." Inspired by his message, the members shouted "Forward to Communism faster and sooner" and on that very evening transformed their cooperative into a commune.

After an extensive three-day survey of Honan, one of the two provinces where communes had been established on an experimental basis for some time, Mao arrived in Shantung Province on 9 August. It was here that he issued the famous directive: "It is still better to establish people's communes. They can combine industry, agriculture, commerce, education, and military science and thus facilitate management." With the issuance of this directive, the organizational phase of the commune movement was formally launched. It should be noted that even in the advanced province of Honan, communalization did not achieve the status of a mass movement until word was received of Mao's instructions. For the country as a whole, the effect of this directive, according to the People's Daily editorial on 10 September, was "to generate an upsurge in establishing people's communes" throughout China.

Certainly Mao's directive was the signal for the announcement of the commune program to the Chinese people as a whole and to the world at large (as distinct from the small audience, both domestic and foreign, of Red Flag). On 11 August, Mao's conceptual formulation of the commune (as basic units of society combining industry, agriculture, commerce, education, and militia) appeared for the first time in People's Daily and on the same date was transmitted abroad by the New China News Agency. In an article nominally devoted to the summer grain harvest and carried on the front page of People's Daily, Tan Chen-lin introduced the commune as, by implication, the latest example of Comrade Mao's creative development of Marxism-Leninism. A key passage in the article stated:

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These new things (communes) and new men are emerging under the illumination of Comrade Mao's ideology. They represent the great dream of the 500 million peasants for building socialism rapidly and advancing towards Communism... The Chinese people have taken big strides and will resolutely forge ahead to the happy and beautiful Communist era.

One week later, on 18 August, the commune movement became headline news in its own right. On this date, the lead article in People's Daily discussed in some detail the large-scale formation of people's communes in Hsinyang District, an administrative area of Honan Province. Here for the first time the commune was expressly linked to the transition to Communism. Indeed, this occurred in the very first sentence of this first discussion of the commune to be given prominence in a Chinese Communist mass medium: "Under the stimulus of the over-all great leap forward of the fatherland, a great social reform moving from socialism to Communism--the movement of establishing people's communes--is now in full swing in the Hsinyang District of Honan Province." (Underlining supplied).

It is necessary to underline the fact that the commune was publicized among the Chinese people from the very outset as a device which would permit the early realization of Communism. As a corollary, the two stages of socialism and Communism were consciously blurred from the start, as exemplified by frequent references in the mass media to the "upsurging enthusiasm of the masses for socialism-Communism." This major propaganda theme was to endure throughout the entire organizational phase of the commune program, only to be repudiated abruptly in the party's second resolution on communes in December 1958--a direct result of Soviet displeasure.

Also appearing in the 18 August issue of People's Daily was a detailed discussion of the organization and operation of a specific commune located in the Hsinyang District. This was the famous Sputnik Commune, which was to serve as the model in the process of establishing communes throughout China. A feature of this discussion was the novel system of distribution employed by this commune, a system combining elements of "free supply" and the payment of wages. It is interesting to note that this heretical distribution system was an integral feature of the commune program from its inception.

During the latter half of August, the top leadership of the Chinese Communist Party met in an enlarged session of the Politburo to compile and ratify a formal resolution on the establishment of "people's communes" in rural areas. Shortly before the conclusion of this conference, Chou En-lai made one of his rare appearances in the role of publicizing the commune movement. On a visit to Tsinghua University in Peiping, he called on the students to make economical construction designs

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suitable for the communes and hailed an experimental, low-cost motor vehicle designed by the students as "a contribution to the cause of Communism." More striking was the reaction of the students, following his departure, who vowed; "We must always remember the party's teachings. Advance, advance, and advance again toward Communism."

At this point it is necessary to note briefly another development during the month of August. This was the growing body of evidence that the dominant leaders of the party, partly because of inflated statistical reporting of the lower levels and partly because of the heady effects on their own propaganda, were losing touch with the hard realities of China's economy. This was particularly evident in Tan Chen-lin's discussion of future agricultural development appearing in the 11 August People's Daily. After claiming a rate of increase of 69 percent in the summer grain harvest, Tan maintained that the fall harvest would show an even greater increment and would be followed by still greater leaps forward in 1959 and 1960. This led to the following staggering assertion: "The day is not far off when China will catch up with the most advanced capitalist countries in per capita consumption of grain, meat, oil and fats, sugar, and cloth." (underlining supplied).

A similar strain of delusion was present in a People's Daily editorial on 8 August lauding the crude native blast furnaces and converters constructed in rural areas as the answer to high-speed development of the iron and steel industry. Implicit in the discussion was the goal of doubling steel production in 1958 by a mass campaign, a campaign which was destined to disrupt the rural economy in the latter months of the year and result in an enormous waste of manpower and materials.

The third indication in August that rational processes of economic planning had been displaced by political sloganeering was the mass movement for improving farm tools, centering on the introduction of ball bearings. According to the People's Daily editorial of 21 August, this campaign, in which Mao took a personal interest, was expected to bring about the "semimechanization of agriculture" in China before the end of the year.

These, then, were the extravagant expectations for economic development which help to explain the high hopes of the Chinese Communist leadership for a rapid advance to Communism following the successful establishment of the communes.

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