RURAL COMMUNES OF CHINA

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ORGANIZATIONAL PROBLEMS

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TO

MY FATHER

PREFACE

THIS IS A STUDY of the organizational problems of the rural people's communes of China. The establishment of rural people's communes in the summer and autumn of 1958 was one of the most important landmarks in communist China's rural organization. They were a part of the big leap movement by which it was intended to lift China's agricultural backwardness into modernization and industrialization. Through the big leap and rural people's communes the Chinese communists believed that they were going to achieve a breakthrough in economic development and catch up with the advanced countries of the world in a few years' time. The rural communes was one of the most important institutional changes that the regime brought about in order to achieve the twin goals of rapid economic growth and the resultant acquisition of political power on a global level. Far-reaching changes were made in the organization of agricultural production, the utilization of rural labour, the distribution of income, and the daily life of the peasants.

The experiment to change sharply the living and production mode of the peasant and to bring about agricultural development through mere socio-economic institutional changes without any substantial increase in investment in the agricultural sector failed with disastrous results. China was caught in the grip of an acute food and economic crisis and a sharp reversal of previous policies had to be ordered. Material incentives had to be given to the peasantry on a meaningful scale in order to revive agricultural production and sharp reversals had also to be ordered in the organization of production and the utilization of labour. Agriculture was given priority and heavy industry assigned a secondary place, and only thus did slow recovery begin. This study enquires into the background of the creation of communes, analyzes in detail the changes that were sought to be brought about in rural organization, their impact and consequences, the reactions of the peasantry and, finally, the reverse and the retreat, and deals at length with the new organizational measures that were adopted to overcome the agricul-

tural crisis. A final chapter has been added to discuss developments during 1963-64; there have been no major changes since then.

I am grateful to the authorities of the Indian School of International Studies for all the facilities afforded to me to complete my work, especially for enabling me to go to Hong Kong to make use of the wide-ranging materials there. My thanks are due to the Universities Research Service Centre and the Union Research Institute, Hong Kong, for their generous co-operation. I am also extremely grateful to the East Asian Research Centre, Harvard University, particularly to Professor John K. Fairbank, for inviting me for one year and for encouraging me to undertake this work. I also thank heartily Mr Girja Kumar and the staff of the Library of the Indian School of International Studies for their co-operation and courtesy. To my husband, Dr V.P. Dutt, I am particularly grateful for his supervision and assistance in the completion of this project.

GARGI DUTT

CONTENTS

CHAPTER ONE

BACKGROUND TO THE COMMUNES

IN 1958, CHINA was convulsed by two big movements—the big leap and the rural people's communes—both interrelated in many ways. The slogan of catching up with Britain in fifteen years was advanced and the method to achieve this ambitious objective was declared to be that of simultaneous development of industry and agriculture ("walking on two legs") and hard work for at least three years. This was how the big leap was conceived. Simultaneously, a movement was unleashed in agriculture which swept the country from one end to the other, resulting in the establishment of the rural people's communes. Thus nearly 750,000 agricultural co-operatives were regrouped into about 26,000 communes, each having on an average 3,000 peasant households. The communes were larger economic units. These became the basic administrative unit of the country and combined agriculture with industry and education with military training. Everyone was to be a peasant, a worker, a soldier, and a student at the same time—this was the aim of the new movement. And Peking claimed to have discovered its own road to communism.

Why were the communes formed? What impelled the regime to launch upon such a risky adventure? Even the Soviet Union had not gone that far, although it was three decades ahead of the Chinese revolution. While it is not always possible to speak about Chinese developments with certainty, and while there are many factors and aspects unknown to outside observers, the explanation might be sought in a combination of the state of agriculture in China at that time and the political and power goals that the regime had set for itself. It would be worth while first to examine agricultural development in China up to 1957.

Chinese agriculture was heading towards a "crisis." Despite all the impressive figures and percentages that the authorities periodically released, there was little doubt that agriculture was developing at a very slow speed and that a breakthrough was regarded

necessary. There could be various ways to attempt a breakthrough and the method finally chosen by the Chinese communist leaders had as much to do with their objectives and ambitions as with the actual situation prevailing in China at that time.

The development of Chinese agriculture had been extremely uneven. Just after the establishment of the new regime, as the economy had been dislocated by continuous war and civil war over a long period, the restoration of peace and law and order, as well as the comparatively cautious policies of the government, led to a rapid revival of agricultural production and inevitably the rate of development was significantly high. It has been claimed that during the period of rehabilitation of the economy from 1949 to 1952, agricultural production increased by 14 per cent every year. The 1949 grain production (including all the coarse grains and soya beans) was believed to be 224.6 billion catties,[1] and in 1952 it went up to 327-8 billion catties.[2]

THE COURSE OF AGRICULTURAL DEVELOPMENT

By 1952, the economy had been largely rehabilitated and production in many fields, including major agricultural crops, restored to the pre-war levels. China was thought to be ready to set upon the course of planned development and the First Five-Year Plan went into operation in 1953. At the same time, the rate of agricultural expansion slowed down considerably (after the initial spurt due to restoration of peace and implementation of long overdue land reforms).

According to official figures, agricultural production since 1953, during the entire First Five-Year Plan period, expanded at the average rate of 4.2 per cent[3] every year while population increased at the rate of 2.9 per cent.[4] While this shows a sharp downward trend in the rate of growth, even these figures are somewhat misleading and the actual state of affairs is not revealed by them.

During 1953-57, there were two good years, two very bad ones, and one indifferent one. In 1953, the speed slowed down and, with serious natural calamities, agricultural production dropped to below 1952 level.[5] The year 1954 was a year of crop failure, although it registered a slight rise in production (the production was 339 billion catties). The year 1955 was a year of real bumper harvest, when

production was stated to have reached 367.8 billion catties. But 1956 witnessed disastrous natural calamities, while 1957 was not a particularly good year; it was more or less an indifferent year. Indeed, the overall picture that emerged was that of agricultural production barely keeping up with the increase in population. Calculating on an average annual increase of 13 million in population and an annual rise of 2 per cent in per capita consumption, approximately an increase of 13 billion catties of grain was needed for each year. The official figures for increase in grain production for five years uptil 1957 was 70 billion catties, i.e. 13.4 billion catties per annum.[6]

The situation is further complicated by geographical and topographic factors. The districts which mainly produce more marketable grain are: Szechuan, Heilungkiang, Kirin, Inner Mongolia, Hunan, and Kiangsi. But both Szechuan and Inner Mongolia are handicapped by transport problems. In Szechuan, production went up from 33.75 billion catties in 1952 to 44.51 in 1956 but grain production actually dropped in Heilungkiang; it was 17.51 billion catties (including soya beans) in 1952, 14.57 in 1953, 14.06 in 1954, 16.39 in 1955, and 15.8 billion catties in 1956.[7] If we take the year 1956 as an example, a year in which the authorities claimed a 4 per cent increase despite heavy floods, we find that grain production increased by 13 billion catties in Yunnan, Kweichow, Szechuan, Kansu, Tsinghai, Sinkiang, and Inner Mongolia—all these areas which are restricted by transport capacity. There was a decrease of 11 billion catties in Hopei, Honan, Kirin, Anhwei, Kiangsu, Hunan, and Kwangsi, and there was an increase of 18.20 billion catties in the remaining 13 provinces and municipalities, according to official sources. Thus output in twenty hinterland provinces which could exchange supplies with each other did not increase much, particularly if the loss due to deterioration of quality is taken into account.[8] If it is further kept in view that Chinese grain production figures include not only soya beans but also potatoes and sweet potatoes which account for a considerable proportion of the grain output, it becomes obvious that the increase claimed by the government was not really so impressive.

According to another communist Chinese source, food production just managed to keep pace with population growth in 1953 but fell behind in 1954 while production of cotton declined. As a result,

the quantities of food and cloth that the people consumed decreased in these years. According to this source, the rate of growth in agriculture fell each year from 1954 to 1956. The reduction in the rate of growth in agriculture and light industrial production, it said, was an important cause for reduction in the rate of growth of heavy industry.[9]

One of the major "contradiction" of China is the proportion of cultivated land to the population. The pressure of population has steadily reduced the average per capita holding, accentuating the problem of agricultural expansion. The average holding in 1957 was less than 3 mow per person and in some areas in the South it was less than 1 mow.[10] Such a situation could not be conducive to rapid agricultural expansion.

STATE CONTROL AND "CO-OPERATIVIZATION"

All developing countries have faced the problem of slow-moving agriculture, dependent on the vagaries of nature, and China is no exception. The Chinese communists have had to tackle this problem in the context of their ideological predilections and their other needs. In the first phase, in 1953 they instituted State control over the disposal of agricultural produce and implemented a policy of unified purchase and sale of foodgrains. In other words, it meant compulsory procurement and statutory rationing. This enabled the State to have a tight control over the distribution and consumption of foodgrains as well as to guarantee a minimum for every one, but it could not be the means to spur agricultural growth. In the initial stage, the Chinese communists had encouraged the formation of mutual aid teams—a rudimentary form of co-operation in which private ownership remained the dominant element but labour and implements could be pooled to develop agricultural production.

But agriculture remained scattered, fragmented, and individualistic, limiting the growth capacity. The next step, which fitted both the ideological requirements and the Soviet path, was the establishment of collectives. This China attempted to do through a two-staged programme of a lower type of co-operatives to a higher type of co-operatives, but both the stages were launched with such lightning rapidity that they almost merged into one continuous process. During the winter of 1955 and early 1956, a vast movement was set

off for the organization of collectives and, by the end of 1956, "a year of great revolution in our social system," 756,000 Agricultural Producers Co-operatives had been established, comprising 96.3 per cent of the total number of peasant households. The number of peasants joining the higher type (the collectives) accounted for 87.8 per cent of the total households.[11]

Further, in order to stabilize the co-operatives and to give some incentives to peasants, a free market was introduced in 1956. In China, as is well known, the principal commodities like food, cloth, cotton, industrial raw materials, export goods, and industrial products are all sold and purchased by the State and its agencies. The authorities now decided to relax market control over a part of the subsidiary farm products, industrial products, and handicraft products, and to allow agricultural co-operatives, individual peasants, factories, handicraft co-operatives, and handicraft producers a limited measure of freedom. In general, the price for such products was not fixed by the State and prices were allowed to find their own level through an interplay of supply and demand.[12]

It was acknowledged that in recent years there had been "deterioration in quality and reduction in varieties in a few instances in some industrial products" and that under present conditions the growth in production of many industrial and agricultural products lagged behind the growth of the needs of the people.[13] It was pointed out, for instance, that in the past to send fruits and melons from the producing areas to distant localities was not permitted; they often rotted and had to be thrown into the sea. It was hoped that more things would now appear in the market and that the "production ardour" of peasants would be raised and the quality would improve.[14] The measure was intended to encourage diversified rural economy and development of stock breeding, forestry, fisheries, and subsidiary cottage occupations. The rural cadres were asked to make appropriate arrangements to allow the members the necessary time off so that they could engage in their individual subsidiary occupations.[15]

There was no lack of apprehension over the introduction of these measures as many cadres felt that this might lead to the restoration of capitalism in the countryside. Authorities took great pains to explain that it would not lead to any such disastrous result. It was pointed out that the free market would be strictly "led and

controlled" by the State The total value of "minor native products" in the free market amounted to only 4 billion yuan during the year, the handicraft products allowed in the free market were also of the order of 4 billion yuan, and the general goods permitted in the free market were of another 4 billion yuan. This total of 12 billion yuan was hardly one-fourth of the nation's total of 46 billion yuan worth of retail sales during 1956.[16]

Co-operativization, however, did not provide the key to rapid agricultural growth. Already, in 1953-54, agricultural production had fallen substantially behind industry. According to official figures, the total value of industrial production, excluding handicraft, went up by 31.7 per cent in 1953 but agricultural production rose only by 3.3 per cent and grain production by only 1.6 per cent. Agriculture continued to lag behind industry even after the formation of co-operatives. By the end of the First Five-Year Plan in 1957, industrial production increased by 19.2 per cent while agriculture grew only by about 4 per cent, even accepting the official figures.

THE AGRICULTURAL "CRISIS"

It was somewhat unfortunate for the Chinese communists that the first year of co-operativization was attended by bad weather conditions which compounded the difficulties of the regime in agriculture. The situation in agriculture during 1956-57 remained quite tense, posing many problems of alternative policies for the leadership. The State's share of the marketable grain declined while the demand on its reserve stocks rose. According to official figures, the ratio of collection as taxes and purchase of surplus grain by the government declined from 29.1 per cent in 1953-54 and 28 per cent in 1954-55 to 27.1 per cent in 1955-56.[18] In 1956-57, the State after exhausting the grain collected and purchased from the peasantry had to dig into its own reserve stocks by nearly 6 billion catties.[19] It has been estimated that the quantity of foodgrains collected in the previous few years had fluctuated only by 2.3 billion catties annually between a year of good harvest and a year of bad crop.

According to authoritative figures, the government collected and purchased about 86 billion catties in 1955 and 83 billion in 1956. But government sales showed a greater difference in good and lean years. The government sold over 72 billion catties in

1955-56 and over 83 billion in 1956-57, a difference of nearly 11 billion catties.[20] On the one hand, the rapid increase in urban population was severely straining the supply situation and, on the other, poor harvest in 1956 compelled the State to divert more food-grains to the countryside. It was estimated that in order to feed the rising city population an increase of 2 billion catties per year was needed.[21] At the same time, the State collection and purchase in 1956-57 showed a decline of about 5 billion catties compared with last year while the grain sold to rural areas registered an increase of nearly 6 billion catties.[22] According to another authoritative source, grain sales during the half-year in 1956 reached 50 per cent of the annual sales target whereas in 1955 half-year, they were only 39 per cent of the annual target. Grain sales during July-December 1956 were up by 32.3 per cent over the same period in 1955. The grain quantity actually collected by the State from July-December 1956 came to only 85 per cent of the target.[23]

The agricultural situation had, therefore, been extremely tense during 1956-57. There were shortages not only in the cities but also in the countryside. There were conditions of acute scarcity in many areas. The distress was spread over wide areas and there was a general demand for more grains. As one Chinese source put it, "at present the clamour over grain shortage is extended over a wide area in the countryside." It noted that generally speaking 60-80 per cent of the peasantry had joined in the "hue and cry" about the food situation. The official line was that there were three categories of peasants: some who were really short of grain, some who feigned poverty, and others whose supply was a little strained but who could still manage with their present quota. It blamed a small number of "well-to-do" peasant households who pretended to be poor in order to create trouble and engage in raising prices in the black market. It believed that there were also some who had a surplus but feared that if they "revealed their well-being," the people might classify them as well-to-do peasants and discriminate against them.[24]

The apprehensions of the official experts were obvious from the calls for increased purchases by the State during good years and for the control of consumption. It was suggested that the actual output that exceeded fixed output should be sold to the State uptil at least 40 per cent of the increased amount.[25] In any case, the

State should buy more from the peasantry during the years of good harvest. At the same time, the experts suggested that the people should be taught to exercise restraint in food consumption and the State ought to put more restrictions on consumption.[26] Since 1956 was the first year of real collectivization, the government had to take some material measures to relieve the situation and to attempt to strengthen the newly formed co-operatives. In the first instance, there was a downward adjustment of the State target of procurement and collection of grains to the lowest level since the introduction of unified procurement and marketing in 1953.[27] At the same time, the government declared that the total amount of agricultural tax would be maintained at the 1952 level. The average proportion of the total agricultural tax (including local surtax) in the national output of agriculture (including grain and industrial crops) stood at 12.9 per cent in 1950, 14.5 in 1951, 13.2 in 1952, 11.98 in 1953, 12.47 in 1954, and 11.67 in 1955. The government also proposed to distribute about 60-70 per cent of the Agricultural Producers Co-operatives' income to the members. It was suggested that there should be "correct combination" of the interests of the peasants and the State and the collective and that the latter should take 30-40 per cent of the income (including tax) and the peasants the remaining 60-70 per cent.[28]

But, as the official spokesmen themselves acknowledged, it was not possible to distribute even 60 per cent of the income among the members in all the co-operatives and there were wide disparities between different regions and different co-operatives. A survey data collected in 1955, for instance, showed that 1,244 co-operatives in Hailungkiang distributed on an average 369.7 yuan per person in one year, and 2,002 co-operatives in Hopei gave a little over 280 yuan while 490 co-operatives in Kweichow were able to distribute only 157.8 yuan.[29]

China had also to face certain problems which were peculiar to heavily populated countries with limited arable land. It was not only that there was heavy pressure on land but that the urban population also continued to grow at a very rapid pace.[30] Out of an estimated 640 million population in 1957, nearly 550 million (or over 80 per cent) lived in villages, but the cities were also growing phenomenally. During the First Five-Year Plan, nearly eight million people from the countryside found their way into the cities.

Urban population increased from 81 million in 1952 to 92 million in 1957 and it was estimated that urban population would increase by one million every year. Thus the growing industry of China would be basically fed by the urban population itself and the rural labour power had to be absorbed in agriculture. The agricultural labour power was estimated at about 260 million in 1957. With an annual increase of 4 million during the Second Five-Year Plan, it was expected to reach 280 million by 1962.[31]

CAPITAL SHORTAGE AND AGRICULTURAL INVESTMENT

Another problem that Chinese agriculture faced—a problem which is common to most communist countries—was the shortage of funds made available to agriculture. The investment policy was heavy industry oriented and investment in agriculture was not adequate to meet the demands of the vital sector of the economy. The noted Chinese economist Ma Yin-chu, who was later denounced as a rightist, said that the biggest contradiction in China was between overpopulation and poor capital supply.[32] A very vital issue was how to disburse this limited capital supply, how to combine the need for developing industry fast with the requirements of agriculture. Heavy industry retained priority in Peking's scheme of development and, therefore, there were not enough funds for the expansion and progress of agriculture. The total value of agricultural production in 1957 represented about half of the combined value and 75 per cent of the net value of agricultural and industrial production, while investment in agriculture during the First Five-Year Plan came to only about 8 per cent of the total. In the Second Five-Year Plan, it was being fixed at about 10 per cent.[33] The following table shows the State investment in industry and agriculture during 1957:[34]

PROPORTION OF EXPENDITURE IN ECONOMIC CONSTRUCTION

Expenditure on Industry	55.2
Expenditure on Heavy Industry	48.3
Expenditure on Light Industry	4.9
Expenditure on Agriculture, Forestry, and Water Conservancy, etc.	13.6
Expenditure on Railways, Transportation, etc.	18.0

The slow growth of agriculture, even after the establishment of co-operatives (collectives), led to the realization in Peking that there had been a "blind optimism" about the possibility of increase in agricultural output as a result of co-operativization.[35] The authorities had obviously made an excessive assessment of the potential for the growth of agricultural production after the formation of the co-operatives. It now came to be gradually realized that the growth of output was not balanced among different areas and in different years and that the speed of increase was comparatively slow, while the rise in demand for grains was universal and rapid.[36]

SOVIET MODEL NOT APPLICABLE

By the end of 1956, the Chinese communists had also come to realize that the Soviet model was not completely applicable to them. They realized the "complexity and magnitude of the task of building socialism in such a large country with a huge population."[37] The truth had been brought home that the basic problem of China was different from that of the Soviet Union—or the United States. These were big countries with comparatively small populations and abundant land and resources. The Chinese growth pattern could not be the same as theirs. China was a heavily populated country with limited land. This also led to an acknowledgement that agriculture was vital to the development of the whole economy and that it played a crucial role even in the growth of industry. Agriculture was the principle source of the national revenue and had an important bearing on capital formation.[38] Without rapid agricultural expansion it was impossible to achieve the rapid growth of other sectors of the economy. In 1957, Mao declared that the growth of agriculture was of crucial importance and that it would, in fact, speed up the growth of industry too. Mao said that it was wrong to think that attention to agriculture would hamper the rapid advance of industry. On the other hand, he said, it would act as a stimulant to industrial expansion.[39]

The importance of agriculture was being realized but the real problem was how to achieve a breakthrough and increase agricultural production at a fast rate. This engaged the attention of the leadership as well as the experts during 1956-57. The method of mechanization of agriculture was toyed with for some time and

there was even a discussion on whether mechanization should proceed or follow co-operativization, but there was also an awareness that the problem was not so simple so far as China was concerned. China's industrial base was very weak and was not equipped to carry out large-scale mechanization. Work had been going on a tractor factory since 1955, the first of its kind in China. To plough more than a billion mow of land would require about 400,000 tractors. If the first tractor factory were to be put on this job, it would take 27 years to produce that many.[40]

Moreover, as a communist economist observed, nearly 40 per cent of the land was not suitable for the use of tractors.[41] Even if 60 per cent of the land were cultivable with tractors, it was doubtful if farm operations over all such land could be mechanized. Except in the north where the land often stretched for over a hundred mow a piece, the land conditions in other areas were not favourable to farm mechanization. Large-scale land re-adjustment would be necessary for proper mechanization. There was also the problem of paddy fields. In 13 provinces (Kiangsu, Anhwei, Chekiang, Fukien, Hupeh, Hunan, Kiangsi, Kwangtung, Kwangsi, Szechuan, Kweichow, and Yunnan), paddy fields totalled about 370 million mow of land, out of which nearly 70 per cent (about 250 million mow) were situated in the mountainous and hilly regions in which the existing types of tractors could not be used.[42] Agricultural machinery imported from foreign countries was mostly suitable for farming on dry land, on the plains, and in large fields and many of them consumed oil, but China had more hilly land, more paddy fields, and was short of oil.

It was, therefore, hardly feasible to look to mechanization for providing the key to accelerated agricultural development. However, the idea was not given up and it was still hoped that gradually farm operation could be mechanized. A communist Chinese functionary criticized the notion prevailing among many experts that mechanization could only increase productivity but not yield per acre. He believed that gradual mechanization was feasible and pointed to the shortage of labour experienced after the establishment of co-operatives. Mechanization, he believed, could increase per mow yield more quickly than animal power and he pleaded for systematic, step by step, mechanization and the manufacture of agricultural machinery suited to Chinese technical and land conditions.[43]

TWO LINES AND TWO TRENDS

Agricultural production had, therefore, to be expanded chiefly through increasing the yield per acre and only secondarily through expansion of the land under cultivation.[44] This could hardly be done at a spectacular speed and needed patient, persistent efforts yielding slow results. But during this period agriculture was not only being troubled by economic limitations but also by political problems. The developments in agriculture cannot be considered in isolation; they have to be related to the political and ideological developments in China during this period. It may be recalled that during the first half of 1957, the Chinese communist leadership experimented with the Hundred Flowers Movement and with tolerance of a greater expression of critical opinions. They asked the people to unburden their hearts and freely express their opinions. This had its repercussions on the situation in the countryside too. Dissatisfaction was expressed with the living conditions of the peasantry and the operation and management of co-operatives.

As the leadership put it later, the "bourgeois rightists" attacked the "shortcomings" of the co-operatives and the difficulties on the agricultural front. They (the "rightists") said that "agricultural co-operation is in a mess" and that "peasants are on the brink of starvation."[45] The communists alleged that when "bourgeois rightists" attacked the Party, the co-operatives also underwent "furious attack."[46] The *Jen-min Jih-pao* said that an "evil wind blew after the autumn harvest last year" and that "negative factors arose, rightist thinking gained ascendancy, and agricultural production suffered a loss."[47] A report by two correspondents of *Kwangsi Jih-pao*, who visited their native district, stated that everywhere they heard these remarks: "It seems that the peasants have somewhat alienated themselves from the State" and "work in the countryside was becoming more tricky now." The peasants, it was said, were refusing to sell pigs to the State because of the low prices and what the State wanted them to grow, the peasants were reluctant to grow and what the peasants wanted to grow the State did not provide plans for.[48]

There were other "contradictions" also growing between the peasantry and the State; for instance, the reluctance of the peasant to sell all the grain to the State. One report from Kiangsu had it that,

in 2,414 co-operatives, 308 had divided the entire summer harvest among themselves and left "not a single grain for the State," while 531 co-operatives did not leave as much as they should have.[49] While generalizations from individual cases should be carefully weighed, there is no doubt that the problem was serious enough to warrant editorial mention in the *Jen-min Jih-pao*.

In fact, the serious problem, from the point of view of the Chinese communists, was the emergence of "a spontaneous tendency towards the development of capitalism" in the Chinese countryside, with "some peasants" hoping to get more gain from "blackmarketing and speculative activities."[50] A small number of surplus households working on their own plots were propagating the "superiority" and "freedom" of working on one's own individual plot. Many peasants were coming under their "spontaneous influence" and "universally asked for more grain."[51] Usury, hiring of farm hands, and other forms of exploitation reappeared in some places.[52] In June and July 1957, "a gust of evil wind blew" and "not a few cooperatives were blown to pieces." In the Yenlung *hsiang*, for instance, the majority of the peasants reverted to their former status of individual households.[53] There was a tide of peasants withdrawing from co-operatives and the "unlawful landlords,[54] and rich peasants" utilized the opportunity provided by the rectification campaign to "lure the peasant masses" into withdrawing from the co-operatives.[55]

Apparently, a furious struggle raged between the opposing camps for a while and the Chinese Communist Party mobilized all its resources to hit back and fight off the attacks against the cooperatives. In the rural areas, millions upon millions of peasants were involved in a "great debate" on the question of co-operativization, on food and the policy of compulsory procurement and rationing.[56] After the "lawless landlords" had been struggled against, "other landlords and rich peasants knelt down on the spot before the common peasants asking for forgiveness."[57] Thus was the attack on co-operatives beaten off, the tide of withdrawal and dissolution stemmed and reversed, and the socialist organization retained intact.

But the "debate" had revealed the extent of discontentment among the peasantry over the slow progress of their living conditions, the need for more rapid development, and the grievances of the peasantry about the preference shown to city workers by the State.

One of the serious complaints of the peasant was that he was given a step-motherly treatment in contrast to the favours shown to the industrial worker, while his burden was heavier than that of the workers. The following table shows the difference in the consumption level between the two categories:[58]

	1952	*1953*	*1954*	*1955*	*1956*
Average consumption of workmen(y)	167.7	176.7	177.9	179.9	199.8[59]
Average consumption of peasants(y)	72.8	74.7	76.8	82.5	84.2
Ratio between the two categories	2.30:1	2.3:1	2.32:1	2.18:1	2.37:1

There was evidently acute dissatisfaction among the peasantry about this gap in the living conditions between the two sections of society. The peasant discontentment was further accentuated by the poor harvest of 1956-57 and the resultant hardship.

12-YEAR PROGRAMME OF AGRICULTURAL DEVELOPMENT

Thus political and economic pressures were building up, compelling attention and demanding answers. The leadership could ignore them only at great cost. Agricultural problems had to be reviewed and while, as it had been explained earlier, growth in agriculture had to be obtained through an increase in yield per mow, the rate of growth needed to be accelerated. How this was to be achieved without disturbing the other priorities was the big question. In January 1956, a draft programme for the development of agriculture had been drawn up. This was revised in 1957 in the light of the political and economic conditions of 1956-57, and was much less ambitious than the original draft. It was finally adopted by a joint session of the Standing Committee of the National People's Political Consultative Conference and the National People's Congress on 22 October 1957.[60] The revised draft with 40 articles was a 12-year programme of expansion of agricultural production. It called for the consolidation of the Agricultural Producers Co-operatives during the Second Five-Year Plan, through "rational handling" of the interests of the State and co-operative members and strengthening of ideological and political work, and the maintenance of the "supre-

macy" of the "original poor peasants, hired farm hands, and lower middle peasants" in the composition of the leadership.

The programme gave a detailed count of the rise in yield to be achieved in the next 12 years in different regions of the country. For instance, in areas north of the Yellow River, the Tsingling Mountains, the Pailung River, and the Yellow River (in Tsinghai), the average annual grain yield was to be raised from the 1955 figure of over 150 catties per mow to 400 catties by the end of 1962; in areas south of the Yellow River and north of the Huai River, from 280 catties to 500 catties, in areas south of the Huai River, the Tsingling Mountains, and the Pailung River, from about 400 catties to 800 catties.[61]

The chief measures for achieving this increase were listed as: (1) build water conservancy works; (2) increase the use of fertilizers; (3) improve the types of farm tools and extend the use of new types of farm tools; (4) extend the use of good seed strains; (5) extend the multiple cropping areas; (6) plant more high yielding crops; (7) carry out intensive farming and improve farming methods; (8) improve the soil; (9) carry out water conservation and soil preservation; (10) protect and breed draught animals; (11) wipe out insect pests and plant diseases; and (12) open up virgin and idle land and extend the cultivated area.[62]

It is obvious that this was a cautious programme for stepping up agricultural production through gradual stages and through the application of scientific methods. It was not a programme of great leap forward and of the organization of communes. One of the key links that the Chinese communists seemed to have seized for pushing agriculture during this period was the building up of water conservancy works. If nature could be tamed, and the havoc caused by floods and drought controlled, agricultural production could be increased rapidly. In 1956, the area under irrigation was reported to be 568 million mow—33.5 per cent of the total tillable land.[63] According to one calculation, the change of dry land into irrigated land could increase the yield by 200 catties per mow and stabilize the living of the peasantry. The authorities believed that the expansion of irrigation could substantially increase agricultural production.[64] The control of natural calamities also had an important bearing on the income and living conditions of the peasants. For instance, the average income of a peasant household in Kiangsi

was 306 yuan, or 76.5 yuan per person in a family of four. In 1956 because of heavy natural calamities it was reduced to 49.9 yuan per person.[65]

So in late winter of 1957 and early winter of the next year, a mass campaign to build conservancy works was launched. Millions were mobilized to work day and night for the construction of medium and small water conservancy projects. It was towards the end of this campaign that the people's communes began to appear as the leadership's answer to the agricultural problems facing the country.

A POLITICAL DECISION

It must, however, be pointed out that there was no inevitability about the formation of the people's communes and that this was not the only choice before the Chinese communists. The problem of Chinese agriculture was almost the universal problem of agriculture unable to cope up with either the demands of a rising population or the needs of rapidly expanding industries in heavily populated developing countries. Agriculture becomes the prime bottleneck in the further swift expansion of industry. The foregoing survey of the Chinese agricultural scene between 1952-57 demonstrates the complex nature of the problem. This contradiction can be tackled in more than one ways. One method is, for instance, the maintenance of a certain balance between investments in industry and those in agriculture and to switch the pattern of investment in order to maintain the balance. The proportionate development of different sectors of the economy is maintained and agriculture is not deprived of the funds for its reproduction. But one inevitable result of this approach is that the progress is slow and one has to be satisfied with a somewhat slower rate of growth, but at the same time it prevents acute dislocation and sudden, sharp reversals. This alternative was available to the Chinese leaders also. Indeed the first reaction of the Chinese leaders to the problems posed so challengingly by the development of 1956 and 1957 seemed to have been one of moderation and consolidation rather than of embarking upon fresh experiments.

In a directive on the re-adjustment of agricultural producer co-operatives, the Central Committee of the Chinese Communist Party called for a re-adjustment of the organization of the co-operatives

and production teams within the co-operatives. It opined that it was generally suitable for each village to have one co-operative. It suggested that co-operatives which were "improperly large" should be reduced in scale or divided into separate but affiliated co-operatives. The basic production unit in the co-operative, it said, was the production teams which should generally comprise 20 households. Teams that were too large and were hard to manage and those too small "diminish the superiority of collective labour." What was more, the directive stated that *once a co-operative had been re-adjusted, it should remain that way for a long time.*[66] It was evident that the leadership was thinking in terms of greater incentives and stabilization so that the peasantry would work harder to increase the production of agriculture.

Defining the relationship between a co-operative and production team, the directive stipulated that the principle of "unified operation and separate management" should be followed to overcome the fault of certain co-operatives centralizing authority too much and to prevent certain production teams from having too much power, thus leading to excessive decentralization. Production teams were the basic units organizing labour and managing agricultural production in co-operatives. The directive asked them to obey the unified leadership of the co-operative's management committee, but stated that they should also be invested with some powers, like the power to implement certain technical measures, make temporary adjustments of workpoints, arrange surplus labour power, and undertake small subsidiary business operations.[67]

It was thus obvious that a policy of a limited relaxation and decentralization and further incentives to the peasantry was being adopted. And yet in less than nine months this policy was discarded in favour of bigger units of co-operatives introducing greater centralization. It is possible, though it is difficult to produce hard, documentary evidence for it, that there was a struggle between the two lines within the leadership and that those who stood for a harder line were soon able to convert themselves into a majority. In any case it was plain that the dominant leadership had no patience for slow methods; they were in a great hurry. They were neither prepared to change the pattern of investment in which heavy industry took the lion's share nor modify the pace of implementation of their ambitious blueprints for industrialization. They were looking

for a quick way to speed up agricultural development without having to make any substantial change in their planning framework and investments. They believed that rapid economic developmet was the only answer to a considerable latent dissatisfaction within the country that had been revealed during the rectification campaign. They were also bracing themselves up for a more important role in world affairs in order to assert China's place in the world power structure. In order to make China strong and powerful, an objective which had now assumed a new urgency, it was necessary to achieve rapid economic advance and a breakthrough. As is evident from the above survey, the lesson had been driven home that without agricultural development keeping pace with industrial expansion rapid economic growth was not possible and that a sluggard agriculture blocked even industrial expansion, but at the same time the regime was not prepared to undertake any basic re-adjustment of its pattern of investments and its industrial targets. Gradually, they hit upon the new organization in the form of people's communes in China's vast countryside as the magic solution to their problem by which they could keep all their other goals intact and still achieve commensurate agricultural development to keep the economy going forward at a high speed.[68] Clearly, therefore, the decision to organize people's communes was as much a political decision as an economic one. It was not the only choice before the regime and it cannot be separated form the political and economic goals of the Chinese leadership.

NOTES

[1]A catty is equal to 1.1023 lbs.

[2]Wu Shuo, "An Inquiry into the Grain Situation during the Transition Period," *Liang-shih*, Peking, No. 1, 25 January 1957.

[3]Niu Chung, "China's National Income: Accumulation and Consumption," *Hsueh-hsi*, No. 16, 18 August 1957.

[4]According to an authoritative statement, population in the mainland was 579 million in 1953 and 632 in 1956. Hou Chien-chung, *Liang-shih*, No. 8, 25 September 1957.

[5]Cho Po-p'ing, "The Policy of Unified Purchase and Sale shall not be Frustrated," *Liang-shih*, No. 7, July 1957.

[6]*Chi-hua Ching-chi*, October 1957.

[7]*Hsueh-hsi*, No. 17, 13 September 1957.

[8]Li Yi-yang, "How I view the Present Grain Situation," *Liang-shih*, No. 1, 25 January 1957. The quality of wheat and rice, according to this article, generally deteriorated in 1956.

[9]Chu Ch'ang-p'ing, "Production and Consumption in China's First and Second Five-Year Plan," *Hsin Chien-shi*, No. 101, February 1957.

[10]One mow is equal to 0.0667 hectares or 0.1647 acres. *Liang-shih*, No. 1, 25 January 1957.

[11]Po I-po's report on the working of the National Economic Plan for 1956 and the Draft National Economic Plan for 1957, *New China News Agency*, 1 July 1957.

[12]Chi Liang, "What Advantages are there to open a State-led Free Market," *Shih-shih Shou-t'se*, No. 21, 10 November 1956.

[13]Chang Shih-cheng, "Answers to Questions on the Free Market led by the State," *Hsueh-hsi*, 2 November 1956.

[14]Chi Liang, *Shih-shih Shou-t'se*, No. 21, 10 November 1956.

[15]Chang Shih-cheng, *Hsueh-hsi*, 2 November 1956.

[16]Chi Liang, *Shih-shih Shou-t'se*, No 21, 10 November 1956.

[17]Chen Cheng-ping, "Production and Consumption in China's First and Second Five-Year Plan," *Hsin Chien-shi*, No. 101, February 1957.

[18]*T'ung-chi Kung-tso*, No. 19, 14 October 1957.

[19]Hou Chien-chung, "Some Understanding of the 'Make-up Shortage' by 'Plenty Policy,'" *Liang-shih*, No. 8, 25 September 1957.

[20]*Ibid.*

[21]Liang Chu-hang, "Grain Distribution in 1957 and 1958," *Liang-shih*, No. 6, June 1957.

[22]*Ibid.*

[23]Li Yi-yang, "How I View the Present Grain Situation," *Liang-shih*, No. 1, 25 January 1957.

[24]"The Grain Question in the Countryside is Mainly Ideological Question," *Liang-shih*, No. 8, 25 August 1957.

[25]Hou Chien-cheng, *Liang-shih*, No. 8, 25 September 1957.

[26]Li Yi-yang, *Liang-shih*, No. 1, 25 January 1957.

[27]*Ibid.*

[28]Hsiao Ku, "A Preliminary Study of Agricultural Tax in the Next Couple of Years," *Ts'ai-cheng*, No. 3, 5 December 1956.

[29]*Ibid.*

[30]Wang Kuang-wei, "How to Organize Agricultural Labour Power," *Chi-hua Ching-chi*, No. 8, 9 August 1957.

[31]*Ibid.*

[32]Ma Yin-chu, "A New Theory of Population" (Speech to the National People's Congress, 3 July 1955), *Jen-min Jih-pao*, 5 July 1959.

[33]*Chi-hua Ching-chi*, No. 9, 9 September 1957.

[34]*T'ung-chi Kung-tso*, No. 12, June 1957.

[35]Speech by Chen Kuo-tung, Vice-Minister for Food, *Liang-shih*, No. 4, 25 April 1957.

[36]*Ibid.*

[37]Huang Ching (Chairman of the National Technological Commission), "On Agricultural Mechanization in China," *Chi-hsueh Kung-yeh*, 6 November 1957.

[38]*Ibid.*

[39]Mao Tse-tung, "On the Correct Handling of Contradictions Among the People," speech made on 27 February 1957 at the Eleventh Session of the Supreme State Conference, Foreign Language Press, Peking, 1957.

[40]Chao Hsueh, "The Problem of Agricultural Mechanization in China," *Chi-hua Ching-chi*, No. 4, 9 April 1957.

[41]*Ibid.*

[42]*Ibid.*

[43]Huang Ching, *Chi-hsueh Kung-yeh*, 6 November 1957.

[44]Report by Chiao Ta-fu, Vice-Chairman of the State Planning Commission, *Chi-hua Ching-chi*, No. 4, 9 April 1957.

[45]Cheng Chi, "All is Well with Agricultural Production and Co-operatives," *Shih-shih Shou-t'se*, No. 15, 1957.

[46]Cho Po-p'ing, "The Policy of Unified Purchase and Sale shall not be Frustrated," *Liang-shih*, No. 7, July 1957.

[47]*Jen-min Jih-pao*, editorial, 27 October 1957.

[48]Report by Cheng Yuan-sheng and Chang Cheng, *Kwangsi Jih-pao*, 10 May 1957.

[49]*Jen-min Jih-pao*, editorial, 20 September 1957.

[50]*Liang-shih*, No. 8, 25 August 1957.

[51]*Ibid.*

[52]*Jen-min Jih-pao*, 3 September 1957.

[53]*Ibid.*

[54]One is not quite sure what the communists meant by "unlawful landlords." They could only be referring to ex-landlords whose land had been confiscated and distributed among the poor peasantry.

[55]*Nan-fang Jih-pao*, Canton, 9 September 1957.

[56]*Jen-min Jih-pao*, editorial, 15 August 1957.

[57]Canton Jih-pao, 5 August 1957, as in *Union Research Service*, Vol. 9, No. 1, 1 October 1957.

[58]Yang Po, *Ching-chi Yen-chiu*, No. 6, 17 December 1957.

[59]The sudden spurt in 1955 was due to a general wage rise.

[60]*New China News Agency*, Peking, 28 October 1957.

[61]*Ibid.*

[62]*Ibid.*

[63]*Chi-hua Ching-chi*, No. 9, 9 September 1957.

[64]*Ibid.*

[65]Ma Yin-chu, *Jen-min Jih-pao*, 5 July 1957.

[66]*Jen-min Jih-pao*, 10 September 1957.

[67]*Ibid.*

[68]See next chapter.

CHAPTER TWO

THE ORIGINS AND EARLY DEVELOPMENT

THE IMMEDIATE ORIGINS of the communes can be traced to the adoption of the policies of simultaneous development of industry and agriculture in late 1957 leading to the big leap and the mass campaign for water conservancy projects in the late winter of 1957 and the early winter of 1958.

As pointed out earlier, the Chinese communists had already come to realize the importance of agriculture in a country like theirs, even for the development of industry. As a Chinese ideological periodical put it, "experience over the past several years showed that agriculture occupied a specially important place in the national economy of China. Upon the speed of development of agriculture depended, in a large measure, the scale of national construction and the rate of improvement of the people's livelihood. This point was not thoroughly understood by us before."[1] The extended session of the Eighth Party Congress, therefore, gave the call for a simultaneous development of industry and agriculture. This was part of the celebrated "big leap" which sought an accelerated growth of China's economy so as to compress within a few years the time generally required for achieving a self-sustaining economy with a strong industrial base.[2] The philosophy of the big leap was essentially a philosophy of hard work and concentration on certain focal points for further development, one of which was development of agriculture. The philosophy of the big leap was also the philosophy of combining modern with native methods, large-scale projects with small-scale ones and to depend on labour-intensive measures for the economic development of China. But how agriculture was to be developed without disturbing the regime's order of priorities in investment remained the question. The policy of prior development of heavy industry was not being abandoned, or even modified, because, according to the Chinese communists, it was necessary not only for the development of industry and transport and the consolidation of national defence but also for the

development of agriculture itself.[3] The co-operatives, they said, had accelerated agricultural production but had solved only half the problem. The other half—modernization of agriculture—had yet to be accomplished and the services of industry were needed to provide agriculture with machinery, equipment, tools, fertilizer, transport, power and fuel, etc.

"MASS" IRRIGATION CAMPAIGN

In the late winter of 1957, the Chinese communists also had embarked upon a mass irrigation campaign. They gave the call for building up hundred of thousands of small- and medium-size water conservancy projects with local resources. The *Ta-kung Pao* announced in early December that many provinces had launched production campaigns centred round the building of farmland irrigation projects,[4] and the *Jan-min Jih-pao* commended "an impressive Marxist report" by the Hupeh Provincial Committee of the Communist Party on water conservancy construction in the Hsienyang administrative district. According to this report, the cadres of Chunhsien and Kuanghun *hsien* after years of groping, found out the proper path and adopted the policy of mobilization of mainly small projects through hard work and thrift. They decided not to depend upon the State and upon State funds but on the masses to carry out these projects.[5]

Thus millions of peasants were thrown into the "battle"; there was tremendous tension, deliberately created, in the countryside and shock brigades were established to attack one assignment after another. Even temporary mess halls arose in some places in order to provide food to peasants who were busy participating in the mass campaign so that they could continue to work without loss of time. It was this situation which seemed to have given rise to the idea of formation of rural people's communes in order to provide an organizational apparatus for this kind of shock work and to make it a prolonged affair.

The decision of simultaneous development of industry and agriculture demanded more effort in agriculture in order to realize the goal. While the regime promised to step up its investments and supply of farm machinery and implements, it was only in a marginal way that this was to be done. Clearly the decision was to attempt

to achieve this goal through greater human effort. It is in this perspective that the mass campaign for extending irrigation should be understood. The whole attempt was to take advantage of labour power of rural China and throw in masses and masses of people into the agricultural "battle" in order to spur agricultural development at a fast speed. Thus the number of people who took part in the campaign was officially stated to be 20-30 million in October, 60-70 million in November, 80 million in December, and about 100 million in January 1958.[6]

Why water conservancy was chosen as the focal point of the new effort in agriculture was due to the importance that was attached to the impact of water conservancy on agricultural production as mentioned in the last chapter. The Chinese economists and theoreticians had for some time been alarmed at the havoc caused by constant floods and drought and had been nursing the fond hope that if these could be controlled, a big push would be given to agricultural production. It was estimated, for instance, that during 1955-56 nearly 766 million mow were effected by natural disasters, or an average of 190-odd million mow per annum. The amount of grain thus lost was put at about 75 billion catties during these four years (or 18.8 billion catties every year). This, it was pointed out, was more than the total grain output of Japan in 1955.[7] "It is thus clear," said an expert in an article in an academic journal, "that control of natural calamities and pests is the key to increase agricultural production and to ensure co-ordinated economic development." Since most of the havoc was caused by floods and drought, it was necessary to prevent floods and inundation and construct irrigation works.[8] Another expert suggested that the "massive manpower" of China should be utilized to prevent and conquer natural calamities as an important way of increasing production.[9]

"HSIA-FANG"

Another manifestation of this policy of increased human effort was the *hsia-fang* movement, or the campaign to send cadres and other superfluous labour in large numbers from the cities to the countryside. Up to the end of November 1957, some 810,000 cadres were sent to the countryside[10] and, by the beginning of February,

their number went up to 1,300,000. They were either receiving training through labour or working at basic-level units.[11] Although some of them were sent for shorter period, most of them were expected to settle down in the rural areas. The Chinese leaders hoped to achieve many objectives from this campaign. With this reinforcement of labour, they hoped to get started multifarious activities to develop agriculture and subsidiary industries and at the same time draw away the surplus labour from the cities and find employment for all able-bodied people. As the *Jen-min Jih-pao* put it: "The countryside is like a vast expanse of the sea where the labour forces are absorbed. If we adopt such measures as positively develop agriculture, consolidate agricultural cooperatives, vigorously promote intensive farming, build water conservancy projects, develop side-line production, reclaim waste land and grow forests, and carry out many operations both on mountains and at sea coast, the countryside will be enabled to acoommodate more labour forces"[12]—and, of course, agricultural development would take place at a fast speed.

Thus there was to be a mighty multipurpose effort, sustained mostly by human labour, at rapid agricultural expansion. There was still another positive result that was expected to accrue from the flow of urban population into the rural areas. Since most of the cadres and other people sent to the village were at a higher level of education and culture than the peasants generally, it was hoped that they would help in the process of modernization and speed up enlightenment. They would become the teachers of the peasants and lessen their ignorance and promote education. The regime advised the cadres sent to the villages that they should bring culture and knowledge to the peasants. A "complete liberation" for rural productivity could come only with the completion of "social revolution" and "technical revolution." An "important prerequisite" to technical reform of agriculture was the improvement of the cultural level of peasants, because their "cultural inadequacy would render it difficult for them to master promptly the various new skills." It was, therefore, "necessary" to "combine the technical revolution in agriculture and the cultural revolution in the rural areas and to integrate the studying of skills on the part of the peasants with their cultural improvement."[13] The authorities hoped that the cadres from the cities would promote this cultural and

technical advancement and thus help modernize agriculture and the countryside.

MECHANIZATION AND LOCAL INDUSTRY

Still another way in which the regime sought to advance agriculture was through a cautious and gradual programme of mechanization, with its first stage being a mass campaign for technical renovation of tools in the countryside—the problems of mechanization in a country like China have been noted in the first chapter. But apparently the Chinese still nursed the hope of gradual but fairly quick mechanization of agriculture. It was admitted that they had first made the mistake of going after mechanization of the type adopted by the Soviet Union and the United States. Many errors were committed and some of the machinery was either unusable or did damage to the land on which it was used. But, it was claimed, the second mistake that was made was to ignore altogether mechanization and to believe that while mechanization could increase labour productivity it would not increase the yield per mow. The idea of mechanization was once again adopted but it was now required to be tailored to Chinese conditions. It was, for instance, suggested that agricultural machinery to be used in Chinese agriculture should be so designed as to suit varying types of land, including paddy and mountinous areas, and should also be serviceable through various types of fuel and power, since China was short of oil.[14]

The first stage in this mechanization—the prelude, so to say—was the technical reformation of tools initiated in early 1958. The *Jen-min Jih-pao* reported that, side by side with the big leap forward in industrial and agricultural production, there had emerged a mass campaign for renovating the instruments of production.[15] Characteristically, the Maoist leadership initiated a mass campaign for innovation and renovation of small agricultural tools. The "buds of technical revolution" were "shooting forth" in all parts of the country. The campaign, it was stated, was intended to "ensure a good harvest this year" and to lay the ground work for the transition of agriculture to modernization.[16] The broad masses of peasants in various parts of the country were reported to have displayed creative spirit and devised and renovated hundreds of improved tools. One report said that carts were taking the place

of carrying poles; suspension cables and pulleys for the transport of earth, movable pile drivers, earth lifts, water wheel machines for transporting earth,[17] and so on and so forth.

In order to gradually introduce mechanization, agriculture must be supplied with machinery, but Peking had no intention to gear industrial production towards meeting the needs of agriculture. The gap was sought to be filled through large-scale development of local industry financed through local resources. Already in October 1957, the Central Committee of the Communist Party had taken the decision to decentralize control of a number of industrial enterprises and pass them over to local control and operation. The authorities now envisaged the establishment of a large number of medium and small enterprises throughout the country for the manufacture of machinery needed by agriculture and other branches of the local economy. This was to be done through the mopping up of local funds so that there would be no additional demand on central funds. The *Jen-min Jih-pao* spoke of a "momentous upsurge in local industrial construction" developing throughout the country.[18] The call was given for making the total output of local industry surpass that of agriculture as a significant measure for the transformation of agriculture.[19]

According to the *Jen-min Jih-pao*, all provinces and administrative districts as well as *hsien* and rural areas had mapped out plans for a leap forward in the effort to raise the total value of local industry above that of agriculture in about five years' time. Many places, it said, had built "numerous small factories, mines, and power stations with the ardent support of the people."[20] It was asserted that the simultaneous development of large enterprises and medium and small industries would diminish the limitation of the latter and bring about a co-ordinated development, each promoting the other. This was the concrete way for the industrialization of China. A case in point was that of "backward Kansu." According to a government study, it was possible to construct within a few years a small coal-mine, one coal carbonization plant, one chemical fertilizer plant, an iron mill, a cement plant, a hydroelectric station, and one combined machinery repair shop in one *hsien*. The construction of these factories involved a total investment of about 12 million yuan. For a *hsien*, it would not be too difficult to raise this amount of funds in five years or a little

more time, and yet the completion of these factories could industrialize this *hsien*.[21]

The local industry could also provide the "necessary conditions for the promotion and support of agriculture" and "play a great role in supporting local agriculture." It could more easily be made to fit in with actual conditions and could also overcome the "contradictions between the time of production and the time of supply" and could bring about co-ordination with agricultural production in the use of machinery, the partial use of machinery, and the use of manpower. And the advantage was that it required smaller investment, shorter period of preparation and yielded quicker results. For instance, it was pointed out, the output of chemical fertilizers in the whole country was 1,000,000 tons, the great bulk of it being produced by large fertilizer plants. It was not easy to develop fast this kind of fertilizer production. If, on the other hand, of the more 2,000 *hsien* each could produce 10,000 tons, they could produce among themselves 20 million tons.[22]

ORIGIN OF THE RURAL COMMUNES

It was apparent that the Chinese were putting in immense human effort to speed up agricultural development and there obtained a state of acute tension in the countryside. With millions toiling on dams and ditches and constructing crude blast furnaces for the production of pig iron and steel and setting up small machine tool factories and other industries, the normal routine was disturbed and the work of months and years was sought to be achieved in a few days or a few months. It was in this situation that the rural people's communes came to be formed, for in this kind of situation the Chinese leaders found the need for big agricultural units which would permit them to pursue their grandiose plans for the development of agriculture through human labour and make flexible use of peasantry as a relatively mobile agricultural labour force. This was the implementation within agricultural field of the "general line" of building socialism "by exerting the utmost effort" and pressing ahead constantly to achieve "greater, faster, better, and more economic results." This general line, first enunciated in September 1957, was formally proclaimed in May 1958.

It was during this hectic time that the first public mess halls

appeared whose significance was immediately grasped by the leadership. Reports began to appear in July 1958 in the Chinese press about the establishment of public kitchens in the rural areas. These public mess halls had obviously sprung up in the atmosphere of day-and-night toil during the early winter and summer of 1958, in order to enable the peasants to continue working uninterruptedly but its manifold advantages over the long run were apparent to the leadership. The most "conspicuous advantage" was that the labour power of many women could be set free from household work and be thrown into "productive labour," partially relieving the serious shortage of labour power in the rural areas.[23] The "second advantage" was that public mess halls played their part in facilitating the change in the rural outlook. It marked the first step taken by the peasant towards "collectivization of life based on organized production." Moreover, not the least, consumption in public mess halls which cooked food collectively was generally reduced compared with individual cooking and the loophole of wastage of grain was also plugged.[24] By the end of August, the rural people's communes were being organized in a number of rural districts in the country and the cadres in most areas were awaiting the go-ahead signal from the central leadership. Mao had personally welcomed the communes and, therefore, the seal of the leadership was a foregone conclusion.

There were many advantages in the new organization from the point of view of the Chinese communists. The new organization would provide scope for greater control over agriculture. Agriculture had so far been defying rigorous planning and with this new organization there were greater possibilities of taming the peasantry and developing agriculture along the lines desired by the leadership. As the rural work department of the CCP Liaoning Provincial Committee said in a report, with the formation of communes, the hard core forces were concentrated and as the number of communes was fewer (than the previous higher type co-operatives) direct leadership by the *hsien* and *hsiang* was facilitated. "So long as we properly promote these superior features we can overcome the difficulty of the complexity of management" (of the new commune organization).[25] The commune organization made possible "centralized leadership" of farm management. With the merger of the co-operatives, the land boundaries could be abolished and land utilized

to the maximum. With the land consolidation and greater capital resources thus made available, the commune would facilitate gradual mechanization of agriculture.

It was also believed that commune organization would help in eliminating the differences between rich and poor co-operatives and enable the whole body of peasants to prosper. Since distribution would be unified at the commune level, the wide disparities between members of different co-operatives could be reduced and greater egalitarianism introduced. This was the bait held out to the poor peasants who constituted a large majority of the peasantry. The so-called "grain short" peasants were assured that they would no longer have to worry about empty stomachs and vacant granaries and that they would be able to have their fill to eat. Further, the peasantry in general was assured that this was the method of reducing the differences between the cities and the villages and that through this organization they would be able to catch up with the urban centres.

Above all, the Chinese Communist leaders thought that they had discovered the answer to their agricultural problems, the short cut to rapid agricultural expansion without disturbing their priorities and without fundamentally changing the pattern of investment in heavy industry. They believed they had discovered their own path of quick modernization and catching up with the advanced countries of the world—the path of the people's communes and the big leap which were a part of their overall strategy for the rapid economic development of China.

The military aspect of the communes has been commented upon by some scholars. It is pointed out that the Chinese press had proudly claimed that the commune system had provided the regime with 30 million soldiers and that the peasants were now awakened at dawn by bugles and marched to work in military formations. In the context of Mao's alleged remarks to the Yugoslav Ambassador that China could survive a nuclear war because of the numbers of her population, the communes were assumed to possess wider significance. With the dispersal of industry in several thousand communes, each being a military centre as well, China would possess an advantage over the developed nations with concentration of industrial plant and urban population in case of nuclear war.[26]

THE POLITBUREAU RESOLUTION ON COMMUNES

The Politbureau of the Chinese Communist Party met in an enlarged session from 17 August to 30 August. Among those who attended, apart from the full and alternate members, were First Secretaries of CCP Committees of the provinces, autonomous regions, and municipalities directly under the central government and "responsible members of party organs in various competent government departments."[27]

The meeting took place under the impact of a flood of reports about spectacular increases in production which, taken at their face value, opened new perspectives for Peking. The meeting reported that there were going to be spectacular increases in both industrial and agricultural production, and it set new targets for the country: 600-700 billion catties of food production, 70 million tons of cotton, and 10,700,000 tons of steel (output in 1959 being 3,350,000 tons).

The meeting also discussed "enthusiastically" and welcomed the formation of the rural people's communes. Reversing the directive of the Central Committee of 17 September 1957, it now said that large-sized people's communes were a "natural trend" in the development of the situation. "With the overcoming of rightist conservatism, and the breaking down of conventions in agricultural technical measures," the resolution claimed, "agricultural production is leaping forward at high speed, and the output of agricultural products is increasing by one hundred per cent, several hundred per cent, over one thousand per cent, and several thousand per cent," and added: "In the struggle for agricultural capital construction and the quest for bumper harvests, the breaking down of boundaries between co-operatives, between *hsiang* and between *hsien* in order to carry out extensive co-operation, the 'militarization' of organization, the placing of activities on a 'combatant' basis, and the collectivization of daily living have become mass action, and they have further raised the communist consciousness of the 500 million peasants. Common mess halls, kindergartens, nurseries, tailoring teams, barber shops, public baths, 'happiness homes,' agricultural middle schools, and schools for training out red and expert personnel are all leading the peasants to a collective life of greater happiness, and are further fostering the collectivization of the masses of the peasants."

The resolution also provided certain guideposts for the organizational aspects of the communes. They should normally encompass one *hsiang* with about 2,000 households, but could be larger or smaller according to local conditions. The trend for further development should be the organization of federation of communes with the *hsien* as the unit for planning. The resolution also called for the unification of the government and the commune "with the *hsiang* party committee identical with the commune party committee and the *hsiang* people's council identical with the administrative committee of the commune."

While pushing the movement for the formation of rural communes, the leadership was also a little worried lest it should affect agricultural production. They spurred the movement on but at the same time wanted to apply some brakes so that production might not get dislocated. The party high command, therefore, advised that at the early stage of the merger of co-operatives, "we may adopt the method of moving the higher level without disturbing the lower levels. The original small co-operatives could jointly elect the administrative committee for the commune, put up the framework, unify planning activities, and turn the original small co-operatives into farming divisions or production teams. The original production organization and administrative system might for the time being remain unchanged and production might continue as usual."[28]

Finally, while noting the appearance of the ownership of the whole people in embryo, the resolution cautioned against "hasty change of the system of collective ownership into the system of ownership by all the people. At the moment it is still better to adopt the system of collective ownership. This will avoid unnecessary troubles that will arise in the process of changing the system of ownership by the whole people which will continue to grow and gradually replace collective ownership. This process might be more quickly completed in some places, say in three or four years, and more slowly in other places, say in five or six years or even longer."[29] The Central Committee also advised the rural cadres against "hasty change" in the original system of distribution. "When conditions were 'ripe' the wages system could be taken up, but when conditions were not yet ripe for the time being we may continue to adopt such systems as originally practised, that of the 'three contracts and one bonus award' or else we may

adopt the system of fixing 'production quotas' and paying wages on the basis of labour days."

GROWTH OF COMMUNES

About the same time that the Central Committee passed its resolution, reports from all parts of the country began to appear in the Chinese press regarding the formation of rural people's communes. Honan seemed to have made an early start in the establishment of the people's communes, but the movement soon reached a "high tide" in Hopei, Heilungkiang, and Anhwei.[30] Some reports even claimed that the "trail-blazers" like Weihsing (Sputnik) people's commune in Suiping, Honan Province, and the Tung-feng (East Wind) people's commune in Pihsien, Szechuan, were established in April and May.[31] In any case, the work of planning in many areas was started in July and the general pattern seems to have been that "trial" communes were established in some areas of the province and, after a study and analysis of the experience, their formation was extended to other areas.

A report from Kirin, for instance, mentioned three stages in the establishment of the communes.[32] In the first stage, the cadre leadership at the provincial level claimed, a "high tide" of production was promoted. Then, in the second stage, "agitation" was developed among the party cadres and the Young Communist League members and subsequently among the masses to arouse the people to "demand" the formation of communes. At this stage the framework of the communes was erected, production plans mapped out, and communist education strengthened. Finally, the masses were rallied for "big blooming and contending" in order to solve the concrete economic problems and to silence the critics.

Similar reports came in from other provinces. In Heilungkiang, for instance, during the early part of August the first group of 52 people's communes were established. In Chekiang, trial communes had been set up in most areas and a total of 101 communes were in existence by 3 September.[33]

The rural work department of the CCP Kwangtung Provincial Committee held a conference of heads of rural work departments and made arrangements for the trial formation of communes. The Hunan Provincial Communist Committee also gave a call for a

similar conference to "unify ideological understanding" so as to build people's communes according to party policies.

The intensity of the movement and the vigour with which the cadres were pushing it can be gauged from various instances. For instance, in Heilungkiang where the first group of 52 communes had been established in the early part of August, 97.4 per cent of the peasant households had joined up by the middle of September and 718 communes had been set up by merging 9,779 co-operatives. By 20 September, the *New China News Agency* reported, 10,000 people's communes had been established in the country.[34] By the end of September, over 90 per cent of all peasant households had joined people's communes. According to official figures, all peasant households in Honan, Liaoning, Tsinghai, Hopei, Shansi, Shantung, Heilungkiang, and Kirin provinces, the Kwangsi Chuang Autonomous Region, and Peking and Shanghai areas had joined the communes. In Shansi, Kwangtung, Hunan, Szechuan, Kiangsi, Chekiang, and Kansu provinces more than 90 per cent; in Kiangsi, Anhwei, Hupeh, Fukien, and Inner Mongolia around 85 per cent; and in Szechuan about 80 per cent of the peasant households had been enrolled in the communes, while in Yunnan the movement was expected to be completed within the next month. In all 23,384 communes had been established.[35]

The course of growth of the communes was officially stated to be as follows:[36]

	End of August	*Early September*	*Mid-September*	*Late September*	*End of December*
Number of people's communes	8,730	12,824	16,989	26,425	26,578
Number of peasant households in people's communes (in thousands)	37,780	59,790	81,220	121,940	123,250
Percentage of peasant households in people's communes to total number of peasant households	30.4	48.1	65.3	98.0	99.1
Average number of households in each commune	4,328	4,662	4,781	4,614	4,637

Although in theory, the peasants must voluntarily agree to the

transformation of agricultural producers' co-operatives into people's communes[37] and Peking stressed the spontaneous nature of the movement, in practice those who were opposed to the formation of communes were denounced as "rightists." The party cadres were instructed to refute thoroughly the viewpoint of the rightists, for otherwise "we shall meet with great obstruction in the running of communes, the promotion of collective living, and the operation of collective enterprises."[38]

MAIN FEATURES OF THE COMMUNES

It must be understood that there was no absolute uniformity in the communes and different communes adopted different measures. There was indeed a great deal of variety in at least some of the aspects. Different communes experimented with different systems of organization and distribution. Generally speaking, however, there were many common features which distinguished them from their predecessors, the agricultural producer co-operatives.

Size

The commune was a larger farm unit, many times the size of the previous co-operative. Generally speaking, they had about 4,000-5,000 peasant households in each commune[39] and were of the size of a *hsiang*. (There is some discrepancy in official figures about this. The Politbureau resolution had ealier spoken of about 2,000 households for a *hsiang*.) But in some sparsely populated areas they had as many as 10,000-20,000 households which encompassed a whole *hsien*. China's Finance Minister, Li Hsien-nien, said after an inspection tour of Hopeh, Honan, and Cheng-chow that there were two categories of communes. The first consisted of those areas where there was a single commune for a whole *hsien;* the second of those where there were several communes in a *hsien* (one commune being generally equivalent to a *hsiang*) often forming a federation of communes for the whole *hsien*.[40] Communes in the first category were more numerous. A report from Heilungkiang, for instance, said that 83 per cent of the *hsiang* had only one commune each.[41] Despite occasional official cautioning, there was no doubt that the trend was towards bigger units and that with the official blessings,

a tie-up of various communes into federations was being effected in order to centralize production, planning, and management.

Management and Administration

The communes were established after merging the agricultural producer co-operatives and many of these co-operatives already had a certain management and administrative structure and the commune structure had to be built on the foundation already existing. On the management side, for instance, below the cooperative administration there was the small production team, normally representing the old village within the co-operative. These teams were entrusted with the task of day-to-day organization of agricultural activities and field management and the execution of tasks fixed by the co-operative.

The formation of communes necessitated the establishment of a new management system. The leadership was obviously somewhat concerned lest this should disturb the tempo of production and so the resolution of the Central Committee had advised the cadres to maintain the existing structure at the lower levels and only gradually build a new structure.[42] Some communes retained a three-tier system—commune management, co-operative level management, subsequently called the production brigade level, and the production team level. Some others did away with the production brigade management and retained only the first and the last while some others abolished the work teams and retained only the commune-level management. Many communes left undisturbed the original production team at the lowest level so as to prevent any adverse effect on production.[43] The general picture that emerged was one of considerable confusion and experimentation. There was also a confusing medley of terms used in the literature on the subject. The term "production team", for instance, was used interchangeably for the village work team as well as for the co-operative level, that is for the production brigades. Words like "administrative area" or "administrative Chu" were also frequently used for the production brigade—the old co-operative.

Broadly speaking, a commune was divided into certain production areas, each almost as big as the previous co-operative. Each production area was entrusted to a production brigade which was

further divided into several production teams, each team being more or less the same as the old village. The brigade was responsible for the management of the production area entrusted to it. But it was the central commune administration which fixed the yearly and quarterly production targets and other tasks for each of its brigades, and the commune plan was harmonized with the overall State plan. Although in the actual organization of production, in the utilization of labour, finance, tools, and draught animals, the brigade was allowed a certain amount of flexibility, the commune administration maintained its supervision over the work of the brigades, and the head of the brigade was elected by the commune members' congress.[44]

On the administrative side, theoretically, an elected commune administrative committee was supposed to come into being, but in actual practice, at least in the beginning, the *hsiang* people's congress was converted into commune people's congress, the *hsiang* people's council into the commune administrative committee. The head of the *hsiang* people's council became the director of the commune. Similarly, the Communist Party committee of the *hsiang* became the party committee of the commune. Under the commune administrative committee were set up departments or committees of agriculture, water conservancy, forestry, animal husbandry, industry, communication, finance, commerce, culture and education, internal affairs (making arrangements for labour utilization, for instance), militia and defence, and planning and scientific research.[45]

The administrative committee of the commune was composed of a director, who was invariably a Communist Party member, a few deputy directors (also generally communists), and a number of members. Under the administrative committee were the above-mentioned departments. The members of these departments were nominated by the administrative committee and approved by the commune congress which also elected a supervisory committee to supervise all matters pertaining to the commune.[46] In reality the centre of authority in the commune was located at the commune party committee. All responsible officials of the commune, the director, the deputy directors, and the departmental heads of the administrative committee were generally party members. All production brigades had party branches to guide their work, as well as branches of the Youth League and Women's Federation

to mobilize the masses for implementation of party policies. All important matters in the commune were first deliberated in the party committee and party branches before either the administrative committee or the production brigades took a decision.[47]

The leadership asked for the militarization of the operations of the commune. The organization of labour was put on a "war footing" and military terminology was used to signify various hierarchical levels of activity. The commune was the regiment and under it were companies, battalions, and teams. The underlying purpose was to maximize the utilization of labour of the peasants for both agricultural and industrial activities by making them work as soldiers. It was also related to Peking's assessment of the international situation and no less a person than Mao said that at a time when the "imperialists" were "pushing" China around it was good that the peasants were organizing themselves into communes along military lines in order to meet the foreign danger.[48]

Scope

One of the chief advantages of the new commune organization was stated to be its ability to undertake multifarious economic activities. With its superior resources it could combine agricultural operation with the establishment of industries and the promotion of education and technical skills among the peasantry. Every one a peasant, a worker, a soldier, and a student at the same time was the call given to the countryside. The objective was that the commune should not only be able to develop agriculture at a fast rate but should also allocate resources and labour power for the development of small-scale heavy and light industry. As in the urban areas, the movement for producing iron and steel swept the countryside too and crude mud and brick blast furnaces went up in all the communes.[49] Reports also came in from all parts of the country regarding establishment of machine tool and agricultural tool factories, mills, breweries, and other heavy and light industries.

A sizable section of rural labour was particularly diverted towards industrial activity; the manufacture of crude steel in the communes became a political movement all over the countryside. All industrial undertakings which required large investments and substantial labour as well as higher techniques were placed under the commune

administration, while the small ones were managed by the production brigades or even by production teams. In some cases, a system of joint ownership was practised whereby the undertaking was jointly owned by the commune and the brigade, but operated by the brigade or by a group of brigades. In the field of forestry and animal husbandry, the commune administration arranged for the management of large forests, orchards, the fisheries, but the smaller units were left to the brigades.[50] A report at the end of the year (1958) said that at one time approximately 60 million persons were assigned by the communes to engage in ore extraction, transport, and iron smelting. More than six million "enterprises" were being operated by the communes, with farm machinery plants and traditional fertilizer plants ranking first, next came light industry and "heavy industrial enterprises" engaged in metallurgical, coal, petroleum, consumers' goods, and food industries.[51]

In agricultural operations, the commune first of all did away with the division of land among the former agricultural co-operatives, took over the small plots that had been allotted to the peasant households for subsidiary production and unified production plans as well as arrangements for utilization of labour power. Although the Central Committee of the Chinese Communist Party in its resolution on the formation of people's communes had asked the local party leadership not to rush with decisions on matters like "self-retained land," small numbers of fruit trees owned by individual peasant households and share investment of the peasants in the former agricultural co-operatives, it had recommended the transfer of self-retained lands for collective operation,[52] and in fact most of the communes took over all these without much compensation. Besides, not only the smaller village teams but the production brigades (equivalent to former agricultural co-operatives) as well lost their power to take local decisions within the framework of overall production plans and, what was perhaps even more important, their authority to arrange local manpower at the local level—most of these functions were now centralized at the commune level.

The resolution of the Central Committee had also spoken against undue haste in passing over from collective ownership to ownership of the whole people, but had at the same time expressed the view that the latter, although small in scope at the moment, would rapidly grow bigger and envelop and snuff out the former. The Central

Committee had envisaged the change to take place in between three to seven years. As a result, a whole lot of small industries, enterprises, and even large tools were brought under the ownership of the commune.

The communes also went about with despatch the task of establishing large numbers of schools and technical institutions to train a new elite which would be both "red and expert," as it was put, that is, an elite which would be ideologically loyal and technically competent. To take only one example, a "Red and Expert University" was established in the Weihsing People's Commune in Suiping, Honan, in order to "foster larger numbers of red and expert activists, agricultural technicians and cadres to cope with the needs of the overall leap forward." The university, according to an official report, had two presidents, the posts being held by the secretary and the member in charge of propaganda of the Communist Party Committee. Six heads of departments and 16 "professors" were appointed and there were reportedly 529 students out of which 337 were men and 192 women (377 being "poor peasants" and 150 "middle peasants"). Among them were 32 Communist Party members and 83 Young Communist League members. There were departments of politics, industry, agriculture, finance and accounting, literature, public health, scientific and technical research, forestry, culture, and general political studies, which were compulsory for all the students.[53]

Similar institutions, though perhaps on a more modest scale, were established in most communes. In fact, the education and training given was on a far more elementary level than these high-sounding words suggest. Most of these "universities" had little equipment and fewer facilities and offered only the most elementary instruction. The stress on ideological purity, however, made up for the lack of other facilities.

The formation of communes also introduced a new element in China's villages—that of "ownership by the whole people." The objective was to expand this sector of public ownership which was to serve as the medium of transition to communism.[54] In the previous co-operative a peasant was allowed to retain, besides his house, a "small plot of land, poultry, domestic animals, trees, fish ponds, and tools for his subsidiary occupation," and income from these sources gave the peasant ready cash. But with the introduc-

tion of communes, most of these "remnants of individual ownership" were in most cases eliminated or else were to be tolerated only temporarily.[55] Individual ownership was to be permitted only in purely personal items like houses, radios, and bicycles as well as bank deposits and cash investments. This was to be allowed so that the "activism of the masses" might not be adversely affected or "unity with the middle peasant" undermined for it was the middle peasant who owned most of these things.[56]

Collective Living

Another common feature of the communes which particularly gladened the hearts of the Chinese leaders was the collective living that it fostered. Life was collectivized to a greater or smaller degree in all the communes and there was no doubt that the commune system as such took a great stride towards collectivizing the life of the peasantry. Peking's propaganda organs sang paeans of praise of the higher socialist consciousness implicit in the new organization. The general idea seemed to be that the peasants might march together to work, eat together in public mess halls and spend as much time together as possible, that women should work side by by side with men, and that children should go to nurseries and boarding schools.[57]

One of the chief measures for promoting collective living was the establishment of public kitchens where peasants could eat collectively. There would be no more need for domestic cooking, thus relieving women of the necessity to do household chores. It was a big step towards inculcating the communist collective spirit among the masses. The community dining halls also helped in maintaining the tempo of hard work being put in by the peasants. And not the least, they could serve as useful instruments for controlling consumption of foodgrains by the peasantry. Hundreds of thousands of mess halls were established throughout the countryside. There might have been stray cases where the mess halls were not established. For instance, Jan Myrdal, the Swedish author, stayed in a village where no mess hall was established even during the first phase of the commune movement.[58] But this was obviously an exceptional instance and was by no means a usual phenomenon.

According to the example commended by the *Jen-min Jih-pao*, the mess halls were to be located where it was most convenient for the commune members to eat.[59] Generally, the size of the mess halls was to be determined by the size of production teams and it was recommended that they should cater for about 30-60 families. The member households were expected to turn in their grain ration to the mess halls and obtain food tickets in return. After the autumn harvest, the food rations for members were to be deducted and transferred to the mess halls.[60] It was clear that these public mess halls were introducing a large element of egalitarianism, at least so far as food consumption was concerned. They also introduced a large dose of collectivization of living by abolishing private cooking and substituting in its place communal eating. They represented the "first step" taken by the peasants towards "collectivization of life based on organized production." It was the hope of the authorities that this would facilitate a change in rural outlook—eating together and living together "strengthened" relations between man and man and people gradually formed the habit of collective living and, "free from the bondage of individual life," one got more concerned with "collective work and national affairs."[61]

Similarly, in order to foster the habits of communal living at an early age and in order to free women for labour outside their homes, the communes established nurseries and creches. In many cases these nurseries and creches were not only day-time institutions but often the children stayed there all the time, going home to their parents only once a week or so. No less a person than Liu Shao-ch'i, head of State, encouraged this movement. During an inspection tour of Honan, he said that nurseries should develop towards the direction of full-time caring of children, that primary schools should aim to take as many boarders as possible, and that in bringing up children emphasis should be laid on social education and not on family education.[62] As the Vice-President of the All-China Democratic Women's Federation, K'ang Ko-ch'ing, explained, the "primary advantage" of emphasizing "social education" was that it would "enhance the children's communist spirit." She said that children brought up in nurseries and boarding schools generally had "characteristics" different from those who lived all the time in their families and studied as day students in schools.[63]

Distribution

Another unique feature of the commune was the change introduced in the system of remuneration, which was closely related to the encouragement of further collectivization of life and a leap towards a higher socialist order. The system of remuneration was changed from one of payment according to the quantity and quality of work to that of part supply, part wage. Food was supplied "free" in the public mess halls while wages were introduced in place of piece work payment in the old system, and the general instructions were that these wages should be paid monthly as far as possible. Many communes began to supply not only food but also other necessities of life, sharply reducing the part paid in accordance with the type and quality of work done by the peasant. Thus the commune system took many rapid steps towards the introduction of a communist system of "each according to his needs," albeit on a lower level, and the conversion of the peasant into a wage labourer.

There was considerable dissimilarity in the variety and number of services rendered under the supply system from one commune to another. For instance, in the two communes that this writer visited in the winter of 1958, one supplied only food while the other supplied clothing as well as certain other necessities. What direction the leadership wanted the communes to take was obvious from the kind of examples they lauded before the people. A report from Honan, which was given considerable prominence, said that as early as the end of August, 70 per cent of the communes had introduced various forms of supply system. In the majority of cases, a system of grain supply was enforced. Some had introduced system of supplying food (under which the members were provided with rice, vegetable, condiments, and fuel without payment) as well as other essential needs. The limits of supply were defined according to the economic conditions of the commune and the consumption standard of its members. For instance, some communes provided "seven things"—food, clothing, housing, maternity care, education, medical care, and wedding and funeral services. Some even provided for "ten things" such as hair-cuts, baths, theatre and cinema, heating, etc., or they issued allowances in lieu thereof.[64]

The stress that the leadership laid on the supply system was evident from the fact that in Honan the supply system generally

accounted for the other half.[65] In a commune like the Weihsing People's Commune, which soon became a national shrine and seemed to set the standard for the future and which this writer also visited, the supply system came to nearly 80 per cent of the members' income and only "living allowances" were paid to members for their other needs. Of course, many communes had a poor economic foundation and could hardly supply anything more than grain (and that too on a strictly rationed basis) to the members but it was obvious what direction they were expected to take.

The wage system, the other half of the new system of remuneration, was introduced in place of the previous method of recording every job and assessing work points according to the kind and quality of work. However, the wage system was still expected to be based on the principle of each according to his work, but the criteria of assessment did not remain the same. For instance, the following five criteria for determination of wages were listed in a report in the *Ta-kung Pao:* (1) ideological awareness; (2) attitude towards labour; (3) production level; (4) physical strength; and (5) attendance in work.[66] Another report on the Suiping *hsien* in Honan mentioned the classification of labour as (1) attitude towards labour, (2) production techniques, and (3) intensity of labour.[67] In any case, ideological awareness was now a part of the criteria employed for the fixing of wages.

Although the wage system was still declared to be based on the socialist principle of each according to his work (as contrasted with the communist principle of each according to his needs), there was no doubt that the whole concept of material incentives for increasing production and for harder work had come under attack in the wake of the big leap, the people's communes, and the campaign for a more intensive ideological socialist education. This was true not only for the peasantry but also for the working class. The piece rate system and all other kinds of remuneration according to the kind and quality of work were assailed as manifestations of the decadent bourgeois habit of thought. The principle of "material benefit" was denounced as being tantamount to the old saying that "money makes the mare go." An article, greatly commended by *Jen-min Jih-pao*, made a frontal attack on the whole basis of the old system of material incentives. It asserted that it was equal to saying "let banknote be in command"

instead of politics be in command. Sacrifices were made and people worked hard during the war against Japan and the struggle for liberation. Did they do so in expectation of material rewards? Under the State supply system, "thousands and tens of thousands of people had engaged in armed struggle for scores of years, crossed snow-bound mountains, traversed vast prairies, and completed the 25,000 li long march. Had they ever received any wages? The victories in the 'War of Resistance against the Japanese,' War of Liberation, War of 'Resist U.S., Aid Korea' were not obtained through the spur of wages."[68] The people could also struggle for the realization of socialism and communism without mercenary considerations.

A group of research students in "School of Economics" of the People's University, Peking, wrote to the *Jen-min Jih-pao* asserting that changing of the State supply system into wage system would be retrogressive. The principle of distribution, they said, based on "to each according to his labour" was completely inadequate to meet the demands necessitated by the development of production. Conditions were ripe for gradual application of the communist system of distribution.[69] Thus opinion was being built and atmosphere created in which not only the piece-work system but in fact the entire wage system would be gradually scuttled in favour of a State supply system.

The supply system was the "embryo of our communistic distribution system."[70] It was stated that the Party Centre and Chairman Mao Tse-tung "attached much importance to this young bud of reform of the distribution system," which was an essential step towards gradually approaching communism. When critics compared the present supply system with that under the communist areas during the war, Liu Shao-ch'i replied during a tour of Kaifeng and Cheng-chow that the conditions now were very different from those during the war. At that time the supply system was enforced when materials were in shortage, and now it was being enforced when materials were becoming more and more abundant.[71]

An interesting example of how communes reportedly went about the business of arranging distribution and accumulation was provided by the well-publicized account of the Hsuan-chuang commune. In order to introduce the half-supply and half-wage system, the commune made out a balance sheet for accumulation and consumption, and based on it drew up a plan of distribution. The party

committee of the commune decided to use 65-70 per cent of the total income as expenditure (including tax to be paid to the State and loans to be refunded) and public accumulation, and to allocate 30-35 per cent of the income for consumption purposes. The total income of the commune in 1958 was expected to be nearly 9,932,260 yuan, out of which expenditure was expected to reach 1,372,086 yuan, occupying 13.8 per cent of the income; tax to be paid and loans to be refunded would total 553,145 yuan, representing 5.57 per cent of the income. Then a balance sheet was drawn up between accumulation and members' consumption. A sum of 382,714 yuan was deducted as the commune's welfare fund, which was about 3.8 per cent of the total income; 3,454,860 yuan were allocated for the reserve fund; 95,000 yuan were deducted as the cash equivalent of 10 million catties of reserve grain, representing about 7 per cent of the income. The total public accumulation thus amounted to 4,632,572 yuan, about 46.63 per cent of the total income, and total expenditure and total accumulation came to 66 per cent, leaving 34 per cent of the income (or 3,374,455 yuan) as the portion for members' consumption.[72]

It was decided that in the portion reserved for distribution, each person would be allocated about 37 yuan per year as cost for food (which included grain, salt, oil, and firewood). Additionally, each person would also be given 0.03 mow of vegetable land which, however, would be under the management of the mess hall. This required a sum of 1,863,505 yuan for a total of 50,365 persons—about 55 per cent of the total amount of consumption. The remaining 45 per cent was reserved for wages. Of this amount, 22.4 per cent (337,445 yuan) were to be issued as compensation for work days in 1958 while the other 77.6 per cent (1,173,505) would be distributed as follows: 95 per cent of the amount (1,114,830 yuan) to be used as basic wages for the whole year beginning from October and averaging 5.5 yuan each labourer each month, and the other 5 per cent (58,675 yuan) to be used as floating fund to meet the wage for temporary, auxiliary labour.

The general principle of distribution having been decided, the wage scale was assessed and determined. The commune assessed and determined the grades of its members in a "democratic manner" according to (1) their ideological awareness, (2) their labour attitude, (3) their production level, and (4) their physical strength. It was

claimed that the "concrete method" of assessing grades was both from "the top downward and the bottom upwards." The commune, it was claimed, first studied conditions in certain points and put forward targets for various large teams and factories and then the various specialized teams and small teams nominated a typical person for each grade, drew up a preliminary list, and handed the list to commune members for general discussion. After this preliminary list had been fixed by three public notifications, it was further scrutinized by various large teams and between one village and another, and finally submitted to the administrative committee of the commune for approval. During this process, commune members with high ideological awareness and good in labour were "praised" while those "seriously immersed in capitalist ideas" were criticized.[73]

The 20,880 labour power in the communes were classified into five grades, 9.6 per cent of whom were in the first, 20 per cent in the second, 40 per cent in the third, 20 per cent in the fourth, and 10.4 per cent in the fifth. The wage for each grade was fixed at 3.6 yuan each month for the first grade, 4.6 for the second, 5.3 for the third, 6 yuan for the fourth, and 7 yuan for the fifth grade.[74]

It needs to be pointed out, however, that while the direction which the leadership wanted the commune to take was clear, the larger number of communes were clearly unable, financially and materially, to undertake all these responsibilities. They could no doubt socialize further ownership by converting more and more items from collective ownership into ownership of the whole people, but they were in no position to supply free various essentials of livelihood. Most of them had to struggle even for supplying grain in public mess halls and were in no position to take on "seven supplies" or "ten supplies." Therefore, while a rosy picture could be painted for public consumption about the supply system in some select, advanced communes, in actual fact the communes were struggling hard to maintain even the most elementary supply system comprising only foodgrains.

PROBLEMS

The startling suddenness with which such far-reaching changes were created in the organization of agricultural production and in the life of the peasantry was bound to create confusion and unrest.

Resistance even took a violent turn and disturbances were reported from some parts of the country. Peking also admitted that at various places food in mess halls had been poisoned and other forms of sabotage had been indulged in. As usual, such acts were laid at the door of rich peasants and former landlords and the whole thing was portrayed as the manifestation of the class struggle in the countryside. While the fundamental damage done to the agricultural economy by the organization of communes and the heavy price paid would be considered in subsequent chapters, even within the limited context of the fact of establishment of communes, the problems and the mistakes committed in the process may be noted.

The foremost problem may be described as one of attempt by the Chinese communist leaders to eat their cake and still have it. They were somewhat apprehensive of the movement going to extremes and yet were reluctant to put any restraints on it. They would not like production to be affected but at the same time their hearts were gladdened at the big leap towards collectivization and communization. This dichotomy was evident even in the resolution passed by the Central Committee on the subject of communes. On the one hand, it expressed some concern at too rapid a change in the lower structure of agricultural organization and management, it also raised hopes about the ushering in of the golden age of communism in three to seven years. The resolution cautioned against too quick a changeover to ownership of the whole people and yet itself asked for taking over the tiny private plots of the individual peasant for subsidiary production. It wanted the principle of remuneration based on "to each according to his labour" to be at least partially observed and yet the leadership first gave a blow to this principle by introducing the partial supply system and then by encouraging attack on the concept of material incentives.

Indeed the leaders were pushing the movement towards more and more collectivization and were also unwilling to apply the brakes when overzealous cadres took the movement towards extremes, although they were forced to do it a few months later. Apparently, the leaders were reacting under the impact of fantastic and highly exaggerated reports of phenomenal increases in production in all branches. They had convinced themselves that agricultural production had nearly doubled[75] and that steel had reached the 11 million

ton mark. Similar increases were being claimed in shrill propaganda being carried on all over the country. The belief in such unprecedented progress led to further excesses in the execution of the commune policies of the regime. The experience of China has been that most changes are sought to be introduced as mass movements, in consonance with Mao's theory of the mass line, and invariably they have tended to go to extremes. Inevitably, the mistake of excesses was made in this case too.

Considering the issue in the limited context which has been mentioned above, Peking committed the twin mistakes of overzealousness and complacency. Both the leadership and the cadres were carried away in their enthusiasm for the "magic wands" of the communes and the big leap and they also became complacent about the agricultural situation of the country.

To take the last problem first, the leaders no less than the cadres had been so much propagandized by their own reports of unbelievable increases in production that they thought they had solved the agricultural problem of China and became complacent. This was evident from the instructions of the leadership to provincial and local leadership to switch attention from agricultural to industrial production. The resolution of the Central Committee on the communes had itself envisaged this change and subsequently Mao Tse-tung said in a speech to the Supreme State Conference that "in view of the increasing pressure exerted by the swift development of agricultural production on industry and the fact that a comparatively firm basis and comparatively mature experiences had been secured in the emphasis on agricultural production and rural work, it was necessary to shift the emphasis of leadership at an appropriate time from agricultural and rural work to industrial construction. The leading organs at the central and provincial levels had to take a firm grip of industry by one hand and agriculture by the other and from now on should put the emphasis on industry."[78]

Complacency and blind belief in their own propaganda had reached such a stage that the Chinese leaders began seriously advocating reduction of acreage under cultivation and the extraction of higher yields from a smaller amount of land. Liu Shao-ch'i said after an inspection tour between 19 September and 28 September that, during his tour of Hopei and Honan provinces, some secretaries of the *hsien* party committee believed it much more economical to

cultivate a smaller area of "high-yielding land" than big areas of low-yield land. They thought that of the total arable land of China only one-third of land need be sown with crops, one-third planted with trees and flowers and the rest, that is one-third, would lie fallow. Liu Shao-ch'i added: "To reduce the area of land cultivated, improve cultivation and at the same time increase output is a question of fundamental significance to agricultural economics. I should like all localities to work out the possible effects and study the question well."[77]

Wish is often father to thought. And as soon as the thought came, the Chinese communists believed they could start acting upon it. Grandiose plans came to be formulated in different provinces for reducing the acreage under cultivation and concentrating sowing on only so-called high-yielding lands.

Not only that, the Chinese communists began to claim that the whole idea had originated from Mao Tse-tung. For instance, a *New China News Agency* report said that the possibility of "raising the per hectare yield without limit" had opened a new way of developing agricultural production—"the basic farm system" in which the increase of grain output was obtained through reduction of the farm land and the raising of the per hectare yield. This measure, it claimed, was the "first step towards the three-system proposed by Chairman Mao Tse-tung." In applying this system, it said, the farm land was divided into three parts, one-third was used for growing crops, another third lay fallow, and the remaining third was to be used for growing trees and flowers.[78] The report also claimed that a number of provinces had already mapped out plans to reduce their farm land and concentrate their efforts on intensive cultivation on the remaining part next year. The Kwangtung province would reduce its farm land by 41 per cent next year, Inner Mongolia by one-half, and Heilungkiang by 25 per cent.

Another report by an NCNA special correspondent on the so-called "basic farm land system" had it that Shansi province, which had "pioneered" the new system this year, had decided to reduce its own area from 3,066,000 hectares in 1958 to 2,133,000 hectares in 1959. Even arid Kansu province planned to reduce its sown area from 4.13 million hectares this year to 3 million hectares in 1959. In Shantung, which had the largest farming area of all the provinces in east China, the area sown to wheat had been cut

by one million hectares and 18 per cent of this sown area had been "singled out for particularly intensive cultivation with the object of harvesting super-high yields."[79] As the new farming system covered larger areas, it was claimed, not only would the arable land be reduced but the number of people engaged in agricultural production would also be reduced. The manpower "thus saved" could go to industry, communication, science, and culture.[80]

Apart from the complacency, the new drive for establishing industries in the communes diverted attention and resources to the detriment of agricultural production. What was essentially a political movement, namely, the mass production of crude iron and steel, played havoc with the utilization of labour normally engaged in agricultural production. One little fact would vividly illustrate the problem. In a report on the stituation in Honan province, the *Jen-min Jih-pao* lamented that while the old *hsien* leadership organs knew how to make overall arrangement for labour, it was a different story with regard to the communes. In the period of the "all-out development of iron and steel production," the "first and second grade" leadership cadres of the communes all left for iron and steel production. The "third and fourth grade" leadership cadres, who stayed behind, complained the *Jeh-min Jin-pao*, were not good in making "strategic dispositions." This was "one of the most important reasons" why "some people's communes" showed "low efficiency" and failed to develop agricultural production, "in spite of high labour attendance."[81]

Citing another instance the paper pointed out that in Ch'aoying People's Commune of Washen *hsien* in Kansu province, nearly 60 per cent of the labour force was deployed in iron and steel production and only 40 per cent was left for agricultural production. "Some members" of the commune "lost faith" in their capacity to fulfil their "agricultural production tasks." The party committee of the commune "organized the masses" to discuss the question of labour shortage and finally decided to rally all their power (labour power, leadership power, and technical power) to work on one plot and then another.[82] Such instances must have been quite numerous to merit serious attention in an editorial of this official party newspaper.

MOBILITY OF LABOUR

The other mistake of overzealousness also led to many distortions. The uprooting of the peasant from his locale proved to be the cause of a great many troubles. Take, for instance, the case of Hanchiahua reported with warm praise by a correspondent of the *Jen-min Jih-pao*. As he approached the Hanchiahua people's communes, he met more and more young men and women who were "bent over, engaged in weeding on the land on which sweet potatoes are cultivated." In passing by them, he enquired, "you must be the people of Hanchiahua." "No, I came from Mengliang-chia." "I am from Chiangchiatsu." "And she lives at Mingy-nehtien, more than 10 li from this place." The correspondent goes on to say that, seeing his confused look, one of the young men "hastened to explain the situation." They were members of the iron and steel shock brigade. "Today an army of 1,200 is engaged in mopping up operations to uproot all weed on sweet potato land," he said, "we have built communes, and so large armies are being mobilized for battle."[83] And the correspondent added, "What did it matter if their hands were blistered, for they were working for the commune. What did it matter if they had to travel more than 10 li to work, for the entire field army was being thrown into battle. On the land of the commune, a new labour force is taking shape."[84]

Similarly, the propaganda organs of the Chinese communists poke about the "new rise" in "communist-thinking" in the countryside. A report from Ch'aoying People's Commune in Honan spoke glowingly about the new spirit. After its establishment, the commune distributed manpower and resources under centralized plans and work immediately began on the Suhsienshih *hsiang* reservoir. Several thousand miners came to the mines in Szekutien *hsiang*. Land boundaries were removed on several thousand mow; mines, rivers, and grazing grounds could be fully utilized. And this is how work began: "At day-break, bells were rung and whistles were blown to assemble in the Ch'aoying co-operative. In about a quarter of an hour, the peasants lined up. At the command of company and squad commanders, the teams marched to the fields, holding flags. Here one no longer sees peasants in groups of two or three smoking and going slowly and leisurely to

the fields, what one hears are sounds of measured steps and marching songs."[85]

The report further said that, to suit collective labour and living, the commune launched a movement for "merging villages and moving from one dwelling to another." Peasants in groups carried their luggage and moved to localities "near to their jobs." "How marvellous is the change!" exclaimed the report. Since ancient times the peasants had treasured their homes left over by their ancestors above everything else. Now that private plots, houses, and part of livestock had come under commune ownership, "all the ties that bind the peasants are broken and they feel relaxed." They said: "It makes no difference where we move. Anyway, we are in our Ch'aoying home." And the report added: "There is nothing in their old homes for them to long for. The commune is their home."[86] Mess halls and nurseries sprang up in villages. "All houses are locked, with their dwellers going to the fields and factories. One can no longer see the phenomenon in which each family cooks and rears its children. The structure of individual families which had existed for thousands of years had been completely smashed. When they return from their work, the peasants take their children from the nurseries and the whole family happily takes meals in a mess hall. When they come off duty in the evening, all members of the production teams gather together in the mess halls, reading newspapers, learning culture, or singing."[87]

Another report from Wuhan spoke of a "brand new village" complete with a park, sports ground, a "cultural palace," a club, and other amenities being built by a people's commune for its members on the outskirts of Wuhan city. "New dwellings" for the peasants of "red or grey brick and tiles with glass windows" were being built to replace old earthen cottages with thatched roofs. Each family was to have three rooms and all the houses would have electricity. This was the first of the five villages that the Hung-ch'i People's Commune was planning to build in the next few months. Construction in the villages was being paid for by the commune itself. In the centre of the village were a public service restaurant, a school, a nursery, a swimming pool, and a sports ground where public meetings could also be held and where the militia could drill. Nearby were a park, a club, a reading room, and a big auditorium to hold 10,000 people.[88]

What emerges from the above picture is a mixture of fantasy and foolishness. The extremes to which collective living was being carried in many communes was also accompanied by an unbalanced movement towards egalitarianism in living and in compensation for one's labour. The authorities had already recommended to the communes the principle of half supply and half wage, the supply part described as the new communist element in distribution followed by the communes. While the wages were supposed to be distributed on the basis of "to each according to his labour," they were increasingly being regarded with distaste as the hang-over of hateful bourgeois legacy. An Tzu-wen, Director of the Organization Department of the CCP Central Committee, said that the wage system was a temporary concession to the bourgeois legacy. Another theoretical article in the *Jen-min Jih-pao* spoke of the wage system based on "to each according to his labour," a "bourgeois style legal right." An equal amount of pay for an equal amount of labour was fair, but when people who were not equal received the same pay, the fact meant inequality of enjoyment. Such a condition was "consistent with a certain level of expansion of production, the existence of differences between industrial and agricultural workers, and between mental and physical labour, and the state of the people's ideological consciousness." With the rapid expansion of production, it was the "basic task" of the country during the transition towards communism to gradually eliminate the vestiges of bourgeois legal rights and replace them by communist principles until the principle of "to each according to his needs is enforced."[89]

The ideologue further opined that it was even more important that in urban as well as in rural areas, in the *hsien, hsiang*, and co-operatives and in the mountainous areas or in the plains, "large-scale donation of labour" was increasingly developing and "great miracles of production and construction are being continually worked on that basis." The movement to "donate labour freely and selflessly" without any consideration for recompense was "developing universally among the broad working masses" in rural as well as urban areas, and thus "life itself was incessantly destroying the vestiges of the old legal rights."[90]

CONFISCATION OF SELF-RETAINED PLOTS

Official propaganda even tried to give the impression that the peasants were happy to part with self-retained plots and wind up their subsidiary production which so far had been a source of valuable additional income. Chang Wen, a member of Hanchiahua People's Commune, expressed satisfaction at the confiscation of the self-retained plots. They were the root of evil, he said. They were the cause of production not being developed evenly. The Director of the People's Commune of Hanchiahua claimed that the peasants were happy that they no longer had to pay attention to berries raised on their self-retained lands. Of course, the real reason why the Director was happy was that the party cadres no longer had to face the problem of peasants giving excessive attention to their own tiny plots. Each year, at the time of the wheat harvest, the peasants would take their berries to Peking or Shihchiachuang for sale. This did not leave anybody behind to participate in reaping the wheat harvest. Some members devoted all their attention to raising their own pigs and would pay no heed to the weeds that grew tall in the sweet potato fields.[91]

As soon as the commune was formed all the self-retained plots of more than 69,000 members were transferred to the ownership of the commune and "many also turned over their pigs with their values converted into cash." This not only added more than 2,000 mow of land to the farm land, but "more important still, it cut off still the final remnants of the system of private ownership."[92]

In view of all these fantastic ideas given currency to by the propaganda organs of communist China, it was not surprising that there was considerable confusion among the peasantry no less than the cadres about the exact meaning and scope of the communes. The leadership itself blew hot and cold over the issues of collective living, ownership, distribution, wages, free supplies, the stage of socialism and communism that the commune represented, and so on, so forth. Many cadres in their enthusiasm carried the movement towards extremes. Not unnaturally, the peasants were found to have all kinds of notions about the communes.

Some of them, it was stated, thought that the communes belonged to the State and that, therefore, they were working for the

State. Accordingly, they felt that "when you want to have your meals, just go to the grain depot for rice, when you want to draw your pay, just go to the bank, but whether production is satisfactory or not, it is the government's business."[93] In a commune in Canton province it was found that more than 2,000 persons were absent from work everyday. Some of them thought that the great era of communism had already set in, and so they demanded higher wages, larger messing allowances, and more rest.[94]

PROBLEMS OF THE SUPPLY SYSTEM

Serious problems had also been raised by the system of half-supply and half-wage which was looked upon as a step nearer to the final stage of communism. Those who had initially expressed the apprehension that the supply system would make the people lazy had been rebutted by the *Jen-min Jin-pao* with the scathing remark that during the period of revolutionary struggle (when the communists had not captured power) the people had worked hard under the State supply system without asking for any remuneration.[95] But the experience of the working of the supply system in the communes gave rise to serious doubts about its feasibility; the peasant's attitude could be summed up as: "If I do not work well at the most I receive only one yuan less than the others."[96] So obviously, why work unnecessarily hard! As a result, the enthusiasm for working hard flagged.

Defects in the running of community dining halls also became apparent. As pointed out earlier, most of the communes were struggling to provide free grain, let alone vegetables and other eatables. The result was that peasants still had to cook at home and bring over the food to the mess hall to be supplied with rice or bread. Some communes even charged for hot water which the Chinese habitually take with meals. This was sharply criticized by the leadership which wanted the communes to serve rice as well as vegetables and to supply hot water.[97] The management of these mess halls was far from satisfactory. The leading cadres in the commune thought that the mess hall work was a toilsome and dirty job.

The young people did not want to work in them, as they regarded it as a "low-class job" without any future. According to official

propaganda, the cadres allowed "landlords, rich peasants, counter-revolutionaries, and other wicked elements" to be assigned to work in the mess halls, instead of poor and middle peasants. Because of such "negligence" of "political constituents of mess halls' staff," cases of dropping poison into food by "landlords, rich peasants, and counter-revolutionaries" occurred one after another.[98] In any case, management of mess halls was very defective and there was considerable dissatisfaction with them.

EXCESSIVE CENTRALIZATION

There were also reports of excessive centralization of management and of too rigid a control by the commune party leadership. The rights and powers of the production brigades had been left vague and were freely disregarded. They had little initiative in matters of planning or deployment of labour and resources. Moreover, the party cadres tended to take charge of everything. The technical inexperience of the party cadres led to inefficiency and waste. The deployment of large numbers of peasants on big projects outside their production areas adversely affected production.[99] Further, there was a pronounced tendency to concentrate on speed at the expense of quality. There were instances reported of grain and cotton lying in the fields with no one to collect them. The back-breaking hard work in the big leap forward was also telling on the health of the peasants for lack of sufficient rest.[100]

Another defect highlighted in the functioning of communes in some places at least was "departmentalism"—that is, the party cadres in a commune thinking only of the "narrow interests" of their own commune, brigade, or team, as the case may be. This was serious enough to prompt the First Secretary of the Kwangtung Provincial Communist Party to write that if "dapartmentalism among the cadres is not eliminated, there is danger that communes would become a near-empty structure. In fact, certain cadres have already become corrupt and degenerate."[101]

This problem was particularly serious in matters concerning grain, finance, and subsidiary foodstuffs. For instance, the Li-wu production team in the Wu-sha area in Canton had reportedly concealed 17,000 catties of grain to ensure that in case the commune

should fail to supply free meals, it would have sufficient grain for consumption by its members.[102] Some cadres, the *Jen-min Jin-pao* complained, had concealed the output figures and had spent public reserves rather lavishly. It also deplored instances of idling, waste, and inefficiency.[103]

THE DECEMBER RESOLUTION

Clearly, the excesses of communization had created a serious situation. The movement, as all such movements do, had inevitably gone to extremes and needed to be curbed lest there should be a serious impact on production. A period of consolidation had to be ushered in. The ambivalence of the party leadership and even its encouragement to the leap towards greater and greater communization had contributed to the excesses committed by the cadres who generally tended to go two steps ahead in order to prove their enthusiasm and their loyalty. Moreover, once the competition had started between different localities in vying with each other in claims about increases in production and progress in communization, there was no end to it. This might perhaps explain why the leadership went so wrong in assessing the economic progress made during the big leap period. In any case, the central leadership had to give serious attention to the situation and apply some brakes before the situation got out of hand. There is no evidence to show that any basic rethinking was done by the leaders, but certain "concessions" were plainly necessary to save the situation from further deterioration. The leadership only felt the need for applying a few brakes and granting some concessions in regard to issues like over-centralization, utilization of labour, ownership, distribution, and collectivization of living.

The Central Committee of the Chinese Communist Party was called into session in December 1958 to take stock of the situation. It passed a "Resolution on Some Questions concerning the People's Communes," giving broad directions on production, distribution, and organization in the communes.[104]

The chief objective of the December resolution was to induce more moderation and to curb some of the excesses committed under the impact of a race towards the "golden era of communism" which had been sought to be introduced in China in the shortest

possible time. The resolution now said:

> From now on the task of confronting the people of our country is ... to develop the social productive forces at high speed, to advance the industrialization of the country, industrialization of the communes, and mechanization and electrification of agriculture, and to effect the gradual transition from socialist collective ownership to socialist ownership by the whole people. How soon the transition from collective ownership to ownership by the whole people can be effected will be determined by objective factors and not by mere wishful thinking that it can be done at any time we want it.... Thus, this transition will be realized by stages and by groups on a national scale only after a considerable time.

Regarding the distribution of income, the resolution declared:

> The communist system of distribution is more rational; but it can be put into effect only when there is a great abundance of social products. In the absence of this condition, any negation of the principle of "to each according to his work" will tend to dampen the working enthusiasm of the people and is, therefore, disadvantageous.... For this reason in the income of commune members the portion constituting the wages paid according to work done must occupy an important place... the commune must strive gradually to increase the wages of their members at a rate faster than that portion of their income which comes under the heading of free supply.... Any premature attempt to negate the principle of "to each according to his work"... is undoubtedly a utopian concept that cannot possibly succeed.... In general it should be made possible for no less than 90 per cent of the members to increase their income as compared with the previous year while the rest should get no less than in the previous year.

Regarding individual private property, it said: "It should be made known among the masses that the means of livelihood owned by members (including houses, clothing, bedding, and furniture) and their deposits in banks and credit co-operatives will remain their own property."

It went even further and declared: "Members can retain odd trees around their houses, small farm tools, small instruments, small domestic animals and poultry, they can also continue to engage in small domestic sideline occupations on the conditions that these do not hamper their taking part in collective labour."

On livelihood, the resolution laid down:

> In leading the work of the commune, the party must care for the people and correct the tendency to see only things and not human beings.... It is wrong to set production and people's livelihood against each other and to imagine that attention to the livelihood of the masses will hamper production.... At present... eight hours for sleep and four hours for meals and recreation ... must be guaranteed every day and this must not be reduced.... Community kitchens should be well run.... It is permissible for some commune members to cook at home.... Nurseries and kindergartens should be run well.... The parents may decide whether it is necessary for the children to board there and may take them home at any time.

Although the existing old style houses were to be constructed gradually, the resolution laid down that in building residential quarters, attention should be paid to build the houses in such a way that married couples as well as the young and the aged of each family could be together.

Regarding the forms of management of the communes, the Central Committee noted:

> The principle of unified leadership and management at different levels should be put into effect.... The administrative set-up in the commune in general can be divided into three levels, namely, the commune administrative committee, the administrative district (or production brigade) and the production team.... Under the unified leadership of the administrative committee, the necessary powers should be given to the administrative district (production brigade) and production team over such matters as the organization of production work and capital construction, finance, and welfare.... The system of responsibility for a given task at a given time must continue to be applied and reinforced in production and other tasks.[105]

Thus the genesis of the "retreat" from some of the original features of the rural people's communes. Obviously, despite the claims of the fantastic increases in agricultural production, the party leadership became somewhat concerned with the impact of the changes on production. In order to prevent further deterioration of the situation, before the cadres became "too giddy with success," the party leadership made some moves to rectify the state of affairs and pull the movement back to a certain extent from the extremes to which it had gone in the first flush of enthusiasm, both of the leadership and the cadres. The December resolution criticized excessive centralization, commended greater distribution of income according to work in order to provide some incentive to the peasantry, stressed the strengthening of labour management and fixing of responsibility for various production tasks, and in general called for moderation. How far the "retreat" was genuine and how far the party's attitude was still ambivalent will be discussed in subsequent chapters. Suffice it to make a general remark here that the party leadership hoped by making small concessions to the peasantry to keep the essence of the commune system as well as to maintain the tempo of the big leap in agriculture through the commune organization and through continued hard work.

NOTES

[1]Yang Po, "The Simultaneous Development of Industry and Agriculture," *Cheng-chih Hsueh-hsi*, No. 11, 13 November 1957.

[2]*Ibid.*

[3]*Ibid.*

[4]*Ta-kung Pao*, 4 December 1957.

[5]*Jen-min Jih-pao*, editorial, 12 January 1958.

[6]*New China News Agency*, Peking, 22 February 1958.

[7]*Chi-hua Ching-chi*, No. 9, 9 September 1957.

[8]*Ibid.*

[9]Wang Kuang-wei, "How to Organize Agricultural Labour Power," *Chi-hua Ching-chi*, No. 8, 9 August 1957.

[10]*Jen-min Jih-pao*, 27 November 1957.

[11]*New China News Agency*, Peking, 23 February 1958.

[12]*Jen-min Jih-pao*, 28 March 1958.

[13]*Lao-tung*, Peking, 3 November 1957.

[14]Huang Ching (Chairman of the National Technological Commission),

"On Agricultural Mechanization of China," *Ch'i-hsueh Kung-yeh*, 6 November 1957. See also Huang Ching's report on "Simultaneous Development of Industry and Agriculture and the Question of Agricultural Mechanization" at a meeting in Peking, *Hsueh-hsi*, Peking, 18 January 1958.

[15]*Jen-min Jih-pao*, editorial, 22 March 1958.

[16]*New China News Agency*, Peking, 20 March 1958.

[17]*Jen-min Jih-pao*, editorial, 22 March 1958.

[18]*Ibid.*, editorial, 12 May 1958.

[19]Liao Chi-li, "Making Total Value of Local Industrial Output Catch up with or Surpass that of Agricultural Output," *Ta-kung Pao*, Peking, 6 April 1958.

[20]*Jen-min Jih-pao*, editorial, 12 May 1958.

[21]*Ibid.* One yuan is roughly equal to two rupees at the official exchange rate.

[22]*Ta-kung Pao*, 6 April 1958.

[23]*Pei-ching Jih-pao*, 22 July 1958; translated in *Survey of China Mainland Press*, No. 1862, 26 September 1958.

[24]*Ibid.*

[25]"Experience of Liaoning Province in the Merger of Co-operatives to form Large Co-operatives" by Rural Work Department, CCP Liaoning Provincial Committee, *Jen-min Jih-pao*, 2 September 1958.

[26]Geoffrey Hudson, "Introduction" in the *Chinese Communes*, Soviet Survey, London, 1959; see also Cheng Chu-yuan, *People's Communes*, Union Press, Hong Kong, 1959, pp. 89-100.

[27]*New China News Agency*, 31 August 1958.

[28]*Ibid.*

[29]*Ibid.*

[30]"Questions and Answers on People's Communes," *Kung-jen Jih-pao*, 8 September 1958.

[31]*New China News Agency*, Peking, 21 September 1958.

[32]*Ibid.*, 3 September 1938.

[33]*Ibid.*, 1, 2, 3, 4, and 5 September.

[34]*Ibid.*, 21 September 1958.

[35]*Ibid.*

[36]*Ten Great Years*, compiled by the State Statistical Bureau, Foreign Languages Press, Peking, 1960, p. 43.

[37]*Hung-ch'i*, No. 7, September 1958.

[38]*Chung-kuo Ch'ing-nien Pao*, 16 September 1958.

[39]*New China News Agency*, 30 September 1958.

[40]*Ibid.*, 16 October 1958.

[41]"Experience of Liaoning Provincial Committee," Rural Work Department of the Liaoning Provincial Committee, *Jen-min Jih-pao*, 2 September 1958.

[42]*Resolution of the Central Committee*, fn. 27.

[43]Experience of Liaoning, fn. 38.

[44]*Jen-min Jih-pao*, 4 September 1958.

[45]"Questions and Answers on People's Communes," *Kung-jen Jih-pao*, 8 September 1958.

[46]For details, see *Jen-min Jih-pao* of 18, 20, 21 August 1958 and 1 and 4 September 1958.

[47]*Ibid.*, 21 August 1958.
[48]*New China News Agency*, 30 September 1958.
[49]*Jen-min Jih-pao*, 9 October 1958.
[50]*Ibid.*, 21 August 1958.
[51]*New China News Agency*, 30 December 1958.
[52]Resolution of the Central Committee, 29 August 1958.
[53]*Kuang-ming Jih-pao*, 12 September 1958.
[54]*Peking Review*, No.11, 16 September 1958; *Hung-ch'i*, No.9, 1 October 1958.
[55]*Hung-ch'i*, No. 8, 16 September 1958; *Jen-min Jih-pao*, 21 August 1958.
[56]*Jen-min Jih-pao*, 3 September 1958.
[57]This was the constant theme of Chinese propaganda at that time.
[58]John Myrdal, *Report from a Chinese Village*, pp. 163-5.
[59]"Several Questions on Public Mess Halls," Office for Collective Life of the Masses, CCP Hopei Provincial Committee, *Jen-min Jih-pao*, 3 September 1958.
[60]*Ibid.*
[61]"Promote the Establishment of Public Mess Halls in Rural Areas," *Peking Jih-pao*, 22 July 1958.
[62]"Why is it Necessary to Place Children under Full Care of Nurseries and Encourage Primary School Students to become Boarders," *Chung-kuo Ch'ing-nien*, 16 October 1950.
[63]*Ibid.*
[64]"Supply Grain Plus Wages System Introduced in Honan," *Jen-min Jih-pao*, 29 September 1958.
[65]*Ibid.*
[66]*Ta-kung Pao*, 25 October 1958.
[67]*Jen-min Jih-pao*, 9 October 1958.
[68]*Ibid.*, 13 October 1958.
[69]*Ibid.*, 18 October 1958; see also A.V. Sherman, "The People's Communes" in *The Chinese Communes*, p. 39.
[70]*Ching-ch'i Yen-chiu*, 11 November 1958.
[71]*Honan Jih-pao*, 21 September 1958.
[72]Chao Yung-feng and Tung Ch'ao-yuan, "How to Implement Half State-Supply and Half-Wage System, a Measure taken by the Hsuanchuang People's Commune," *Ta-kung Pao*, 25 October 1958.
[73]*Ibid.*
[74]*Ibid.*
[75]An NCNA report on the "phenomenal leap forward in China's agriculture" estimated grain production to be about 350 million tons—90 per cent more than the previous year. (*New China News Agency*, Peking, 23 September 1958.) Teng Tzu-hui, Vice-Premier, said in a speech to the National Conference of Delegates from Farming Units Outstanding in Building Socialism in Peking in the last week of December that the output of staple food crops had reached about 375 million tons and that of cotton 3.35 million tons—both more than double of last year. (*New China News Agency*, Peking, 25 December 1965.)
[76]*New China News Agency*, Peking, 8 September 1958.
[77]*Ibid.*, 29 September 1958.
[78]"Measures to Attain 1959 Grain Target," *New China News Agency*, Peking,

23 December 1958.

[79]*Ibid.*, 25 December 1958.

[80]*Ibid.*

[81]*Jen-min Jih-pao*, editorial, 9 October 1958.

[82]*Ibid.*

[83]Chin Feng, "New People are Growing up—Sketch of Hanchiahua People's Commune in Ting *hsien*," *Jen-min Jih-pao*, 6 September 1958.

[84]*Ibid.*

[85]"New Rise in Communist Thinking—the Ch'aoying People's Commune in Sheng Ch'eng, Honan," by Kuo Mei-he, correspondent of *Chung-kuo Ching-nien Pao*, 27 September 1958.

[86]*Ibid.*

[87]*Ibid.*

[88]*New China News Agency*, Wuhan, 28 November 1958.

[89]Wu Chun-chi, "Communism Seen through People's Communes," *Jen-min Jih-pao*, 1 October 1958.

[90]*Ibid.*

[91]Fn. 88.

[92]*Ibid.*

[93]*Shu-chiao Nung-nien Pao*, Canton, 12 January 1959.

[94]*Ibid.*

[95]*Jen-min Jih-pao*, 13 October 1958.

[96]*Ibid.*, 25 February 1959.

[97]*Ibid.*, 10 November 1958.

[98]*Ibid.*, 6 November 1958.

[99]Fn. 93.

[100]*Jen-min Jih-pao*, 28 November 1958.

[101]*Ibid.*, 25 January 1959.

[102]*Ibid.*, 25 February 1958.

[103]*Ibid.*, 19 December 1958.

[104]For English text of the December Resolution, see *Peking Review*, No. 43, 23 December 1958, pp. 10-23.

[105]*Ibid.*

CHAPTER THREE

ONE STEP BACKWARDS?

IT HAS BEEN noted in the last chapter that the December resolution introduced a note of moderation in the commune movement. Some very extreme features were softened and an attempt was made to provide a few more material incentives to the peasantry to maintain their enthusiasm for increasing production. There was, however, as yet no basic rethinking on this question and the leadership was in no mood to resile from the course it had charted for the country. Only a phase of consolidation was being contemplated with some rigorous aspects given up, at least for the time being, until in future material and spiritual conditions were ripe for those changes.

After a careful study of the developments of those times, this author has come to the conclusion that it was some of the top, dominant leadership that were responsible for the extremes to which the commune organization went. No doubt, the cadres, vying with each other for the rapid advance towards communism, might have gone one step ahead, but the initial push came from members of the dominant leadership. The commune movement had been pushed by Mao Tse-tung himself, and it was Mao who had asked for shifting of attention, relatively speaking, by the provincial and *hsien* leadership from agriculture to industry. It was Liu Shao-ch'i who had spoken of the coming dawn of communism It was again Liu Shao-ch'i who had encouraged the grandiose scheme of securing high yield from a smaller amount of land and reducing cultivated acreage. Encouragement to this was also lent by Teng Hsiao-p'ing, Secretary-General of the Chinese Communist Party. Again, it was Liu Shao-ch'i who had backed up the drive towards taking children under the almost exclusive care of the State and to push the establishment of boarding schools and whole-time nurseries everywhere.[1] Take the frantic drive towards the establishment of native blast furnaces for smelting steel that swept the country during the autumn of 1958, and led to so much wastage of energy and resources. This was encouraged by the top

leadership. For instance, P'eng Chen, the powerful Mayor of Paking and an important member of the Politbureau, said in an inspection tour of rural people's communes that everybody

> who knew cooking knew how to temper steel. This appeal to the masses is something very precious and indispensable as far as the speeding up of the industrialization process is concerned. We, therefore, must resolutely carry out the guiding principles of launching the mass movement on the industrial front. Only by having a good start and getting well on the way in our drive to produce steel in the native way will it be possible to step up steel output swiftly throughout the country.[2]

However, as mentioned in the last chapter, the leadership became aware of at least some of the problems that had arisen and their impact on production and so the need for applying some brakes was felt—hence the December resolution. It was stated that "some cadres" did not listen attentively to the opinions of the masses, that some of them did not take a "realistic attitude, exaggerated achievements, and concealed shortcomings," that some of them paid "undue attention" to production and neglected livelihood and that some of them were indifferent to the problems of the masses.[3] The main points of the December resolution have already been noted. At the same time, conferences of National Representatives of Advanced Units in Agricultural Socialist Construction as well as of directors of rural work departments of the CCP Central Committee were held in Peking, the former in December and the latter in January to discuss the problems and measures for meeting them in the light of the December resolution. Similarly, conferences of party representatives in charge of rural work were held in various provinces. The main objective of these conferences was to carry out the decisions of the party for the "tidying up" of the communes.

IDEOLOGY, PRODUCTION, LIVELIHOOD

Essentially, the party strategy seemed to be to concentrate attention simultaneously on three fronts: ideology, production, and livelihood. It was apparently hoped by the authorities that, by

raising the ideological consciousness of peasantry through a new and sustained communist educational campaign and at the same time giving attention to the problems of livelihood of the peasantry, they would be able to solve the problems attendant on the organization of communes. For instance, the CCP Tsinghai Provincial Committee held a "telephonic conference" on 29 November of "responsible members" of party and the government at the provincial level and including the various *chou*, municipalities, and *hsien*, and decided on developing a large-scale movement for the tidying up of the people's communes. The meeting held that "primary attention" must be paid to the ideological work by raising the political consciousness of all members of the communes. "The movement of socialist education currently developed must be pushed forward to reach a high tide."[4]

Similarly, the CCP Honan Provincial Committee held an "on-the-spot" meeting at Changko *hsien* for tidying up of the communes and decided to launch upon, as a primary step in this process of tidying up and consolidation of communes, a "penetrating" socialist and communist education campaign. The "major contents" of this educational movement, it was decided, would be: "propaganda on the current political situation and tasks; education in the superiority of people's communes and the future of communism; manifestation of the communist ethical character and labour attitude, and criticism of the ideological remnants of the bourgeoisie."[5]

This stress on ideological education was the core of the new decisions to launch a campaign for "tidying up" the communes. This was also clear from the decision of the national conference of directors of rural work departments of CCP committees in Peking in the middle of January. This 14-day conference ending 26 January "considered it important" to clarify the minds of cadres and the masses about policy matters and to "entertain a deep concern for the livelihood of the people in accordance with the principle of equal emphasis on ideology, production, and living and the provisions of the 6th Plenum of the 8th CCP Central Committee." Lest there should be any misunderstanding that the authorities wanted to revise basically the commune organization, the directors called for "opposition to any underestimation of the determination and driving vigour of the masses" and "suggested that in the course of revamping the people's communes, a high tide in production be organized

together with a mass emulation movement of the communist style which tempers competition with mutual concern and assistance."[6]

Among other decisions that the conference took was that "efficient commune management" was an "important guarantee" for further increase. Since people's communes were both "large and communal," they "should operate on a higher level of planning under the state than the agricultural producer co-operatives and should have manifold plans and appropriate arrangements for agricultural production, labour distribution, supply and purchase, finance, consumption and accumulation, distribution of profits, capital construction, and transportation."[7]

The directors also recommended that the commune should have four sets of plans: long-range construction plans, covering three or five years; an annual plan; a quarterly plan; and a short period or monthly plan. In the assignment of manpower, the people's communes should place equal emphasis on industrial and agricultural production as well as on "production for the sake of self-sufficiency and production for sale as commodities." The development of multiple economy should be stressed to insure a general leap forward of agriculture, forestry, animal husbandry, subsidiary occupations, and fisheries.[8]

CHANGES IN DISTRIBUTION

Besides the ideological campaign, the second aspect of the strategy of the party's leadership was to tighten up management and labour administration of the communes and make some concessions in distribution in order to sustain continued hard work by the peasantry during the second and what Liu Shao-ch'i described as the most decisive year of the big leap forward.[9] In a directive the Central Committee of the Chinese Communist Party commended the "stipulations drawn up by the CCP Hupeh Provincial Committee on Making Good Arrangements Concerning the Life of the People" and called upon all provinces, municipalities, and autonomous regions to "follow the example of the Hupeh Provincial Committee" and "formulate their own stipulations with due consideration to local conditions" and promulgate them for enforcement.[10]

The Hupeh stipulations attempted to make better arrangements for the livelihood of the people. They called for a rhythmic conti-

nuation of work and rest. "People must rest well in order to work well." Therefore, all district committees and *hsien* committees of the party were directed to ensure enough time for sleep, rest, and cultural and recreational activities. The commune members must be guaranteed a half-day rest period each week. The directive also asked for "proper operation of the public mess halls. If it is not well run, it will collapse.... It must guarantee that every one has enough to eat and that the food is as good as or better than that prepared at home." First, the people must have enough to eat both in grain-producing areas and non-grain producing areas, both in bumper harvest areas and in poor harvest areas. Secondly, the people must eat well. The food should be prepared in variety and should be tasty. "There should be both cooked dishes and soup, both meat and vegetables, both rice and congee, and also boiled water." Thirdly, the food should be clean and cooked under hygienic conditions. Fourthly, a public mess hall should have a dining room. Fifthly, a public mess hall should be "democratically managed." The management and cooks of the mess halls should be "elected by the masses, and the elite members, recognized by the masses as having contributed great achievements, should be appropriately awarded." Sixthly, according to the principle of "collectivism in the main and small freedom allowed," those who eat in mess halls might be given some freedoms. Sick people, the aged, small children, and expectant mothers might take their food home to eat. All households might be allowed to own "small stoves" and be allotted small quantities of fire-wood, grass, and bran so that in winter they might use their stoves to boil water, cook rice and dishes. The individual households should also be permitted to raise hogs, to keep poultry, to salt fish and meat, and prepare preserved vegetables.[11] However, the authorities asserted at the same time that the commune system by combining wages with supply in its distribution had basically solved the problem of meals and would solve all other problems eventually.[12]

The proper running of the mess halls and other collective welfare institutions like nurseries, kindergartens, and homes for the aged and a few changes in the distribution system were the chief measures for placating the peasantry and "tidying up" of the communes. The December resolution and other pronouncements at this time called for some increase in the portion given as wage (as contrasted with

the portion given as free supply) and to make it conform to the principle of "to each according to his work." It was now affirmed that there was no "negating the principle of material interests" and that "distribution according to the amount of labour performed" was a socialist principle and was not tantamount to putting "money in command," instead of politics in command.[13] The communes introduced a new form of distribution combining a wage system with the free-supply system. "The emergence of this communist factor must be recognized and reaffirmed in the first place," it was made clear. But it should also be realized that China was still a poor country, was still in the socialist stage, and was therefore still required to adopt the socialist principle of distribution according to the labour performed. Those who had earlier attacked the wage system and material interests as putting the bank-note in command were criticized for their "improper approach."[14]

WAGE DIFFERENTIALS

Proper wage differentials were, therefore, urged for different kinds of work. A Honan directive on the overhauling of the communes recommended, for instance, that criteria for wage differentials and the conditions determining the wage scale for any particular person were to be decided through mass discussions so that each commune member might obtain his reasonable remuneration. It suggested that the wages of commune members could best be classified into seven scales and that the difference between the highest scale and the lowest scale was "best fixed" at four times or even more, "without, however, being too great." The directive laid down that the wage scale for any particular commune member should be decided by his "physical strength, his labouring attitude, and his technical standard." Whether he was a worker, a peasant, a merchant, a student, or a service man should be considered as well as whether he engages in agriculture, forestry, animal husbandry, subsidiary occupation, or fishing. Those industrial and handicraft workers with a higher technical standard who were drawing a better wage than other commune members in the past should continue to do so. Every commune should see to it that wages were paid each month and that they were issued in cash.[15]

One particular measure which was adopted in Shansi was held

up for recommendation to all other provinces. This was the so-called "working day basic wage system" with regard to the wages of the commune members in addition to the system of free supply of meals. It was also referred to as the "working day basic pay system of labour assessment and wage unit recording." According to the official explanation of the working of this system, a commune member suggested his own number of working days and wages and this was publicly discussed and a decision taken by the approval of the management Chu Committee (the production brigade) on the basis of the commune member's capacity for labour and level of his skill or technical ability as to the basic number of working days a month for him. The monthly basic wages for the commune member was then obtained by dividing the approximate amount of wages available with the total number of working days.[16]

This "working day basic wage system" was claimed to be different from the system formerly in force either in the new commune organization or the old agricultural producer co-operative. The latter had a system of fixing the pay for every piece of work, assessment of labour and recording of wage units earned, payment of wages in advance during the year, settlement at the year end, and distribution of bonus according to the number of working days. It was also different from the system of "fixed grades and regular payment of wages" currently being enforced in the communes. According to the new system, on the basis of the intensity of different kinds of labour, the skill required and proximity to the place of labour, the quantity and quality of work that would be accomplished in a day by an average unit of labour power was determined, and that formed the norm of one working day (ten units of work). Then on the basis of the unified norm of a working day and the tasks that various units have to fulfil, the estimated units of work of each unit were determined. In this way the tasks, labour, and units of work between one production team and another were co-ordinated.

Further, after determination of the estimated total amount of wages and when the amount of wages for each working day were calculated 10 per cent was deducted as bonus to be paid to those who had done commendable work and another 20 per cent was deducted as "accumulated wages," to be paid upon settlement after the autumn harvest.

As regards rewards and punishment, each unit of labour power was required under normal conditions to put in a work attendance of 28 days a month and each female unit of labour power 25 days. When a member had one to four working days to his credit in excess of his required number of working days a month, he would be paid one and a half days' wages for each working day in excess. If he had five or more working days to his credit, he would be paid two days' wages for each working day in excess. These wages would be paid out of the fund reserved for "bonus wages." A member who had not completed his required number of working days would have his wages deducted accordingly. When a member was absent from work without good cause, although he might have completed the number of basic working days, he should be adequately criticized, "educated or punished" in order to uphold labour discipline.

This system, first introduced by the Hsiung-kuo People's Communes in Hungtung *hsien*, Shansi, was commended as "better than any other wage system under the present circumstances" and as being helpful to the "development of productive construction" in the rural areas.[17]

However, it may be noted that the leadership was still trying to give with one hand and take away with another or, at the very least, was still adopting an ambivalent or half-hearted attitude. It has been noted earlier, for instance, that the December resolution and other authoritative pronouncements had said that the personal property of the commune members was to be protected, including their houses, tools, small animals, and poultry. But as the Honan measures just outlined made it clear, when such donations had been made "voluntarily," they need not be returned to the previous owner. It said that houses which commune members had "voluntarily presented to the people's communes should remain the property of those people's commune and the ownership may not be reverted." Similarly, the trees and plants in the vicinity of commune members' houses, their tools, small animals, and poultry should still belong to those commune members, but where this ownership had been transferred to the people's communes, such ownership need not be reverted."[18] Now, as this writer personally observed, such "voluntary acts" in China are often made under the impact and pressure of a mass movement which invariably accompanies these acts, and these voluntary acts are also on a large scale. It is, therefore,

reasonable to assume that in the first phase of the commune movement, houses, trees, plants, tools, animals, and poultry[19] were "voluntarily donated" to the commune, which were not handed back. Moreover, the regime still insisted on the substitution of the previous work system with a monthly wage system and its combination with the supply system which reduced the scope of remuneration according to labour.

MANAGEMENT SYSTEM

Another aspect of the processes of "overhauling" and "tidying up" of the communes was some tightening of the management in order to provide for more flexibility and less rigid control from the top. This, it was hoped, would make for the running of communes more efficiently and thus lessen the grievances of the peasantry. The regulations promulgated by the CCP Shantung Provincial Committee on 11 January were typical of the changes that were sought to be introduced. These regulations handed down to all the district, municipal, *hsien*, and people's communes party committees called for the enforcement of "centralized leadership and decentralized management on the principle of democratic centralism."[20]

The administrative set-up of the commune was to be generally divided into three levels—commune administrative committee, production brigades, and production teams. Under the single leadership of the commune administrative committee, the production brigades and teams should be given some powers to organize production and capital construction and manage their fiscal affairs and welfare undertakings so that they could "bring their initiative into play." On the basis of unified State plans and on the principle of suiting local conditions, the commune administrative committee should draw up unified plans and set tasks for the production brigades which, in turn, should on the basis of the unified plans of the commune make concrete arrangements and see that these tasks were fulfilled. Simultaneously, with the drawing up of production plans, the commune administrative committees should draw up labour plans, fiscal plans, and collective welfare plans, and properly organize and allocate manpower and material and financial resources to ensure fulfilment of the production plans.[21]

Similarly, a report from Kiangsu stated that at a provincial

conference called by the CCP Kiangsu Provincial Committee 29 December-3 January for improving commune administration and management, it was decided that the labour organization of the people's communes should be divided into three levels—commune, control district (production brigade), and team. At the "present moment," the conference believed, one commune for one *hsiang* should be the size of communes in general. The labour organization of communes must gradually develop in the direction of factory-type organization. Specialization should be taken as an important step towards factory-type organization and for this reason the division of labour in a people's commune should achieve specialization as far as possible.[22]

Another report from Szechuan spoke of the Chaotu People's Commune of Chintang county adopting the system of dividing its controlling authority into three levels—the commune level, the cultivation area level (production brigade), and the production team level. The commune would exercise greater authority than the brigade and the team. All income should be handed over to the commune for redistribution according to an overall plan. Honorary and material awards might be given to the meritorious brigades and teams and individual commune members. In keeping with these three principles the commune might first assign agricultural production tasks to the brigades according to State plans. In the meantime, each brigade should formulate its own plans for the production of some subsidiary products which were needed by the community according to its local conditions; it could distribute and use its means of production according to an overall plan. Wherever possible, the brigade might transfer the control over medium and small production tools to production teams.[23]

Still another report from Kiangsi gave a detailed account of the instructions of CCP Kiangsi Provincial Committee to the rural cadres regarding strengthening of labour administration and the responsibility system in the rural communes. These called for the division of the administration into three levels: commune, production brigade, and production team. Production brigades were asked to take the former higher co-operatives as their base, while production teams were to take the mutual-aid teams of the former higher co-operative as their base (embracing about 30-35 households).[24]

The Kiangsi Provincial Committee asked the rural cadres to institute a "five-fixed" responsibility system among the commune and the production brigades and its teams. The "five-fixed" concerned the following: guaranteed targets of crop output and industrial output to be achieved by the production brigade and the team; investment standards set according to production needs, members' wage grade, and total amount of wages fixed according to conditions of labour; working rules stipulated according to production requirements; and plans for the use of labour power determined according to farming seasons.

It was further stipulated that in planning labour, the people's commune should "divide the front" and make overall arrangements for the labour power required by all sides, taking into account the State economic construction plan, the communes annual production plan, and the needs of various undertakings within the commune. The basis for allocation of labour was laid down as: (1) fulfil the State task of labour power distribution and aid national construction; (2) on the basis of fulfilling the production targets of grain, cotton, and oil-bearing crops and other major crops, organize properly the labour power required in the fields and in commune industry, forestry, animal husbandry, fisheries, and side-occupations; (3) while ensuring the fulfilment of current production tasks, organize appropriately the labour power necessary for the service undertakings, communications and transport, and cultural and health services within the commune.[25]

Summing up, it was clear that the party was concerned about the problem of over-centralization and the establishment of a sounder system of responsibility, but it was equally clear that only a very minimal decentralization was now being instituted and that the commune administrative committee remained the most powerful management body, making overall production plans and arrangements for the allocation of labour and resources and distribution of income. Moreover, while some places were expressing reservations about shock brigades of peasants for tackling various problems, the *Jen-min Jih-pao* hastened to commend the continued use of what was known as "field army operation" which, it said, was applied far and wide last autumn and was an "effective form of labour organization and mode of production." (The field army operation was the deployment of large-scale labour on an *ad hoc* and shock

basis on specific projects and agricultural or other jobs.) The paper said that in communes where the method was adopted, the autumn harvest was rapidly completed, the land was ploughed deep and fast, what was sown in time, and "native furnaces blossomed." At the same time, it hastened to add that this did not negate the importance of the responsibility system for production. Experience last year proved, it said, that the "field army operation" was but a temporary shock form of labour organization and mode of production since much of the farm work needed the regular and constant attention of "specialized and comprehensive production teams."[26]

NO MERGER OF PARTY AND COMMUNES

Another step that the Chinese authorities took was to undo the merger of the commune and the Communist Party branches. The party leadership revised its earlier view and said that the "government and commune may be one but party and commune may not be one."[27] It was said that the organization of existing *hsien* and *hsiang* was undergoing readjustment, but during the period of socialist revolution and socialist construction any change in the organizational form of the party must "strictly conform to the principles of being favourable to the consolidation of the proletarian dictatorship." The party's propaganda organs now complained that "quite a number of our comrades" thought that the incorporation of the functions of the government within the commune means literally the wrapping up of the party, the government, and the commune into one. "This obviously is not correct, for it relegates the party leadership to the level of ordinary administrative work and management." Under the sway of such thoughts, it was complained, the cadres adopted a series of erroneous methods of leadership such as keeping all business, big or small, on the shoulders of the party committees and thus crushing them with routine work.[28]

The adjustment of party and government administration in communes and *hsien* federation of communes took, generally speaking, three forms. In many cases the party committees and the commune administrative committees, the work departments of party committees, and work departments of communes were completely merged or they functioned together in the same commune office rooms.

In some cases, which were however not typical, party committee

departments and commune departments, wherever their nature of business was the same, were merged. For instance, the rural work departments of *hsien* party committees and the agricultural and forestry departments of federation of communes were merged; the finance and trade departments of *hsien* party committees and those of *hsien* federation of communes were merged. Some of the party committee departments, which were concerned solely with the party's work, such as the propaganda departments, remained separate and intact. Nor were the party committees and commune administrative committees merged. In still other cases, the existing party committee departments remained unchanged or underwent only minor readjustments but were being prepared for readjustment on a larger scale. The party committees were now asked to retain their separate identity.[29]

Apparently, the party leadership had become apprehensive that the merger was being utilized to bring about lessening of the party's role and leadership in the commune and wanted this to be asserted beyond question. It was claimed that some people thought that "once they have the commune they can dispense with the party, and can do what they call 'uniting party and commune as one.' Such opinion is wrong."[30] It was made clear that the party must "lead all" and that all the work of the commune must be "absolutely subordinated" to the "unified leadership of the party." There could be only one "political planning board"—the party committee. The party committee was responsible for supervision and inspection of the implementation of party decisions. Should party committees and commune administrative committees be completely united as one, the "boundary line between party and non-party would be blurred and the standard of the party would be lowered to that of ordinary mass organizations." It would affect the party committees' investigations and study of major problems and inspection of implementation of party policies and decisions. The party would "sink into the quagmire of routinism" and the party leadership would be weakened.[31]

MORE RATIONAL APPROACH TOWARDS AGRICULTURE

Gone also were the dreams about reducing the land under cultivation by sowing only "high-yield" lands and extracting unlimited

produce from them. That the contraction in the sown area had had very injurious effect on production was admitted indirectly by Teng Tzu-hui, Chief of the Rural Work Department of the Central Committee of the CCP, when he said in an important article: "At the time when the yield per unit area had not yet attained the expected level, to prematurely and one-sidedly emphasize small sown areas with high yields and to recklessly reduce sowing acreage and index of re-sowing will lead to results extremely detrimental to the present attempt to raise agricultural output." "Small sown area, high yield and big harvest" was a prospective plan, he said, which could not be totally or even largely fulfilled within the next ten years. The principle to be followed in the next few years was to cultivate high-yield land, on the one hand, and expand the sown acreage of low-yield land, on the other. This was the "new directive recently put forward by Chairman Mao with regard to agricultural production."[32]

There was also some more rational thinking about some of the pet slogans regarding agriculture, with particular reference to the so-called eight-point charter for the development of agriculture. This eight-point charter published in October 1958 included deep ploughing, close planting, liberal fertilizing, irrigation, use of quality seeds, and tool reforms. The party leadership believed that faithful adherence to these directions would lead to rapid growth of agriculture. It was particularly enthusiastic about close planting and deep ploughing which it thought were going to be its contribution to the rapid expansion of Chinese agricultural production and so it directed all the party branches in rural China to practise them. Close planting was particularly the "central link" of all the measures for increasing agricultural production. As usual, the directive of the party was applied indiscriminately, the planting being too close at places, and without due regard to local conditions. The result could not but be adverse in many areas and the party leadership had to ask for more caution in the application of this measure.

An editorial in the *Jen-min Jih-pao*, which is the pace-setter for policies in all such issues, advised the rural leadership that close planting must be rational. On the question of close planting, it said, the most controversial issue was what density of close planting could be called rational. The general principle was "to make the planting rationally close and to devise means in conformity with

local conditions. In actual work, we must adopt measures appropriate to the season and to the local conditions." It admitted that there were "some people who were inexperienced and advocated, 'the closer the better,' neglecting all other factors, such as irrigation, fertilizers, soil, seeds and labour.... In this way because of overdensity, they might even reduce the output, instead of increasing it."[33]

It complained that there were also people who seeing that the output was reduced in certain places, as a result of overdensity in close planting, began to doubt this measure, and even to think of giving it up entirely. It, however, exhorted all the rural cadres that close planting must be "rational," that the density must be decided according to the quality of the soil, the standard of management, the conditions of fertilizing and irrigation, etc., and that the principle of "the closer the better" was not correct.[34]

While the human and organizational problems were to prove more and more vexing in the next two years, some of the economic and technical problems were being realized by agricultural experts and technicians even at an early stage. The attempt of the communes to start developing in every direction regardless of resources and capacities, the desire to grow into self-sufficient units, to become more or less States within the State, was already worrying the experts in early 1959. They were concerned with the fact that the role of economic geography in the plans of development of various areas was being completely forgotten.

A group of twenty experts of the geography department of the Peking Teacher's Normal College, for instance, found in a survey of many communes that not enough attention was being given to natural conditions, characteristics, and economic geography of the area in laying down its plans of development. In the drive for self-support, the communes did not stop to weigh carefully to what degree the communes should achieve self-sufficiency, in what products the communes could feasibly achieve self-sufficiency, and what agricultural and industrial activities the communes would possibly undertake.[35]

They cited the instance of a commune only ten kilometers from Foochow in Fukien province, with a population of 40,300 and farm land of only 25,000 mow of land—a typical overpopulated area—where the traditional crops were rice and citrus fruit, followed by

wheat, rape seed, and vegetables. The production programme mapped out in October 1958, however, provided for a "multi-product" economy and asked for the planting of 1,000 mow of cotton to meet the consumption needs of the commune members. In fact, the area had never grown any cotton, and natural conditions were not favourable for the production of cotton. The plan also called for the construction of an iron-smelting plant with an annual capacity of 2,000 tons and a machine factory—the area actually produced neither iron nor limestone.[36] Another commune in the same province was situated in a hilly area and was in a well-known forest district (of its total land area of 550,000 mow, forest area accounted for 421,000), but in pursuance of party policy of self-sufficiency, it placed all its emphasis on rice production, although climatic conditions did not suit rice planting here.

The experts decried such "irrational development" and called for due attention to "natural conditions, historical background, labour force, and economic characteristics" of an area while shaping plans for its economic development. It is doubtful, however, whether the experts were taken seriously at the time. Moreover, at the time even they either did not have the courage to point out the extremely unsettling effect of the recent changes or were themselves swept away by the propaganda of the big leap and talk of huge armies of labour moving up and down to perform Herculean acts of labour. They too had grand plans of merging villages and moving populations and developing new centres of population in the communes so as "to co-ordinate farming, forestry, animal husbandry, subsidiary production and fishing, to facilitate the leadership and administration of production and to mobilize and allocate the labour force." Such concentration points should in their opinion be determined according to general investigation of the characteristics of the area, the needs of the commune members, and the use of all favourable conditions for maximum development of production.[37]

NO RETREAT

From the above survey, it will be seen that the party leadership had decided to take one step backward in what was described as the "streamlining" and overhauling of the rural people's communes. These words, in fact, express appropriately what the leadership

intended. It was not at all thinking in terms of any general, serious backing away; only limited concessions were being planned in order to consolidate the "gains" and move forward rapidly again. In the "wave-like" development of China, which the Chinese leaders constantly talked about, a slight ebb was to be allowed in the tide of the communes, so as to prepare for another wave forward and for a further big leap. In the period of "consolidation," the excesses were to be curbed a little bit and "small freedoms" allowed so that production might not suffer. These had become necessary as the top leadership became more aware of the actual economic situation. More "reliable" data were coming in, casting doubt on the fantastic figures of production that had earlier been broadcast all over the world. Soon enough it was becoming evident to the party high command that food production had not been doubled, nor had cotton production gone up 100 per cent; even the figures for industrial production had been inflated. For example, in the case of steel, a great deal of useless scrap from so-called native blast furnaces was included in the official figures. It is quite possible that these fictitious figures were the product of the feverish imagination of local and provincial cadres who, encouraged by the top leadership, were competing with one another in sending reports of continuous increases in production. When more "verified" data became available, it was obvious that actual increases in production were far more modest than had been originally claimed.

It must have been an extremely painful decision for the leadership to admit publicly that the earlier figures were wrong. The ground had to be gradually prepared for that and it was this, perhaps, which explained the series of high-level meetings that were held in 1959, beginning with the Chengchow conference of an extended Politbureau in February-March, the Seventh Plenary Session of the Eighth Central Committee meeting in Shanghai during 2-5 April, the National People's Congress in April, the Eighth Plenum of the Central Committee during 2-16 August, and the Standing Committee of the National People's Congress meeting at the end of August.[38] At all these meetings measures for "strengthening" and overhauling communes were considered, and in the last two meetings new output targets were decided upon. It was at that time that a public announcement was made about the incorrectness of the early figures. Food production was now reported to be 250 million tons, instead of 320

million announced earlier.[39] The Standing Committee of the National People's Congress met in August and approved the new output targets in the light of the revised figures for 1958, which had been approved earlier in the month by the Eighth Plenum of the Eighth Central Committee of the CCP. These figures were adopted by the Standing Committee of the NPC after hearing a report by Chou En-lai on the readjustment of major targets of the national economic plan for 1959 and the launching of a campaign for increasing production and practising economy and also after taking into account the serious floods, insect pests, and drought in 1959 over large areas. The new target for food production as well as for cotton called for only a ten per cent increase, instead of doubling production. The target for steel was fixed at 12 million tons (the original claim for 1958 was over 11 million tons and the original target for 1959 was 18 million tons) and for coal at 355 million tons.

It stands to reason that the revelations about the inflation of figures of production increases caused acute dismay and distress among the people as well as the cadres and had a dampening effect on their enthusiasm. The great expectations that had been associated with the big leap and the people's communes had failed to materialize, resulting in disillusionment and apathy. In fact, the party leadership had to defend the policies from the attacks of the critics who now became fairly vocal. From the middle of 1959, for nearly a year, the party was engaged in a serious struggle against critics within and without the party. The moderate elements which had cautioned against undue haste and extremism became more vocal in their criticism and once the criticism started, not unusual in such circumstances, it encompassed the basic features of the policies of the big leap and the communes and, again quite typically, was contended with a struggle against "rightists." This struggle showed that in 1959 and 1960 the dominant party leadership had no intention of making any but the most limited concessions on the economic front so as to consolidate the new organization and to be better able to push the movement forward after consolidation.

A communist Chinese theoretical periodical complained that "recently on the economic front, a kind of pessimistic feeling and rightist opportunism began to sprout among a small group of people." They took "too serious a view" of the "difficulties encountered in the course of progress" and "exaggerated shortcomings."

These people said that "our massive efforts" to produce iron and steel led only to "gains which do not recompense for the loss." They even called the "sky-rocketing zeal of the 600 million people to lift themselves from the state of poverty and blankness, a kind of fanaticism of the petty bourgeoisie."[40]

Another theoretical organ of the Central Committee warned that the "appearance of a rightist go-slow tendency among a small number of our cadres" was a problem that was "worthy of our serious attention on the economic front."[41] Such cadres, it said, were sceptical about the continuation of the big leap forward, considering only the difficulties and the problems and ignoring favourable conditions. "Dramatically moving their arms and legs behind the masses instead of urging the masses to go ahead, these cadres were discouraging the masses." Instead of trying to fulfil the targets, they wanted to lower the targets.[42] The realization of the big leap forward and the commune movements, an article in the *Jen-min Jih-pao* said, was "a great newly accomplished achievement" of "tremendous historical significance." It was a "downright crime," the critics were warned, "to ridicule, attack, or slander this great new thing," to raise the charge that the commune movement has been "too early, too quick, and that it has ended in a mess," or to say that the commune movement is a "fanatical movement of the petty bourgeoisie."[43]

This kind of "right deviationism" was called a "chronic disease" which appeared whenever a new thing was tried. During the campaign for co-operativization in 1955 too, there were many "superstitions" with respect to the question "whether we should advance in big strides or walk like a woman with bound feet." At that time also, "some people" considered the target of cooperativization within three years as an "illusion." They thought it could be fast in the north but not in the south, that no cooperative could be set up in backward villages, mountainous regions, calamity-stricken areas, and minority regions, and that the speed of the development of co-operativization had surpassed the level of understanding of the masses and the level of experience of the cadres, thereby causing more troubles with the establishment of more co-operatives. All these "superstitions" were "mercilessly crushed" by the fact of the "rapid arrival of the socialist upsurge in the countryside."[44]

The party now considered that "rightist opportunism" constituted the "principal danger at present" and that "the entire party and the entire people should stand up to carry out a determined struggle against this ideological tide."[45] The party propaganda organs denounced the scepticism of the critics and launched a counter-campaign of the denial of "denying everything." It was reaffirmed that the establishment of people's communes enabled the rural cadres to "unify production and construction projects to a larger extent, overcome many obstacles in production and construction, have unified projects in arranging the necessary labour power, material power, and financial power, and develop multiple economy (agriculture, forestry, animal husbandry, farm sidelines, and fishery as a whole) on a bigger scale."[46] It was admitted that some of the communes were "too ambitious," but they had made necessary "adjustments, alterations, and corrections," and so the communes were now in proper order and were consolidated. Why should the whole system be denied merely because of some faults (and even these had been overcome or were being overcome)?[47] Moreover, the tendency of "over-centralization, egalitarianism, and extravagance" that occurred in the early days of the commune movement "because of lack of experience was quickly brought to an end."[48]

Although it was claimed that these rightist views prevailed only among a small number of cadres, still the authorities were apprehensive that "if we fail to see the tendencies and resolutely eliminate them, thus permitting them to spread the germs to other cadres, they may cause serious damage to our entire economic construction programme.... We should help our comrades who have fallen victim to these tendencies realize and rectify their mistakes, and participate with reinvigorated spirit in the mass campaign for increasing production and practising economy. This will be the key to ensuring the fulfilment of our forward leap plan this year."[49]

Thus the Eighth Plenum of the Eighth Central Committee pointed at "rightist opportunism" as the "main danger" the country was facing and the struggle against rightist opportunism as the "principle current task" of the party. This rightist opportunism was seen as an attempt to "open the road for restoration of capitalism" in China.[50] And the call was given that this rightist opportunism must be opposed decisively.

STRUGGLE AROUND THE MESS HALLS

The opposition to the communes centred round the community mess halls. The difficulties of the mess halls in providing free food and other amenities have been mentioned earlier. Inevitably, dissatisfaction had arisen over the mess halls and many people wanted them to be wound up. They were stated to be in a mess and the authorities complained that the rightist opportunists wanted to "chop down" the mess halls. At places even the local cadres seemed to have grown weary of them and ordered their disbandment. This dissolution seemed to have been fairly widespread, for it aroused the concern of the party leadership which felt obliged to launch a nationwide movement, or "class struggle," to defend the mess halls and to prevent a general collapse of these community dining halls. The purpose of this campaign was not only to retain and revive the mess halls and silence the critics, but in effect the leadership was struggling to ward off an onslaught against the communes as such and mess halls were an important part of that struggle.[51]

It was alleged that the rightist opportunists were trying to get the mess halls dissolved, that the "well-to-do" peasants were spreading rumours against the mess halls and that this was a manifestation of class struggle in the countryside. It was further claimed that the vast majority of peasants, the poor or "lower middle" peasants, were enthusiastically in favour of the mess halls and that only a small minority including a few rightist-inclined or otherwise confused cadres clamoured for their dissolution.

There was, for instance, the case of public mess halls of Tung *hsien* production brigade of Tishui People's Commune in Anlu *hsien*, Hupeh province, which, according to an official report, had a "tortuous course of development." In October 1958, the 75 member households of the brigade set up three mess halls under the direction of its Chief, Yao Hsueh-yen. Everybody was "satisfied" and the mess hall was called "paradise"! But in November some cadres decided to merge the three mess halls into one under the impression that a successful mess hall ought to be as big as possible. This was the beginning of trouble and with so many people working at different hours having to eat together, the mess hall had to set the table many times, there was a lot of wastage, and the commune members were greatly dissatisfied. Even Yao Hsueh-yen and some other

commune members began to "doubt about the superiority of the mess halls." After the summer harvest in 1959, when the CCP Provincial Committee declared that public mess halls were to be run on "voluntary and democratic basis" and that foodgrain was to be distributed down to the household, Yao mistook this for an indication that mess halls would be abolished and so ordered their disbandment in the second production team to which he was attached. With the collapse of this mess hall, cadres of the third, fourth, and fifth production teams saw no reason why their mess halls should continue. Finally, however, according to the report, the poor peasants forced the revival of the mess halls.[52]

Another report from Yunnan said that some people still criticized the mess halls as being too rigid, and a number of "well-to-do peasants" continued to complain about the lack of freedom. The main reason for criticism was that, since all the people took the same meals together and since they had different tastes, this denied them any freedom of choice. The time for meals was rigidly fixed and the people had no choice as to when they would like to take their meals. Also, one had to wait and queue up to get one's meal. The authorities acknowledged the validity of some of the complaints but claimed that for the poor and lower middle peasants who constituted 70 per cent of the total number of peasants, the "first and foremost" requirement was to let them eat "adequately and without worry" and that the mess halls had duly met their taste. It was further alleged that "some wealthy middle peasants" who "stubbornly opposed" the mess hall demanded: "Since the mess halls also distributed the grain to each household, let us also get back our share of land, output, and surplus public grain."[53]

Another revealing report came from Anhwei where "one day in July" (1959) a "bolt came from the blue" in T'ang-kou People's Commune in Wu-wei *hsien*. A "storm broke loose" over the issue of mess halls. According to this report, "a fierce-looking rightist" raised his voice in the office of the T'ang-kou People's Commune and said to Secretary P'an of the Commune Party Committee: "So you have here in T'ang-kou a mess hall that not even a thunderbolt can strike down? But I am the god of thunder, and I am going to strike it down." Although the report did not identify the "fierce-looking rightist," he was apparently a party official of a higher rank than the commune party secretary.

The mess hall in question was that of the No. 2 production team of the Ch'unli production brigade. In any case, the report would have it that the masses refused to disband the mess hall. The matter went to "upper levels," the rightist was removed and punished, and the "victory went to the masses."[54]

Similarly, there was the case of the mess hall of the No. 9 production team of the Kantzutang production brigade of the Chenchiachiao People's Commune in Hsinshao *hsien* of Hunan Province. In July 1959, it was reported, when public mess halls were made smaller in some areas "to meet the production and livelihood needs of the commune members," some "higher middle" peasants spread the rumour that very soon the government was going to let each household do its own cooking in view of the unsuccessful experiment of the public mess halls. But, as usual, the masses "saw through the game" and insisted on the continuation of the mess halls.[55]

The leadership had to reaffirm the superiority of these public mess halls and a number of advantages had to be restated in a nation-wide campaign. The party propaganda repeated that the mess halls solved the problem of labour power and enabled women to take direct part in agricultural production. The mode of life enforced in the public mess halls was "adopted to collective production" resulting from the formation of the communes. Members could eat and work together, thereby "avoiding waste of time and raising efficiency." The life of the masses could be so organized that members could be "well fed while saving money." The mess halls could save grain, firewood, and cooking utensils. With all this saving, capital construction could be facilitated. The habit of collective living could be formed and "political and cultural education" for members facilitated.[56]

THE LARGER QUESTION

The criticism of the mess halls and the defence of it by the party authorities was in effect related to the larger question of the commune organization itself. It was that which was really being questioned in view of the fact that the leadership was blowing both hot and cold over it. And it was apparent that the ranks of the sceptics were filled not only with "landlords" and rich peasants and "well-to-do middle peasants" but by party functionaries themselves and,

by implication, by many other peasants too. It was this which was really worrying the authorities. A large number of cadres felt despondent and disheartened at the setbacks and were wondering about the usefulness and the fate of this organization. The issue thus was not merely public mess halls but the commune, and the whole party machinery was geared to fight the critics and defend the commune system. And this fight was not only against the "rightists" outside the party but those within the party too. The Eighth Plenary Session of the Eighth Central Committee had given the call for this fight and as a result "an intense struggle" took place against rightist tendencies within the party.[57] An intensive "socialist and communist education campaign" was conducted throughout the rural areas. This "sharp political and ideological struggle" was waged to expose the "few well-to-do peasants" and those cadres who had serious "rightist deviationist ideas."

This struggle, according to the reckoning of the party authorities, was a "continuation" of the one between the "roads of socialism and capitalism which has been going on in rural areas for the past ten years." It was a "violent and tense class struggle." Although the critics were "few in number," according to official propaganda, the party acknowledged that their influence spread wider, and if in this struggle the party failed to "smash" their attacks thoroughly, it would be "impossible for us to consolidate the people's communes, continue the big leap in agricultural production, and implement the general line."[58] The theme of this struggle was that the rural commune was "a great creation of the Chinese people under the leadership of the CCP Central Committee and Comrade Mao Tse-tung," and that it was not the product of the "imagination of one man."[59] It was neither "premature," nor was it "in a mess."[60] It was a "new and great form of social organization created by the popular masses of China under the illumination of this idea of Mao Tse-tung." It was the "most beautiful flower of Marxism that has bloomed in our country," promoted "high speed of development," and would be the best means of transition from the system of collective ownership to ownership by the whole people, from socialism to communism in rural areas.[61]

The history of the formation of communes had to be restated to prove that it was an "inevitable development" of the productive relations and that it had very "deep-seated material and ideological

foundation." How the tension during the campaign for water conservancy projects on a mass scale led to shortage of labour, absorption of women into normal work, merger of co-operatives and establishment of mess halls, nurseries and creches, and how all this led inevitably to the establishment of communes, which were therefore both a logical and a necessary development, was repeated and stressed.[62]

For this affirmation of the commune organization, a country-wide anti-rightist campaign was conducted, first of all within the party to deal with those members who were no longer enthusiastic about the new system and then outside the party in the rural areas in order to silence critics. In this struggle, the party had to meet two kinds of criticism: one which thought the commune was premature and the other which regarded it as having become a superfluous organization. It has already been noted that certain modifications had to be made in the system of distribution, increasing wage payment and reducing the quantum under the free supply system, and management, curbing over-centralization. With these modifications, many party members and other critics wondered how the commune organization, thus diluted and modified, could be different from the previous agricultural producer co-operative except in name. What was the need of a superfluous organization and why continue it.[63]

This kind of criticism had also to be rebutted sharply in the anti-rightist struggle and the distinction between the communes and the co-operatives made clear. It was an argument which "practically negates the merits of the people's communes."[64] It was a "distortion of facts" and those "facts" must be clarified for those "muddle-headed" cadres who held on to this view. It was asserted that this "overhauling" and consolidation of the communes in no way changed the basic character of the new organization which was very different from the previous agricultural producer co-operatives. In fact, it was claimed, after the overhaul, the number of communes had decreased and the number of households in a commune had increased; in other words, the commune had become a bigger unit than it was before. The total number of communes was reduced from 26,000 to 24,000 and the average number of households in a commune increased from 4,000 to 5,000.[65]

The original characteristics of the people's communes "have

not only not withered but have been strengthened and have flourished." Whereas the higher co-operative was only an organizer of collective production, the people's commune was additionally an organizer of "collective livelihood." The establishment of various collective welfare enterprises had "directly emancipated" a great amount of women labour power and raised the living standard in the countryside at large. Children had their kindergartens, "spending their days" happily, and healthily. Women had their maternity hospitals, and "both the mother and the baby are safe." Three meals were supplied in the mess hall, and "men and women, the old and the young, are enjoying a happy life." The people's communes "can be compared to a paradise."[66]

Although ownership in the commune was on three levels, with the production brigade (the former higher co-operative) taking the dominant share, the official line stressed the fact that the significant aspect of ownership was the new, hitherto non-existent, element of ownership at the commune level which, although small compared to that in the hands of the production brigade, was "a thing of the future."[67] This commune ownership would "gradually replace" the brigade ownership and become the dominant factor.[68] It was a "natural tendency" in the development of the Chinese economy for the system of ownership at the level of the production brigade to change into a system of collective ownership to "dissolve" itself into the "socialist system of the ownership by the whole people." In 1959, communal economy accounted for 16.4 per cent, economy of production brigade 72.7 per cent, and that of production team 7.4 per cent. But it was this 16.4 per cent which represented the hope of the future and which was expected to devour the other two.[69] Additionally, there were 500,000 basic business accounting units in the people's communes, some 200,000 less than in the original agricultural producer co-operatives. The production brigades, it was stressed, worked under the unified leadership of the people's communes. It was the commune which made overall arrangements for allocation of manpower within the commune as well as for distribution of the income.[70] The "production plans" and the "distribution plans" were mapped out by the commune and, as a result of ownership by the commune, the "party and the State have further strengthened their leadership in rural areas."[71]

The authorities were a little apologetic about the contraction

of the scope of the supply system, which had earlier been acclaimed as a significant communist element based on the principle of "to each according to his need," and the expansion of the share of wages in the income of a member. But it was explained that this was temporary and had been adopted in view of different conditions of production and differing economic resources of various communes. The communes with a better economic position had fixed a wider scope for free supply, while those less favourably placed had fixed a more modest one.[72] And the promise was there that as production increased and the communes' economic resources expanded, free supply would also be increased in scope. Furthermore, free supply of food was a kind of social security in the rural areas, helping the poor, the aged, the infirm, etc.[73]

Unlike the previous co-operatives, it was stressed, the integration of government administration and commune management was a new and different factor. Since the establishment of people's communes, township administration and commune management had been combined to make the commune the basic unit of the State "in order to facilitate State leadership over the rural economy" and to enable higher State organs to "render more direct service to the economy at the basic level."[74] The commune was not only a larger unit but engaged in developing a diversified economy. Particularly, the industry run by the communes was underscored and its role praised. The development of commune-operated industry "means expansion of ownership by the commune and strengthening of the economic power of the communes." By March 1960, throughout the country there were reported to be more than 60,000 industrial units run by the *hsien*, while those run by the people's communes exceeded 200,000 units. This industry was of "vital significance" for the consolidation and development of communes. Moreover, it was disclosed that, due to the appearance of rightist thinking, production of the commune-run industry declined for some time in June and July 1959 and this affected the "activism" of cadres and masses in building industry, but after the resolution of the Eighth plenum of the Central Committee of the Communist Party a struggle was waged against this tendency and a "new upsurge" was brought about in pushing forward mass-based commune-run industry.[75]

After this stout reaffirmation of the commune organization, the

rebuttal of the critics and the anti-rightist struggle in the countryside that followed in the wake of the resolution of the Eighth Plenary Session of the Eighth Central Committee, the official propaganda claimed that the "spiritual condition" of the people underwent a great change and that a new "high tide" was brought into being in the movement for increasing production and practising economy.[76] At any rate, this campaign, the arguments advanced, and the propaganda offensive unleashed, all confirm the contention of this writer that, in making adjustments and reluctantly pulling the commune movement back from the extremes to which it had rushed in the initial period, the leadership was not at all contemplating any retreat from the new organization. They meant what they said: it was a period of consolidation, after which, presumably, the movement will once again start on its onward course. The wave had been allowed to ebb a little bit in order to be better able to rise again. A few concessions had been given to the demands of rationality and prudence but there was no intention to reduce the commune organization to a meaningless and empty structure. One of the top Chinese communist leaders, Li Fu-chun, recounted the struggle that the party waged in defence of communes. According to him, some "bourgeois elements" and "a small number of well-to-do farmers" hankered after "capitalistic free enterprise" and "free buying and selling." They refused to "transform" themselves and would think of taking action upon a slight sign of disturbance. A "small number of discontented, rightist-inclined opportunists" within the party reflected the "resistance" offered by "bourgeois elements to the victory of socialism" and repeated and exaggerated shortcomings which were "difficult to avoid," and which yet were "subsequently overcome," to "launch wanton attacks" against the party and to "oppose the correct leadership" of the CCP Central Committee and Comrade Mao Tse-tung. According to Li Fu-chun, they described the "resounding mass campaign" as the "fanatical enthusiasm of the petty bourgeois," the great leap forward as "leftist adventurism," the people's communes as having been "established too early" and "very poorly managed," and the vigorous promotion of iron and steel industry as a "gain which does not compensate for the loss."

Li went on to say that the Eighth Plenary Meeting of the Eighth CCP Central Committee, held in Lushan in August 1959, "thoroughly

pulverized the attack launched by the rightist opportunists within the party," "effectively refuted" the arguments advanced by the rightist opportunists, "further elucidated the series of theories governing the socialist revolution and socialist construction in our country," "safeguarded" the "general line" of the Communist Party, and "upheld the great leap forward and the people's communes." After the conference, a struggle was launched throughout the party to oppose "rightist opportunism." At the same time, a "mass campaign" was "initiated among the people of the whole country" to oppose the rightist tendency, to "raise enthusiasm for work," and to "strive for output increases and economy," with the result that "our country succeeded in the continued great leap forward of 1959."[77]

The reasons that had led the Chinese communist leaders to go in for the commune organization continued to hold good and continued to be as attractive as at the beginning. One of the chief attractions of the new organization was that it seemed to provide a way for stepping up agricultural production without disturbing other priorities and goals of the authorities. Not only that the communes would be able to pass over more agricultural surpluses to the State but that while greater control over consumption would be exercised the commune would also help the State in increasing accumulation of capital for investment in State economy. This was a primary consideration with the Chinese communists in their enthusiasm for the new organization. And there seemed to be some reason for this anxiety. It appears that the communes were able to double the amount of accumulation in one year. It was stated that in 1958 the communes accumulated £ 10,000,000,000, a 100 per cent increase compared with what was accumulated in 1957 by the agricultural co-operatives. This was apart from the State tax and the State purchase of agricultural produce as well as the welfare fund of the communes. The rapid increase in accumulation brought about a marked change in the proportions of accumulation and consumption during the distribution of the communes' income. The proportion of accumulation rose from 10 per cent in the previous year to 18.2 per cent in 1958, while the proportion of consumption relatively dropped from 90 per cent in 1957 to 81.8 per cent in 1958.[78] Generally speaking, nearly 40 per cent of the communes' income was going into accumulation, tax, welfare fund,

and miscellaneous expenditure while only 60 per cent was being distributed among the peasantry.

There were increases in accumulation in 1959 also. One report said that the public accumulations of all people's communes in a province came generally to 100 million to 200 million yuan, reaching in some cases as high as 300 million to 500 million yuan. Further, according to investigation made in 59 communes in Mengtsin, Lank'ao, and Chiyuan in Honan Province, the total public accumulation at the commune level was 24,440,000 yuan, showing a twofold/threefold increase over 1958. The total public accumulation of communes and brigades in Honan Province "may reach over 700 million yuan," which would show a rise of about 50 per cent over that of 1958.[79]

It was for this reason that many peasants, who were described as "well-off middle peasants" who represented the "capitalist spontaneity" in rural areas, were opposed to this "unified leadership of the people's communes" and to handing over of accumulations to the higher level during distribution. "The commune means one more hand demanding money," they said.[80] They "magnify the contradictions between the communal funds at different levels[81] and deny that the communal fund at the commune level represents the direction in which the communes are to develop. Such is precisely the concentrated expression of their anti-socialist forces." Precisely for the same reason the leadership was so enthusiastic about the commune organization. Not only could it extract more from agriculture to finance the country's economic development but even agriculture, it believed, could be pushed without the State having to empty its own coffers. The commune was also essential for the next step towards higher forms of socialism and transformation to communism. After the partial ownership of the communes had been transformed into complete ownership by them, that is when after some time the three-level ownership had been changed into one-level ownership, the accumulations made by the production brigades would become a direct component of the commune-owned economy. Thus, the communal accumulation (at the central commune level) was an "important base" for transition from ownership by the collectives to ownership by the whole people in the rural areas.

This was a continuing crucial factor determining the approach

of the Chinese communists towards the commune organization. Without this, the leadership argued, how could industry and agriculture be developed at the same time and how could a fast rate of growth be maintained? Moreover, as pointed out earlier, the party sought to develop greater control over agriculture through the institution of communes. The elusive nature of agriculture was a common experience of the communist countries, and even of other developing countries. Through the communes, the party was trying to tighten its grip over agriculture and the peasantry.

MECHANIZATION ONCE AGAIN?

It is interesting that every time the party is in difficulty about agriculture, it thinks of mechanization as a partial solution at least. Once again the party's thoughts turned towards technical transformation of agriculture in order to boost production and to secure a permanent solution and once again blue prints for a rapid advance in this direction were charted out, and it was confidently expected that they would see it through the woods. In the winter of 1959-60, the Party Central Committee and Mao Tse-tung "emphatically issued instructions concerning speeding up the technical transformation of our country's agriculture." The authorities believed that the machine-building industry was "already on a grand scale," and there had been established "factories of international standard such as Loyang Tractor factory and the Peking Harvestor Combine Factory." The belief was expressed that "if only we go a step further in adopting appropriate measures we would certainly be able to gradually supply our agriculture with new machinery and modern equipment."[82]

While it was still maintained that agricultural production had increased greatly over the last ten years, it was explained that this was still not enough to meet the needs and gradual mechanization was necessary to push the development of agriculture. A shortage of labour (in fact an artificial one, as it later proved to be) was being reported from all parts of China and, in order to cope with the multifarious activities being undertaken by the communes, mechanization was thought to be necessary. To take just one instance coming from Chekiang, it was stated that the fulfilment of production tasks for 1960 required about 3,700,000,000 man-

days of work. Assuming that on an average each person would work 300 days during the year, the existing total of men and women with full or partial labour capacity could complete only 2,785,000,000 man-days of work. This, it was said, would leave a deficit of 915,000,000 man-days; therefore, the substitution of manual operation was a principal necessity for speeding up agricultural production.[83]

By 1959, there was a total of 59,000 tractors and the area of farm land cultivated by machines was stated to have reached about 5 per cent of the total area of arable land.[84] Besides the tractors, there were about 100,000 machine-drawn farm implements and 4,500 combine harvesters, a total capacity of 2.8 million horsepower of drainage and irrigation equipment, rural power stations, with a total capacity of 250,000 kw., and 13,000 trucks. Greater importance, therefore, had still to be attached to the work of repairing and implementing old-fashioned implements and the countryside was still to be mainly dependent on improved implements and "semi-mechanized" implements.[85]

The new plans, however, provided for a "preliminary solution" of the problem of mechanization in about four years, a "50 per cent solution" in about seven years, and a complete solution in about ten years. (According to this programme, China should have had at least half of its farm land cultivated with machines by now and should be about to go over to complete mechanization!) It was also stipulated that the mechanization to be undertaken in China should take into consideration the vast territory extending from the frigid zone down to the subtropical region and varying conditions of climate, topography, land features, soil and water resources.[86]

Once again a mass campaign for "technical innovation and technical revolution centred around mechanization and semi-mechanization of the manual process of work" was launched in the countryside.[87] The technique was the usual one. The peasant masses were being invited to display their ingenuity and improve existing tools and discover new ones while the factories supplied slowly increasing quantities of modern equipment and, on the basis of a "simultaneous promotion of foreign and native methods," achieve agricultural mechanization gradually from "the lower stage to the higher stage." This "semi-mechanization," as a first step, was to

be realized with regard to many farm tools, implements for water conservancy purposes, and transport facilities in the fields. This mass campaign was in fact not only confined to agriculture but was spread to industry and other fields too. In many localities, it was claimed, loading workers, building workers, coal miners, founders, cooks of community dining halls, personnel of big farms, and other people engaged in manual labour had been "emancipated" from "tedious manual labour" and had greatly raised their labour efficiency.[88]

It is hard to understand how on the existing technological basis and keeping in view the complex nature of China's land and topography, the regime believed that they could solve the problem of mechanization within ten years. This was another case of wishful thinking on the part of the leadership and of the search for quick solutions.

"STRENGTHENING" OF LEADERSHIP

Apart from the new plans for rapid mechanization of agriculture and some concessions offered to the peasantry in management and distribution, the Chinese communist leadership hoped to meet the mounting problems in the wake of communization of agriculture through a tightening up of the party's leadership in the rural areas. The dilemma of the Chinese authorities was that they wanted to keep the leap forward movement going at full steam and yet, disturbed by reports about peasant disaffection, had to take steps to curb the "excesses" and provide some incentive to the peasantry. Besides the measures outlined above, the Communist Party also seemed to lay great store by the "strengthening of leadership" in the communes. It was believed that many of the problems would be resolved if more direct and firm leadership was provided in the villages. For this, it was considered essential for the cadres, particularly those at the higher level (in the commune secretariat, for instance), to reinforce their ties with the peasants, take part in day-to-day work themselves, and provide greater attention and direction to the problems of production at a lower level.[89]

The case of the Ever Green commune in Shansi Province was cited by the *Jen-min Jih-pao* as an example of how leadership should be improved in the communes. There, it was reported, the party

cadres shed their routine work and began spending most of their time in the fields and reinvigorating the work in "political-ideological" education as well as organization. Whereas formerly the first secretary of the commune party committee could only spend six or seven days in a month in the villages, now he could live as many as twenty days among the commune members, "working together with them on the one hand and conducting investigation on the other." So, under the "concrete assistance" of the party committee, the party branches in various brigades and teams also changed their working methods and began giving more thorough and on-the-spot guidance.[90]

Another instance from the Kwangtung Province may be cited. The Kwangtung CCP Provincial Committee announced regulations whereby it was made obligatory for leadership cadres of party provincial committee to go to work right at the "basic level" for four months in a year. Following suit, the Swatow CCP District Committee was stated to have decided that "leadership cadres" of party district committee should go to work at the basic level for six months a year, that the party *hsien* committee should move its offices to a lower level and that most of the functionaries of the party *hsien* committee should live in the communes for seven months a year in order to assume full responsibility for the work of the communes.[91]

Thus, in 1960, a reallocation of the duties and functions of the cadres took place in order to bring about greater supervision by them at the team and brigade levels. For instance, in June 1960 the *Jen-min Jih-pao* gave publicity to the so-called "two-five" system, first practised in Wuch'iao *hsien* of Honan Province, by which two days out of a week were given by the cadres to "studies, conferences, and research projects" and for the rest of the five days they joined small production teams, participating in and taking charge of production and "substantially assisting" in the resolution of the problems of the teams.[92] After this experience, various other systems of leadership programmes were devised. Reports came from Kirin Province about the "three-seven" system. The three levels of cadres—*hsien*, commune, and brigade—reportedly conducted "study," "investigation," and "allocation of work" for the first three days in ten days and in the remaining seven days they engaged themselves in production work.[93]

The essential purpose of these or a variety of these systems was to provide for greater supervision by the cadres of the basic production units. It was, to take one instance, reported from Hopei's Shangtu *hsien* that "high-level" cadres of all departments at the *hsien* level were appointed assistant secretaries of the brigades or assistant brigade leaders and that the "general" cadres of the *hsien* and the commune functioned as assistant secretaries of production teams or assistant team leaders.[94] Another report from the Chinghai Province stated that in each of the six people's communes in Kungho *hsien* at least one member of the Communist Party *hsien* committee was sent to the commune in a position of leadership and that a cadre of the *hsien* "leadership class" was stationed in each production brigade in some responsible position. Lower level cadres from the *hsien* and commune party committee were suitably posted among the production teams.[95]

Thus, it was hoped, the problem could be solved, the pitch of high labour activity and enthusiasm desired by the party leadership and witnessed during the first year of the big leap maintained, and agricultural production increased at a fast rate. The concession in organization and distribution of income were calculated to mollify the peasants somewhat, and it was confidently hoped that these would be sufficient to keep the agricultural economy going at a fast tempo. The setback in 1959, which was attributed entirely to bad weather, produced no basic change in the Politbureau's thinking and policies. There was greater stress on agriculture but priority was still given to heavy industry and essentially the old policy of giving small concessions but preserving the main features was continued.

NOTES

[1]See Chapter Two.

[2]*Shansi Jih-pao*, T'ai-yuan, 18 October 1958.

[3]See, for instance, "CCP Honan Provincial Committee's Plan for Overhaul, Consolidation, and Elevation of People's Communes this Winter and next Spring," *Honan Jih-pao*, Cheng-chow, 19 January 1959; Wang Tzu-i, "New Stage in Rural Welfare," *Jen-min Jih-pao*, 16 January 1959.

[4]*New China News Agency*, Sining, 1 December 1958.

[5]*Ibid.*, Cheng-chow, 17 December 1958.

[6]*Ibid.*, Peking, 2 February 1959.

[7]*Ibid.*

[8]*Ibid.*

[9]"Liu Shao-ch'i's Address to National Representative Conference of Advanced Units in Agricultural Socialist Construction," *New China News Agency*, 25 December 1958.

[10]*Ibid.*, Peking, 19 December 1958.

[11]*Ibid.*

[12]Article by Wang Tzu-i, fn. 3.

[13]Wang P'u, "There is no Negating the Principle of Material Interests," *Jen-min Jih-pao*, 20 January 1959.

[14]*Ibid.*

[15]CCP Honan's Plan, fn. 3.

[16]Pien Ts'ao, "Advantages of Working Day Basic Wage System," *Jen-min Jih-pao*, 10 March 1959.

[17]*Ibid.*

[18]*Honan Jih-pao*, 14 January 1959.

[19]The pigs were eaten up on a large scale by a peasantry afraid of their nationalization.

[20]*Ta-chung Jih-pao*, Tsinan, 12 January 1959.

[21]*Ibid.*

[22]*Jen-min Jih-pao*, 10 January 1959.

[23]*New China News Agency*, Ch'engtu, 17 December 1959.

[24]"Suggestions Concerning the Strengthening of Labour Administration in People's Communes," *Kiangsi Jih-pao*, Nanch'ang, 5 March 1959.

[25]*Ibid.*

[26]*Jen-min Jih-pao*, editorial, 17 February 1959.

[27]Chao Hang, "Government and Commune may be one but Party and Government may not be one," *Jen-min Jih-pao*, 24 December 1959.

[28]Chu Chi-min, "Strengthen Party Leadership over People's Communes," *Hsin Lun-yu*, Tsinan, No. 13, July 1959.

[29]*Ibid.*

[30]Resolution of the Sixth Plenum of the Eighth CCP Central Committee.

[31]Chao Han, *Jen-min Jih-pao*, 24 December 1958.

[32]Teng Tzu-hui, "To Strive for Agricultural High Yield and Sure Harvest," *Chung-kuo Ch'ing-nien*, 1 June 1959.

[33]*Jen-min Jih-pao*, editorial, 2 June 1959.

[34]*Ibid.*

[35]*Ti-li Hsueh-pao*, Vol. XXV, No. 1, February 1959.

[36]*Ibid.*

[37]Article by Lien I-tung, *Ti-li Chih-shih*, No. 9, 1959, pp. 309-92.

[38]Information about the Cheng-chow and Shanghai conference and the meeting of the Eighth Plenum of the CC is very scanty and indirect references have been made to them in party propaganda but no detailed communiques were issued.

[39]Even the veracity of these figures has been doubted by scholars and experts all over the world.

[40]*Li-lun Chan-hsien*, 10 September 1959.
[41]*Hung-ch'i*, editorial, No. 16, 16 August 1959.
[42]*Ibid.*
[43]Wu Ch'uan-ch'i, "The Chronic Disease of Right Deviationism and its Remedy," *Jen-min Jih-pao*, 30 August 1959.
[44]*Ibid.*
[45]*Li-lun Chan-hsien*, 10 December 1959.
[46]Shih-ching, "The Denial of 'Denying Everything,'" *Jen-min Jih-pao*, 30 August 1959.
[47]*Ibid.*
[48]"Long Live the People's Communes," *Jen-min Jih-pao*, editorial, 29 August 1959.
[49]*Hung-ch'i*, 16 August 1959.
[50]*Ibid.*, No. 21, November 1959.
[51]"Long Live Public Mess Halls," *Szechuan Jih-pao*, editorial, 19 September 1959.
[52]"The Storm of Public Mess Halls," *Hupeh Jih-pao*, Wuhan, 16 August 1959.
[53]*Yunnan Jih-pao*, Kunming, 5 September 1959.
[54]Wang Wei-ming, "The Mess Hall that not even a Thunderbolt can Strike Down," *Kuang-ming Jih-pao*, 19 October 1959.
[55]"Public Mess Halls find Root among the Masses," *Chung-kuo Ch'ing-nien Pao*, 19 October 1959.
[56]*Szechuan Jih-pao*, editorial, 19 September 1959.
[57]Ouyang Hui-lien, "Strengthen Party's Theoretical Work under the Red Flag of Mao Tse-tung's Thinking," *Hsin-hua Jih-pao*, Nanking, 13 January 1960.
[58]"Actively Develop Socialist and Communist Education," *Shansi Jih-pao*, Sian, 4 November 1959.
[59]Chi Ch'un-yi, "The People's Commune is a Great Creation of the Popular Masses of China," *Hung-chi*, No. 5, 1 March 1960.
[60]Ku Kan-ch'ien, "A Refutation of the False Allegation that the People's Communes exist Nominally only," *Fukien Jih-pao*, 9 November 1959.
[61]Wang Chia-ch'ien, "The Function of Partial Ownership by the Communes," *Chieh-fang Jih-pao*, Shanghai, 14 October 1959.
[62]See fn. 59.
[63]Hu Yu, "People's Communes are on their Way to Consolidation and Perfection," *Chung-kuo Ch'ing-nien Pao*, 6 September 1959.
[64]Chien Chih, Chen Tao, and Ching Wu, "Are the People's Communes 'almost the same' as the Higher Co-operatives," *Chieh-fang Jih-pao*, 5 September 1959.
[65]*Ibid.*
[66]*Fukien Jih-pao*, 9 November 1959.
[67]*Chieh-fang Jih-pao*, 14 October 1959.
[68]*Kuang-ming Jih-pao*, 7 September 1959.
[69]Shih Hsiang-sheng, "Questions concerning Consolidation and Development of People's Communes," *Jen-min Jih-pao*, 14 March 1960.
[70]See fn. 68.

[71]See fn. 67.
[72]*Ibid.*
[73]*Hung-ch'i*, No. 5, 1 March 1960.
[74]See fn. 64.
[75]Wang Yu-li, "Industry run by *hsien* and Communes amidst Big Leap Forward," *Hung-ch'i*, No. 6, 16 March 1960.
[76]Sang Chen, "Who is Supposed to take Command," *Jen-min Jih-pao*, 30 November 1959.
[77]Li Fu-chun, "Hold High the Red Flag of the General Line," *Hung-ch'i*, No. 16, 16 August 1960.
[78]Chu Ching-chih, "The Question in Relation to Distribution of Income of Rural People's Communes," *Hsin Chien-shih*, No. 5, 7 May 1960.
[79]*Union Research Services*, Vol. 18, No. 10, 2 February 1960.
[80]See fn. 77.
[81]The different levels referred to were: the production team, the brigade, and the commune.
[82]Ch'en Cheng-jen (Vice-Director of the Rural Work Committee of the Communist Party), "Accelerating Technical Transformation of Agriculture," *Hung-ch'i*, No. 4, 15 February 1960.
[83]Tai Meng, "Speed up the Agro-Technical Reform," *Ch'iu Shih*, Chekiang, No. 3, 15 March 1960.
[84]See fn. 82.
[85]Li Ch'ing-yu (Director, Agricultural Machine Building Bureau, Ministry of Agriculture), "Realize step-by-step Agricultural Mechanization through Tool Innovation," *Chung-kuo Nung-pao*, No. 19, 8 October 1959.
[86]See fn. 82.
[87]*Jen-min Jih-pao*, editorial, 25 February 1960.
[88]*Ibid.*
[89]See, for instance, the example of Ever Green People's Commune lauded by *Jen-min Jih-pao*, 14 August 1959.
[90]*Ibid.*
[91]*Nan-fang Jih-pao*, editorial, 28 May 1960.
[92]*Jen-min Jih-pao*, 16 June 1960.
[93]*Ibid.*, 29 June 1960.
[94]*Ibid.*, 21 October 1960.
[95]*Ibid.*, 3 July 1960.

CHAPTER FOUR

THE RETREAT

THE YEAR 1960 proved to be one of the most disastrous in the agricultural history of communist China. The setback in 1959, attributed to bad weather, was perhaps not serious enough to prompt serious rethinking in Peking and the official claims still spoke of 270 million tons of foodgrain production in 1959. The claims were quite clearly false as subsequently the authorities included 1959 as being in the bad spell that they had had for three consecutive years and admitted that farm production had declined in 1959.[1] What is perhaps true is that the damage in 1959 was not as great as in the next year and consequently a thorough readjustment in organization and techniques was not undertaken until 1960 proved to be even more disastrous than 1959 and showed beyond any doubt that it was not only the weather which was unkind but that human, organizational, and technical problems were also responsible for the increasing difficulties in agriculture. According to one visitor with high-level contacts, grain production in 1960 slumped to 150 million tons[2] (and it may be remembered this included coarse grains and sweet potatoes). There was hunger and starvation on a large scale and, as one on-the-spot observer of the Chinese scene put it, the main obsession of the Chinese people at the time was food.[3] People were eating barks and leaves in order to satisfy hunger. There was widespread peasant distress and apathy. Evidence is also available from the issues of the secret military journal, *Kung-tso T'ung-hsun*,[4] which fell into the hands of the U.S. intelligence and have since been published, that there were peasant revolts in northwestern and southwestern China, including a number of provinces, such as Kansu, Chinghai, Szechuan, Yunnan, and Tibet.

How serious the crisis was can be seen from the fact that the authorities have yet to release production figures for the last six years.

DISLOCATION OF THE SYSTEM

First of all, and in general, it may be said that the Chinese effort at fast agricultural expansion through mere socio-economic reorganization without comparable capital investment by the State had failed. The aim of all communist countries had been to achieve rapid industrialization and the policy of each has been (at least until recently) to put all the funds in industry and to starve agriculture. The result has been continual agricultural crisis or acute difficulties in most communist countries. In an underdeveloped country like China, agriculture occupied a crucial place in the economy of the country. The Chinese communists thought that they had found their salvation in the commune organization which would enable them to develop both industry and agriculture at an almost equally fast tempo. They now had to learn the bitter lesson that structural changes were no substitute for capital investment in agriculture; structural changes had meaning only if accompanied by large capital investment in agriculture coupled with adequate incentives to the peasant to work harder and produce more. In what must have been a painful decision, Mao had to give up the hitherto accepted principle of communist development, make agriculture genuinely the "foundation" (even if for the time being) of the economy, cut back industrial investments and substantially trim industrial expansion, and to give the slogan of making industry serve agriculture.[5]

Apart from the basic problem of lack of adequate investment in agriculture, there were other fundamental problems besetting the Chinese rural communes. One of the most important was that the commune had upset the peasant routine far too much for production to be maintained even at earlier levels. The peasant's life had been dislocated and he was pulled away from his roots. The notion of vast peasant armies moving up and down the land to perform great feats of labour to "transform nature" and of the peasant undertaking different kinds of jobs and skills, becoming both a worker and a peasant, not to speak of being a student, soldier, and technician all lumped into one, played havoc with agricultural production. The changes were too great, too sudden, and too startling. Not only did the peasant lose his moorings, but the whole system of agricultural production went out of joint; it had to be put back into shape, and

a thorough reorganization effected before the situation could return to normal.

People who had one kind of skill were sent to jobs requiring a different kind of skill; those who had spent a lifetime in farming found themselves suddenly smelting iron. The pedlar who knew the needs of the villages and the requirements of the small town nearby, thus providing a useful economic link between the two, disappeared. The village blacksmith and mason, too, vanished in many cases. Consequently, not only did farming suffer but there was no adequate substitute organization to repair the implements and do the semi-skilled jobs in the villages and function as economic links between the towns and villages. Those who were familiar with the lay of the land and the conditions in one area were often sent to work in other areas where they were strangers both to the area and to the conditions prevailing there. Moreover, the attempt to convert the peasant into a wage labourer only resulted in killing his initiative and dampened his willingness to increase production. It was this general dislocation of the system, perhaps more than anything else, which greatly contributed to the magnitude of agricultural failures of 1959 and 1960. It became imperative that the communists restore the normalcy of life and agricultural operations as a first step towards rehabilitating sagging agricultural production.

No doubt, the difficulties of the Chinese communists were substantially compounded by natural calamities. The *New China News Agency*, for instance, reported on 29 December 1960 that in that year one-half of the total arable land, or about 900 million mow (60 million hectares), were affected and that the damage was heaviest on 20-27 million hectares. But the inclement weather can by no means be made to explain away all the troubles of those three years.[6] Conditions had to be recreated in which the peasants' normal routine and sense of belonging was restored and material incentives offered, in which skills were respected and used rationally, and in which the system could function without unbearable tension, ferment, and uncertainty.

The harvest in 1959 was below expectation and that in 1960 was so poor as to cause alarm among the leadership. The early winter and summer harvests of 1960 were already so disappointing that by the autumn of that year the leadership was in full retreat and

one by one the old features of the communes were scuttled or drastically reshaped. The retreat that began in late 1960 continued in full swing into 1961 and 1962. Indeed, the problem of the Chinese communists during all this time was that the more they retreated, the more the need for further retreat became and, finally, they had to take measures which they would have been the first to denounce as "capitalistic restoration" if taken by others.

THE NINTH PLENUM

The authoritative stamp on the retreat was put by the Ninth Plenary Session of the Eighth Central Committee. Presided over by Mao Tse-tung and attended by eighty-three members and eighty-seven alternate members and twenty-three others from the departments concerned of the Central Committee and provincial committees, the meeting took place in the chilly weather of Peking during 14-18 January to ponder over the equally cold prospects of sagging agricultural production and the collapse of party policies. The Central Committee admitted that the production plan in agriculture was not fulfilled in 1960 "because the country suffered the most severe natural calamities in a century following upon the serious natural calamities of 1959." It called upon the whole nation to concentrate in 1961 on "strengthening the agricultural front," thoroughly carrying out the policy of "taking agriculture as the foundation of the national economy," and the whole party and the people "going in for agriculture and grain production in a big way" and stepping up "support for agriculture by all trades and professions." As an indication of the seriousness of the crisis, the Central Committee called for a reduction of the "scope of capital construction in 1961," a readjustment of the rate of development, and the adoption of a policy of "consolidating, filling out, and raising standards."[7]

It chided those functionaries who did not have a "sufficient understanding of the distinction between socialism and communism," between "socialist ownership by the collective and socialist ownership in the people's commune with the production brigade as the basic level, and of the socialist societies principles of exchange of equal values, 'to each according to his work' and more income for those who work more—all of which the party has repeatedly publicized." In order to exercise closer watch over the situation and

observe implementation of the new policies, the Central Committee decided to set up six bureaus of the Central Committee: North China Bureau, East China Bureau, Central-South Bureau, South-West Bureau, and North-West Bureau, to "act for the Central Committee in strengthening leadership over the Party Committees in various provinces, municipalities, and autonomous regions."

"THREE-LEVEL OWNERSHIP"

Athough the Central Committee thus put the formal stamp on the retreat, the retreat was already being ushered in during the last quarter of 1960 when the seriousness of the crisis was being brought home to the leadership. The first clear evidence of the retreat came with the stress on "three-level ownership" with the production brigade (roughly equivalent to the former agricultural producer cooperative) as being the "key-level." It was now claimed that the Sixth and Eighth Plenary Sessions of the Eighth Central Committee of the Chinese Communist Party had stipulated the principle of "level-by-level management" and "level-to-level accounting"[8] and that the Cheng-chow meeting of the Central Committee in March 1959 had envisioned the brigade as the basic level economic unit of a commune.[9] If this was so, there is no evidence of the cadres having enforced it in the communes by and large, and it is equally unbelievable that they could have flouted express directives of the higher authorities. Party directives have generally been finely balanced, but it is the emphasis that matters; the emphasis by the authorities had so far been on centralization within the commune with a few concessions to the peasantry. It was only now that the party leaders began to ask for devolution of authority back to the brigades. The party began to acknowledge that the transition from collective ownership to ownership by the whole people (from socialism to communism) could not be forced and that appropriate objective conditions must precede any such transition. The "socialist relations" must not only be "consolidated and developed," but there must also be "relative stability" of the system and one Chinese source hinted that the party had decided to drop the question of transition for five years.[10]

In any case, as a first measure, the production brigade became the "foundation" of the commune and the "strengthening" of the "basic ownership system" of the brigades was held to be the "key to the deve-

lopment of the entire production of the commune" at the "present stage."[11] Orders went that the authority for production, management, and administration should be transferred chiefly to the production brigades. The agricultural produce and side-products, with the exception of "a small part" which was handed to the commune for accumulation purposes and for the payment of taxes to the State, were to be distributed centrally within the confines of the production brigades. It was suggested that 5 per cent of the income of a production brigade may be kept aside and the rest distributed within the brigade concerned. In view of the current difficulties, the communes were asked to adhere to the principle of "deducting less and distributing more."[12] The arrangements for crops, the output targets, and technical measures were to be jointly discussed by commune members and jointly mapped out by production brigades and teams.[13]

The commune was thus being stripped of its power and authority, for without the right to arrange production and without control over the purse-strings, the commune became an empty shell. It was still formally the governmental administrative unit in place of the old *hsiang* and functioned as a co-ordinating agency among various production brigades, but was fast losing all its other powers. The central organization of the commune was asked to fend for itself and depend mainly on the economy of the commune for the development of communal activity and enterprise (the commune economy consisted generally of large enterprises which the central and provincial government had handed over to the local authorities for operation), the powers of the commune administrative committee were sharply pruned and, apart from exercising the administrative powers and functions of the *hsiang* government, its "principal duties" now consisted of "investigations" and "studies" and "correct leadership" which must be neither "excessive" nor "rigid."[14]

The administrative committee of the commune could now only "submit to the various production brigades recommendations concerning plans of production," after giving "all-round consideration" to the interests of the State and those of the collective in accordance with plans and the concrete conditions in the various production brigades. It inspected the results of production of various brigades, and "suitably assisted" them in solving their problems and it was asked to "popularize" the use of measures for increasing production

which had been proved to be effective after repeated experiments. But the production brigade was an "independent operational unit in this amalgamated economic organization,"[15] or to put it conversely, the rural people's commune was an "aggregate organization of our production brigades"; therefore, it was a "socialist organization one grade higher than the advanced agricultural cooperative."[16]

In order to put labour management and labour organization on a sounder basis, it was necessary to introduce an element of stability and continuity in agricultural operations and organization. The uncertainty of the previous years had to be ended and, therefore, a policy of "four fixes" was emphasized by which the production team (roughly of the size of the previous mutual-aid team) was ensured the use of land, labour, draught animals, and farm tools without disturbance and interruption. These were now "fixed" for permanent use by the villages so as to undo the harmful effects of the previous state of uncertainty, and the commune administration could no longer withdraw them, withhold them, or tamper with them at will.[17] Whatever advantages of mobility of labour in agriculture in large economic units theoretically might have been, in practice such attempts to move peasant labour from one place to another were found to disrupt agricultural production. Labour was, therefore, "fixed" and its deployment determined by the brigades and the teams which, in effect, substantially recreated the old familiar pattern of agricultural activity for the peasant.

Apart from the psychological impact of the mobility of labour in agriculture as envisaged in the earlier phase of communization, the organizational and technical impact was no less disastrous. Since there was so much uncertainty about the availability of labour at particular times to particular areas, production targets could hardly by planned with reasonable assurance. Decisions at the commune level were frequently divorced from actual conditions and tended to disregard the specific requirements and local peculiarities which play a very significant role in agricultural production. The cadres had to be reminded of "local feasibility" and local conditions. It was now warned that areas which observed and adhered to the principle of local feasibility "usually score faster and better agricultural production."[18] The real problem was best posed by the *Jen-min Jih-pao* itself thus: imagine, it said, if a commune or a basic

accounting unit should unceasingly transfer and change the farm land, manpower, draught animals, how could the production team successfully carry out its operational plans and develop the enthusiasm and initiative of its cadres and members? This is, of course, exactly what had happened and the mouthpiece of the Chinese Communist Party warned that the practice of drawing manpower from the teams on a temporary basis and of asking the teams to contribute manpower outside of their assigned plans should be reduced to the minimum in order not to adversely affect production.[19]

Besides land and labour, draught animals and farm tools were also placed at the full disposal of the brigades and fixed for use by the production teams. The peasantry began to be assured that the transition from basic ownership by the brigade to basic ownership by the commune was "a thing of the future" and that even then it would not be achieved by taking over brigade ownership but by developing independently the commune ownership. The draught animals and farm implements owned by the production brigades, the forests, fruit trees, perennial crops cultivated by them, and the enterprises operated by them "will still not be taken over and placed under commune ownership but will still be owned by production brigades." The material foundation of basic ownership by the commune was stated to be modern agro-technical equipment whereas draught animals and farm implements operated by animal power or by hand would be relegated to an "auxiliary position." Thus it will take a long time to create the conditions for transition from basic ownership by brigades to basic ownership by communes.[20]

FURTHER DECENTRALIZATION

The devolution of economic control had thus begun from the communes downwards. The brigade, that is the former higher co-operative, was being restored all the rights which had earlier been arrogated by the commune. It was now being described as the decisive link in the chain of control and was given the power to handle production plans and distribution of income. This was indeed the first step in restoring normalcy and switching back to the earlier system. Although ostensibly power was being concentrated in the brigade, in practice some at least of this power was being further diluted and being passed on to the local level, the production

team which, as mentioned earlier, was almost of the size of the previous mutual-aid team of the pre-cooperativization days. The brigade was generally inhabited by over a hundred families with a labour force of several hundreds and, possessing very often around a thousand mow of farm land, consisted of a number of teams whose conditions were often dissimilar. It was not possible for the brigade to organize farm work directly. On the other hand, the production team, generally consisting of 20-30 households, could more readily deal with the problem of farm work because of its familiarity with land, farm work, and crops. Moreover, the cadres in the team were better acquainted with farming problems in the area and with specific conditions of the members and, therefore, better equipped to lead the farm work in the area. It was here that a great deal of actual power in regard to agricultural operations and decisions came to be vested.

Whereas the party propaganda was harping on the theme of the brigade as the basic-level administrative and accounting unit, the importance of the team was also being gradually stressed and its powers defined. They were the "fundamental basic-level organizational units" and "fundamental basic-level combative units of the agricultural front." They were charged with the task of making the "most direct and specific arrangements" for production and the livelihood of the commune members.[21] The authorities now admitted that in order to revive agricultural growth they had to start at this level and so in order to "bring into full play" the "work enthusiasm" of the production teams and "the large numbers of commune members," the brigade and commune authorities were asked to pay "serious attention to the maintenance of the rights of the production teams in using means of production and in owning some of them."[22] It was stressed that in order to exploit the "activism" of the peasant members of the communes, it was "quite necessary" to "enforce with insistence the system of minor ownership at the production team level" and that it was "impermissible" to "encroach" on this "minor ownership."[23]

What were the rights of the production teams and what constituted this "minor ownership"? Land and labour, the right over which the commune had transferred to the brigade, was fixed for the use of the production team and this could not be tampered with by the brigade, so that the team knew how much land and labour

belonged to it and could make its plans accordingly.[24] Similarly, animals and farm tools were also given to teams for permanent use and could not be withdrawn at will and certainly not without compensation and the team was familiar with the lay of the land and local conditions and, therefore, could make proper arrangements for cultivation and labour utilization. Management, use of labour power, and ownership of basic implements were thus decentralized to allow for both greater efficiency and harder work, and a small unit like the production team became the basic economic unit in the commune. The production team was ensured the right to plant according to soil conditions in its land, the right to change its planting system according to the soil conditions, the right to determine technical measures and labour man-hours in accordance with the ability of the team, the right to decide the order of work, the right to control manpower, cattle, and farm tools, the right to disburse wage funds possessed by the team, and the right to conduct a minimum of side-occupation.[25] Besides the authority to decide what crops to cultivate according to land conditions, adopt necessary technical measures, and set different farm tasks, the teams also had the authority to make "full use" of odd plots of land and other "scattered pieces of land" to cultivate different crops and to "carry out forestry, animal husbandry, and fishery production."[26]

In other words, so far as the daily life and occupation of the peasant was concerned, the old familiarity and the old routine was returning. The setback in agriculture had to be stopped by strengthening the agricultural front and by stopping its drain of manpower. The main stress was now on grain production and most of the available manpower was transferred to the teams for participation in agricultural labour. The communes were advised that at least 80 per cent of the rural labour force should be at the disposal of teams for direct agricultural work[27] and the cadres were once again asked to go deep into production and lead the "mass movement with agricultural production as the core." Examples of "well-managed" communes which had "ploughed back their manpower resources" into the agricultural sector were frequently lauded in propaganda organs. A typical example was that of Shantou Special District in Kwangtung where in "full implementation" of party policies all the cadres from the brigades had been sent to the "front line of production" to lead the masses in spring planting and a total labour

force of 2.42 million for the whole district, representing 81 per cent of its rural labour force, was mobilized for the purpose.[28] Not only the cadres and the available labour force in the communes, the movement for *hsia-fang* was also intensified and millions were sent to villages for permanent settlement there. For instance, one report estimated that nearly six million young men and women from 18 provinces and cities had gone to the "front line of agricultural production." Some of the provinces and cities mentioned were: Shanghai, Hopei, Shansi, Heilungkiang, Kirin, Shantung, Kiangsu, Anhwei, Honan, Hupeh, Kaingsi, Szechuan, Kweichow, and Shansi.[29] The authoritative *Hung-ch'i* (fortnightly organ of the Central Committee of the Chinese Communist Party) suggested a three-point programme in this connection. Persons with full and partial labour power should constitute at least 30-40 per cent of the rural population. This was regarded as "correct distinction of labour power between town and country and industry and agriculture." About 95 per cent of this labour power (full or partial) should be assigned to production teams. This would ensure for the production teams the necessary labour power to develop agricultural production. Thirdly, over 80 per cent of this labour power should be used on the "front line of agricultural production" during the busy farming season.[30]

The wheel had turned a full circle. After first creating the agricultural producer co-operatives and then the communes, the authorities had to go back to the teams for meeting production targets and for rehabilitating agricultural production. In fact, agricultural operations were being further decentralized and the teams were entrusting the work to the squads or work groups within the team. They would fix land, labour, animals, and farm tools for the squads and assign them a production target. A whole new contract system was being evolved. The State would enter into a contract with the commune for fulfilment of production plans, the commune with the brigade and the brigade with the team, the team with the squad, and the squad with its individual members. The commune rewarded the brigade for fulfilment and overfulfilment of the targets, the brigades the teams, the teams the squads and its individual members; similarly, penalties were imposed for non-fulfilment of the targets.

So, in order to "strengthen the sense of responsibility of production teams for the result of production," a system of "three guarantees

and one reward" (or "three quotas and one reward") was now sought to be effectively enforced throughout the countryside. According to this system, the teams guaranteed the fulfilment of production targets, the labour required for each particular assignment and the production cost; in return it was ensured reward and compensation for fulfilment and reward for overfulfilment of the targets.[31] Thus, the team was allocated a quota for production in the light of its conditions and manpower available and the cost of production was fixed and so was the payment for the fulfilment of the quota. The team, therefore, knew exactly what was expected of it and what material benefit it would receive on completion of its quota and even the individual peasant knew the work he was required to finish and the payment he would receive in return. And in order to provide the teams and its members with a material stake in increasing production, it was now required that if the target was exceeded, the team would be allowed to keep the overfulfilled portion of the production and that when an individual peasant exceeded his quota, at least a part of the overfulfilled portion would be made over to him for free disposal. While the output underwritten by the team was to be surrendered to the production brigades for central distribution, the part in excess of the production task underwritten and the income from activities not falling within the contracted production task was to go to the teams themselves[32] and, principally, distributed among the members.

The quotas were now set for all fields of work; they were to be applied to agriculture, forestry, animal husbandry, subsidiary occupations, fishery, part of the handicraft industry and the "rear services of the public mess hall." The quotas must be reasonable and practicable so as to be able to stimulate the enthusiasm of the peasants for developing production. At least in one province it was decided that the production plan might be kept separate from the production target. The former might be kept a little higher but the quota fixed for the production teams should normally be within the range of 3-5 per cent of the normal output in the preceding years.[33] The amount of foodgrains to be retained by the team should be compatible with the fulfilment of the target to be collected by the State. The official advice to the communes was that there should be no attempt to build up reserve stocks unless surplus grain was available, but that the system of rewards and penalties should be

scrupulously adhered to as this was the crucial factor in the new massive effort to halt agricultural depression. The portion of reward in terms of rice given for overfulfilment of the quota should not exceed 50 per cent of the total and in the case of areas with vast land and small population not more than 20 to 30 per cent. The penalties for non-fulfilment of the quota should be collected in kind up to a maximum of 20 per cent,[34] but it was made clear that there should be no indiscriminate imposition of fines and those peasants who had met their individual quota but whose teams had failed to reach the target should not be punished but, instead, should be suitably rewarded. The real purpose of instituting the system of guarantees and rewards was to stress the aspect of rewards and not that of penalties.[35]

It is significant that the new system was about the same as existed in one form or another when Chinese agriculture had not been collectivized by the new regime. During the days of the mutual-aid teams in about 1951-54, the Chinese communists had evolved a similar system of guaranteed production and compensation; the teams were given then, as now, a quota for fulfilment and there was considerable freedom for disposal of the portion that exceeded the quota. This started in 1951-52 with a system of "small-scale guarantee to provide required labour," and farm jobs were assigned in lots to production teams—this was the origin of the "three guarantees and one reward" system. The teams at this time were responsible for farm work but not answerable for the output and, therefore, had no incentive to adopt technical and other measure to increase production. It was then that during the next two to three years the system of guarantees and rewards arose and was developed.[36] With collectivization and particularly communization of agriculture, this system was dispensed with and supplanted by a supply-cum-wage system. The peasant almost became a wage-earner and the differences in incomes that resulted from the earlier method were sought to be minimized through the introduction of a partial supply system and the introduction of wages within narrow limits of differences. Now the Chinese communists were back to the earlier system. There were no doubt important differences with the old "mutual-aid" system and the context had changed. Private property was not restored to the same extent and individual ownership of land was no longer there. But in social organization, the mode of

agricultural operation, and the system of management and remuneration, there were striking similarities.

Inevitably, policy decisions at higher levels take time to percolate down to lower levels and be generally accepted and implemented. This new system that the authorities now recommended and encouraged for general adoption by the communes also, judging by reports, had some rough sailing. It was a return to, partially at least, "capitalist" ways and in any case a lower form of socialism than what the communes were originally supposed to represent. Not all the cadres were, therefore, convinced or enthusiastic. What was even more important, the faith of the peasantry had been greatly shaken and it could not be easily led to believe that the authorities meant what they said. The peasantry was doubtful that all this talk of remuneration according to quotas and rewards for increasing production was genuine and would really be translated into action. As one report admitted, the commune members fear that they would not be given more grain even when they had achieved a significant rise in grain output. "What worries them," it said, "is that since the production brigade made unified allocation of grain rations to the production team, those teams which have achieved a larger increase in grain production will get the same amount of grain as the production team which gains a small increase in grain output." The cadres were told that this "worry" must be removed otherwise it was bound to affect the "production enthusiasm" of the teams and the peasant-members. As "some people" said, "let us grow more subsidiary food and less staple crops. To grow 500,000 catties of rice was not as good as to grow 4 catties of sweet potatoes." The peasants said that if they increased output of grain "you could only look at it" but could not eat it and that "it was only the sweet potatoes you grow which belong to you." Some peasants also told leading cadres from higher levels who had come to enforce the new system that the three-guarantee system was good but that it was doubtful if it could continue to be enforced after they had left.[37] There was an obvious lack of faith among the peasantry in the ability of the brigades to carry out the new policies.

As a result, on the one hand, of the disastrous decline in agricultural production and, on the other, of the uncertainty and confusion with regard to the new policies that were being, in a sense, forced upon the leadership, many production teams began neglecting,

at least for a while, farm production. As the report cited above complained, the production teams paid attention only to their own economy, and manpower in that particular commune was used for catching fish for the mess halls, collecting shell fish, and developing subsidiary production, but "no serious attention" was given to the field management of paddy crops. The teams were afraid that if they "dig up more manpower," the brigades would increase their assignments for grain production.[38] The leadership knew, however, that it could not resolve the problems by resorting to measures of squeeze against the teams and the commune members. It retreated further and repeatedly emphasized its determination to put through the system of guarantees and rewards. It was stressed that all these "contradictions" could be resolved only if the new system was carried out thoroughly and effectively. In other words, the regime was no longer in a position to take any chances and had to loosen the controls and decentralize agricultural operations to the extent necessary to arrest the downward spiral and to restore production.

Thus the ownership rights of not only the brigades but the teams also came to be confirmed and the organization and management of production was changed and a gradual system of responsibility from the production brigades to the teams instituted under the system of "three guarantees and one reward." The commune entered into contracts for fulfilling production targets with the production brigades, and the brigades with the teams and the teams with the team members either individually or in groups, and rewards were awarded for exceeding the quotas. At the same time, responsibility was fixed for each chore of work either in group or individually and the emphasis in agricultural production in fact shifted not only from the communes to the brigades, but from the brigades to the teams, and even to smaller groups within the team.

"EXCHANGE AT PAR VALUE"

With agricultural production as the focal point of all activity, a new stress came to be laid on "exchange at par value." This had wide significance in the Chinese context. This affected exchange relations between industrial and agricultural produce, exchange between communes and other "collective units," between brigades and the communes, and between teams and brigades.[39] Obviously,

since agriculture had been made to pay for rapid industrialization, agricultural prices were at a disproportionate disadvantage to industrial prices. Now the party promised the peasantry more equitable terms of exchange between agricultural and industrial products as another measure to induce the peasants to work harder and produce more. To what extent the imbalance was rectified is not known, but the party did not really envisage a major change in the price structure of industrial and agricultural sectors, and the instructions were that the proportionate prices of industrial and agricultural products should neither be lowered too much nor enhanced too much.[40] At the same time, the communes were assured better terms when exchanging goods with other State-managed enterprises. It was now declared to be necessary to adhere to the principle of "exchange of equal values" when enterprises "owned by the whole people" (that is, by the State) exchanged commodities with organizations owned by the collective or when enterprises "owned by the whole people" procured products from people's communes, production brigades, and production teams.[41]

However, the scope of "parity exchange" went beyond the fixing of equitable ratio between industrial and agricultural prices. Apparently, in the first phase of communization, the commune administration would take over the produce from the brigades at unfair terms and the teams parted with their produce at equally unfair terms dictated by the brigades. Not infrequently, the labour of a production brigade would be requisitioned for work at a different place—maybe for some large-scale water conservancy project or for setting up some industrial enterprise—without proper payment and compensation for labour thus employed. It was now conceded that if "exchange at par value" was not practised, then one party would have encroached upon the ownership rights of the other party and occupied the latter's "property and the fruits of the labour without compensation." This "cannot be allowed" because of its "direct effect on production in the socialist stage."[42] So full compensation must be made for acquisition of material or labour by the commune from the brigade, by one brigade from another brigade, by the brigade from the team, and by the team from its members. And if somebody's "socialist consciousness" rankled, he was assured that this system would promote "socialist cooperation" by "realizing the principle of voluntariness and mutual benefit."

In any case, the communes were not "permitted to ignore the principle of exchange of equal values" when they dealt with the production brigades and the brigades must similarly abide by these principles in its relations with other brigades and teams.[43]

A NEW WAGE SYSTEM

One of the crucial measures that the communist leadership had to take to rehabilitate agricultural production and to induce the peasantry to increase production was to change the system of remuneration in the communes. Essentially, the party had to re-establish a pattern of incentives to activate peasant enthusiasm, and abjure the criticism of wages as a bourgeois concept. The wage system had to be refurbished on the principle of "he who does not work, neither shall he eat, and he who works more shall get more." Basically, the party had to recognize that differences would exist between different brigades, and between different teams even within the same brigade, not to speak of individuals. These differences, it was acknowledged, stemmed from different degrees of fertility of land, different distances between farm lands and community markets, different amounts of money invested in land, and different amounts of labour used.[44] Agricultural production could not be promoted by punishing the richer brigades or teams or by developing the poor brigades and teams at the expense of rich ones, but by trying to lift the poor ones through better organization and efficiency and through commune and State aid. The differences in income and standards of living created by this kind of inequality must be recognized.[45]

A complicated hierarchy of wage structure was evolved, which often differed in different places, but was at bottom the piece work remuneration system. The wage points for each commune member were appraised on the basis of diverse farm chores and the quantity and quality of daily labour performed. According to an authoritative article in the *Jen-min Jih-pao*, basically there were two methods adopted for wage appraisal. The first one was work calculated by time (by hours or days). A "labour point" was fixed for a member after taking into account the labour force, his techniques, and his "labour attitude." The other method was remuneration by piece work, wherein labour norms for various kinds of work were set

beforehand and wage points were calculated according to the amount and quality of work of each member.[46]

The article said that wage by piece work was "preferred" in the present stage when communes were implementing the principle of distribution in accordance with labour. It raised the "labour efficiency" of the members and provided greater scope for the use of auxiliary labour (for instance, it "encouraged" the aged and the children to take part in work, such as weeding of grass and tidying up of trees). However, the cadres were advised that labour norms must be fixed "fairly and rationally" and that in this process due attention must be given to nature of farm chores, the technical requirements, the degree of hard labour involved and their importance in production, heavier work being assigned more labour points than lighter work, skilled work more than unskilled, and in general higher remuneration fixed for busy season as against off season.[47]

The complex nature of the wage system that was being evolved may be gauged from a report on the Minghsing production team of Wolung commune in Hsiangyang *hsien*, Hupeh, where the work of the "labour norm control" and "wage appraisal" had been "revamped" and labour organization "readjusted," thus streamlining the production responsibility system and better enforcing the policy of "he who works more gets more." According to the report, there were in this team throughout the year 314 kinds of chores, among them 158 chores for the lunar calendar's fourth, fifth, sixth, seventh, and eighth moons, which constituted the busy season, and 93 chores in third, ninth, and tenth moons which formed the "fair season," and 63 chores in the eleventh, twelfth, first, and second moons which fell within the off season.[48]

Another case which *Jen-min Jin-pao* commended to others may also be noted in passing. This was the system adopted by Heichiachuang production team of the Jenchiachuang production brigade of Liacho commune, Nanyang municipality, Honan province. This team adopted the method of classifying the agricultural work into "different grades with fixed norms and recording work-points on assessment of work according to fixed norms." The *Jen-min Jin-pao* described this method as "fair," "reasonable," "practical," and "workable" and one which "effectively mobilized" the enthusiasm of the commune members in their work. The primary bases for classification and fixing norms of agricultural work of the

Heichiachuang production team were: (1) To classify the whole year's agricultural work into three seasons of the very busy, normal, and idle season. Different standards for fixed norms were taken for different seasons. (2) Every norm of agricultural work was fixed principally in accordance with the intensity of the work, the degree of technique required, and the difficulty of operation as well as the conditions of labour power. (3) In fixing the norm, the availability of draught animals and farm tools was also given due consideration. For instance, in ploughing fields, the fixed norm for an ox was to plough three and a half mow per day at three work-points per mow, while that of a calf was two and a half mow per day at four work-points per mow.[49]

The method used to classify the grades and to fix norms was: (1) In agricultural work, to fix the working regulations and to determine the norm of work for each item according to every item of work for different crops, from furrowing fields to sowing seeds, harvesting, threshing, and storing. (2) In capital construction, to determine the norm for labour power or a norm for collective contract job according to the tasks of different items of construction work. (3) In miscellaneous work, to determine the quantity and quality of the fixed norms in the light of actual requirements for every season. (4) In permanent year-round work, such as cooking animals, etc., to determine the fixed yearly norm according to labour intensity, the labour strength, and degree of skill required. When the fixed norms for various kinds of work were determined, work was assessed and work-points were recorded according to the labour norm which every member had accomplished during the day. Wages were issued every month according to the work-points the commune members earned and in this manner, it was claimed, the "activism of the commune members became higher and higher."[50]

This production team had also set up an awarding system for commune members who had overfulfilled their norms by making innovations in farm tools. When norms were overfulfilled, work-points were recorded for the surplus as usual but, according to the extent of increase in the efficiency of work, a reward of 30 to 70 per cent of the work-points gained from the surplus was given to commune members concerned. The teams also kept an account of field norms according to sections; work-points of every section were recorded every day by the working groups. The working

groups adopted the method of assigning tasks in accordance with the ability of the worker. For agricultural work which was more suitable for contracting collectively, it was so undertaken. On completion of the work, the points were recorded on assessment after discussion. In case work was suitable for individuals to contract, it was done so by individuals within the group. Before completion of the work, the cadres of the team and group leaders examined and accepted the work and "work-point coupons" were issued on the spot to those who had completed their norms.[51]

In some communes, in order to reassure the peasantry on the policy of distribution according to labour and to "stimulate" the people's "positive quantities" towards production, the "labour handbook" was popularized. The labour handbook was described as a "certificate of all economic transaction between the commune members and the production brigade." It consisted of two parts, the first part recording the labour contribution of the member and the second part containing the record of all economic transactions of the member, such as periodic and advance payments of wages and their financial accounting, charges for food, and accounts of the transactions between the member and the brigade, etc. Thus each member knew the amount of labour he had put in, the sum of money that he might have drawn, and his final share in the income.[52]

A great deal of experimentation in evolving the wage system went on all over the Chinese countryside and in April 1962 the *Jen-min Jih-pao* wrote that "all remuneration methods adopted by different localities are good as long as they confirm with actual local conditions, satisfy the masses, and are continually given attention and study so that they can be continually improved."[53] A vastly complicated system, if the educational level in the villages and the other burdens of the cadres are kept in view, was growing. The amount of book-keeping itself was enormous, and then the fixing of labour norms for different chores of work (which ran into hundreds), and even within one kind of work the determination of labour points for each member according to the quantity and quality of work—all these were extremely complicated tasks on the correct handling of which depended whether the peasant would generally feel satisfied or not. To take only a few scattered instances of the kind of problems that would arise, the sixth production team of the sixth production brigade of the Minchi commune in

Hopei province had originally assigned thirty-five points for planting rice seedlings in the seed beds, and one point for removing thirty bunches of rice seedlings from the seed beds. This led to much dispute among the commune members engaged in the removal of seedlings. They said that the seedlings were small and labour-consuming and that they would be better off by planting (which would bring them higher labour points) than removing seedlings. A commune representative, in an on-the-spot survey, found that the assignment of one point for removing thirty bunches of rice seedlings was unfair and that members who really worked fast could only earn eight points, while in the planting of seedlings even very slow workers could earn more than ten points.[54] In another kind of example in the ninth production team of the same brigade, it was observed that some female members outperformed their male colleagues in speed and quality in planting rice seedlings; consequently, the male members were unwilling to have female members plant rice seedlings and they were not given the points due to them. The commune party secretary when conducting a survey found that such discrimination against women was not uncommon.[55]

Fixing of "rational" quotas was a primary problem in the struggle to rehabilitate agricultural production and overcome peasant passivity. "Rational remuneration" for the work-points earned by the individual peasant was the decisive factor in stimulating his enthusiasm for increasing production. As one propaganda journal itself reported, the saying current among the peasants was: "Wage points, wage points, you are both our granary and our fuel." And the journal added: "Thus it can be seen that the assessment of work and recording of work-points must be well done. All such farm work as can be covered by labour quota should be paid by the piece work system, while such farm work as cannot be well covered by labour quota must be assessed and recorded properly and in time so that every commune member can get the work-points as he should."[56] The labour quota must not be too high as that would dampen the "production ardour" of the peasantry, it must not be too low for that could decrease the share of the State. How to extract the last grain from agriculture for public accumulation and urban consumption and yet leave enough for peasant consumption and maintain the peasants' active interest in developing production was a major problem of the authorities.

There were many reports during this period of the quotas having been fixed too high and the peasants' dissatisfaction with them. Again and again the cadres were asked to give serious attention to this problem. In many cases, the value of labour unit was re-adjusted upwards in response to the dissatisfaction of the peasants. To take one instance from a commune, Shansi, it was reported that sons of the teams did not make a proper distribution of work and labour force and that some work groups did not earnestly follow the system of fixing the labour force and giving work-points on the basis of the work completed. As a result, they "used too many man-days" and these extra man-days of work meant increase in cost of production and "reduction in the value of each man-day work credit." Moreover, as the work could not be fulfilled in time, it became impossible to adhere to the "3-guarantee" work plan.[57] In many cases, the value of labour credit was raised and labour power and quotas readjusted in order to increase the unit value of labour performed. Despite all the talk about increasing the income of 90 per cent of the peasantry, the economic situation and the wide-spread food scarcity hardly warranted a general rise in the income of the peasantry. Besides increasing production, the chief way in which income could be increased was by lowering the cost of production and it was on this aspect that the authorities laid a great deal of stress.[58]

It was in this context that proper financial management was regarded as an "important link" of business management in the communes, "for its success or failure is related directly to whether development of production in the communes is fast or slow and whether income is reasonable." "Healthy financial management" could enable the "broad masses of commune members" to know the "sources of their income in kind and cash and the direction of this spending," and this would in turn boost their enthusiasm for labour.[59] The greater the income from collective production, the greater will be "collective capital accumulation" and the share of income distributed to the commune members. On the contrary, the smaller the income from collective production and higher the expenditure the smaller would be "capital accumulation" and the share distributed to the commune members. Every receipt or expenditure in the finance of the collective economy was intimately connected with the personal interests of the commune members.

and it was important to exercise strict financial control over the expenditure and receipts in order to reduce the costs and increase income. It was also necessary to evolve "simple and workable" financial systems compatible with the present level of business management of the commune and with the "professional level" of the accounting personnel. "Simple and workable" financial systems would not only make it easier for the accounting personnel to keep accounts but also for the members to understand and check the accounts at any time. In fact the level of the "accounting personnel" was not very high and many of them were "unfamiliar" with accounting methods,[60] nor could the peasants with little education be expected to comprehend them. The need for simple financial systems was thus obvious. A vast army of accountants had to be trained and the Chinese press frequently reported the training of large number of cadres in financial work but the level of a great many of them continued to be elementary.

PRIVATE PLOTS AND SIDE-LINE OCCUPATIONS

In another important step in the process of recreating a pattern of incentives, towards the end of 1960, the "private plot" was restored and the peasants were allowed to engage in small private production and subsidiary occupations.[61] These private plots have had a chequered history depending on the vagaries of party policies. In 1958 in the race towards the communization of agriculture, the "private plots" disappeared and the party resolutions at the time clearly sanctioned their being taken over for collective use. These so-called "private plots" were odd pieces of land near the houses of peasants and otherwise beyond the scope of collective cultivation but they played an important role in supplementing the income of the peasantry; they were also the source of supply of various necessities like eggs and fowl, and sundry goods which could more conveniently be taken up by individuals. The income from the sale of these commodities often determined the border-line between destitution and relative stability of a peasant family's economic conditions. Not only were the private plots taken over but over large areas excessive collectivization gave a big setback to the side-line occupations of the peasantry and had adverse effect on their enthusiasm as well as on production. The policies followed with

regard to these plots and subsidiary occupations of the peasantry during 1958-60 resulted in a serious decline in production and, therefore, in short supply of a variety of agricultural products and sundry goods as well as in the total income of a peasant family.

With the retreat all along the line as a result of the agricultural failures of 1959 and 1960, the private plots were restored[62] and a great deal of emphasis claimed on behalf of the party that it had always attached importance to the development of domestic side-line production on private plots. The commune members, it was stated, should be allowed to cultivate small plots of private land and to keep odd trees around their houses and their small farming implements and small tools, should be encouraged to make use of odd pieces of land by the side of their houses, villages, streams and roads, raise a "small number of pigs, geese and ducks, and chicken" and "pursue small-scale domestic side-line occupations" during their spare time when they were not performing collective labour.[63] The plots allotted were tiny, as only 5 per cent of the average cultivated land could be set apart for such private cultivation, and the peasants could work on them or on any other private side-line occupation only in their spare time, but the psychological and material value of this step was not insignificant, and it helped in shortening the gap between the supply and demand of many commodities. According to one instance, quoted in *Jen-min Jih-pao*, in one production brigade the income from side-line occupations constituted 14.7 per cent of the total per capita income of the brigade.[64] Their importance in the economic life of the peasantry is also evident from the fact that the cadres were advised that those peasant families which were experiencing difficulties in making both ends meet should be provided more facilities to enable them to engage in side-line production and thus to increase their total income.[65]

Moreover, it was claimed that the commune members had been allotted sufficient private land and to tend it would be "beneficial" to their living conditions and to production. On such plots they could grow staple crops and miscellaneous grain crops to increase their foodgrain and animal food, vegetables, fruit trees, bamboo trees, domestic animals, and fowls. The products from private plots of land, after meeting the commune member's own need, could be sold to increase his cash income and to "solve the question of pocket

money." In order to allay the doubts and apprehensions of the peasantry regarding future policy towards the private plots, the assurance was sought to be given that they were for "permanent use" and could not be taken back by any person or organization. The agricultural products from private plots and odd pieces of reclaimed land were not to be counted during collective distribution of income, nor were they to be subject to agricultural tax and unified purchase[66] (as the collective produce was).

What was the scope of this side-line production? According to an authoritative article, the side-line occupations of the peasants embraced the following tasks: to till the private plots of land allotted to them by the commune; to work on the private plots of hilly land allowed to them by the commune where unused mountain slopes or hills growing firewood or grass which could be used for firewood were available; to reclaim a certain amount of odd plots of waste land as approved by production brigades; to raise domestic animals and fowls such as pigs, sheep, rabbits, chickens, duck, geese, etc., to engage in handicraft industrial production such as braiding, weaving, sewing, embroidery, etc., to engage in subsidiary production such as collecting medical herbs, fishing, hunting, raising silk worms and bees; to grow fruit trees, bamboos, and trees on land allotted for private use; and to grow fruit trees, bamboos, and other crops around the houses. As to those side-line occupations which were suitable for both collective operation and family subsidiary production, the communes were asked to follow a policy of "walking on two legs" and let them be simultaneously undertaken both by private individuals and by the teams or the brigades.[67]

Since the private subsidiary production was now being encouraged, it was axiomatic that the peasants should also be given some time to undertake such occupations. The arrangements for utilization of labour were so made as to provide the peasants with sufficient free time to engage in subsidiary production. According to a report from a brigade in Kwangtung, in the "spirit of the party's directive" of giving primary attention to agriculture, the production brigade readjusted the economic relations in the undertakings of the production brigade, the team, and the domestic side-line occupations of the commune members. It enforced the system of "fixed work and attendance," "specified tasks," and "flexible time-tables."

Every "labourer" was required to attend work (in collective production) for a number of days, depending on his "labouring ability," "technical standard," and the amount and kind of farm work to be done. Generally, with the number of basic wage points equal to 10, he was required to attend work for 28 days a month. During busy season, he was required to attend more frequently while in slack time he was asked to attend to collective production less frequently. The performance in collective labour was inspected every 10 or 15 days, but the spare time of the peasants thus allowed every month was at their own disposal. Besides the two holidays that were given every month which they could devote to their private side-line occupations, the commune members could also pursue them in the morning before reporting for collective production, during the rest interval at noon, and in the evening after the end of collective labour.[68]

RURAL TRADE FAIRS

It was also necessary to provide outlets for the disposal of the products of these private side-line occupations and, therefore, the decision of the authorities to encourage the holding of rural market fairs where the private produce could be sold under the control and supervision of the government and the party was the next logical step. These rural fairs were popularized by extensive coverage in the press[69] and were soon developed not only as a medium of exchange between individual peasant and State stores but also between villages and towns and, significantly, between communes and other production units. It was stated that in order to "strengthen economic intercourse between urban and rural area as well as between different rural areas," various departments of business, light industry, and handicraft industry were holding commodity exchange exhibition in which "large quantities" of industrial products were sold to rural districts and industrial raw materials and subsidiary foodstuffs were supplied to urban areas.[70]

The party's view now was that the rural trade fairs were "conducive" to the "development of agricultural and rural side-line production" and that they facilitated exchange of products among communes, production brigades and teams, and among individual commune members. The communes, production brigades and

teams, and commune members had "many kinds of farm products" and byproducts which could be offered for sale in rural fairs in return for cash or other products needed. The rural fairs could help to "expand sources of supply of commodities and make up for the State-operated commerce where it falls short."[71]

The decision to allow this free market could only be an unpalatable one for it raised the ghost of the "restoration of capitalism" in Chinese agriculture. The somersault of party policy in this regard seemed to have discouraged many cadres. The party leadership had to overcome the resistance of some cadres, on the one hand, and the scepticism of the peasantry, on the other. It was admitted that at the beginning rural fairs "may be a bit unruly," that the prices of commodities offered for sale may be "a bit too high," and that cases of profiteering and speculation may occur.[72] A "small number of speculative and opportunist persons" might try to buy and resell at a profit, "middlemen traders" might also come in, "engaging themselves exclusively in commerce and profiteering" in order to "exploit both producers and consumers." A small number of commune members, attracted by high prices, might "participate in collective production with reluctance," devoting too much time to family side-line occupations, or they might abandon farming in favour of commerce, spending their time travelling from one fair to another.[73] All these "negative factors" were present, causing some anxious moments, but the authorities insisted that the answer must not be suppression of subsidiary occupation of the peasantry and the rural trade fairs but proper leadership and control of these activities. The key to the correct organization of fairs was stated to lie in: "Free without being chaotic, controlled without being strangled." The purpose of "freedom" was to activate rural economy and to promote the development of production; "control" was with the idea of preventing "chaos," but it was stated that, "in the final analysis," the intention was to "maintain freedom" and not to "strangle the fairs."[74]

Controls were to be exercised through the leadership of communist party committees of various levels and the regulations of commodities that could be marketed through these fairs. In command were the secretaries of party committees of the *hsien* and communes in charge of finance and trade.[75] Subsequently (in 1962), the need was stressed for increasing administrative leadership and control.

It was suggested that party organizations and government agencies in the communes should tighten their leadership over trade in rural fairs and that a "sound administrative committee" be set up for every rural fair "to co-ordinate the leadership control over trade in it." The "central purpose" of administrative control was to ensure the enforcement of the party's relevant policies to "protect legal trading," to prohibit speculation, and to encourage "healthy development of trade in rural fairs."[76] As regards the products that could be exchanged at the fairs, all agricultural products were classified into three categories. The first category comprised grains, cotton, and oil seeds which were subject to unified purchase by the State and for which centralized purchasing at fixed prices was enforced. They were, therefore, not allowed to enter rural fairs. Then there was the second category consisting of "important industrial crops and animal products" and also constituting "resources for exports," commodities which were subject to State purchasing according to contracts and which included tung oil, tea leaves, cured tobacco, flax, bamboo, hides, wool, and live pigs, etc.[77] These were allowed to enter rural fairs only after required quantities had been sold and delivered to the State.

All other types of products, not covered by the first two, fell into the third category, and for such products "consultations" were held with the peasants by "State commercial agencies" or "supply and marketing co-operatives" and in accordance with "planned or arranged prices" contracts for arranged or negotiated purchases were signed. Contract production and rural market fairs were generally in the third category of goods. In signing the contracts, the two parties were urged to take into consideration the needs of the State and the peasants and to treat the contract both as an economic and political relationship. The communes, the brigades, and the teams should arrange their production in accordance with the contracts and the commercial departments were similarly advised to observe the provisions of the contracts and organize supplies of individual goods to the peasants.[78]

Most of the products offered for sale in rural fairs were third-category commodities which were subject neither to unified purchase by the State nor State purchase according to required quantities. The participants in the trade fairs were limited to State-controlled commercial agencies, communes, production brigades, individual

commune members, and individual consumers from nearby cities and towns.[79] Private traders and pedlars were debarred and the resale of commodities purchased at the fairs prohibited. However, despite all the controls, as pointed out earlier, the accent was on "freedom" and on enlivening rural production. Bargaining was allowed and prices to find their own level with relatively little interference from the authorities.

In holding these fairs, mostly the representatives of neighbouring districts, cities, and people's communes were invited to take part but sometimes the representatives of other provinces were also invited, and it was claimed that at such fairs "traditional channels of commodity exchange" were developed and "new economic relations" were brought into being. A report on such a fair in Szechuan Province stated that Ch'engtu completed transactions with seventy-four *hsien* and towns and that Chungking signed a contract with neghbouring areas valued at 5,870,000 yuan. In exchange, the two cities sold about 9 million yuan worth of indigenous products to such areas.[80] Warehouses were established by the government agencies like the State Department Store for storing the produce of the subsidiary occupations of the communes, the brigades, and the teams,[81] and rural "service departments" mushroomed whose function it was to engage in buying and selling, to find customers for both sides, and to advance business transactions, and at the same time it sent staff members to visit production teams to understand their needs and their capacities and to "organize direct hook-ups between the producers and the markets," as a result of which "forward trading" also took place and the teams often produced goods on contract.[82]

The nature of the trade fairs, the problems involved, and the impact on the peasant can be seen from a study of an investigation report on trade at the fair at Tingssuch'iao, Sienning *hsien* in Hupeh province. Tingssuch'iao lies on the Peking-Canton Railway and was a market centre for agricultural products and byproducts and products of handicraft industry. When the fair was first organized, many cadres had "ideological misgivings" about these fairs and the party committee of the commune organized all cadres to study the State policy in regard to organization of trade at rural fairs in order to enable them to understand the significance of buying and selling at the fair and to overcome their resistance.

It was discovered that some production brigades did not adhere to the contracts signed with State-operated stores and sold part of their commodities (like charcoal) to public organs and organizations of other places at a higher price. The authorities also came to know of cases where commune members developed their own domestic subsidiary production with "methods which encroached upon the collective interests of the production brigade." Some cadres "wavered" over the question of opening trade fairs but the party committee of the commune "firmly and resolutely" adhered to the policy of the Central Committee concerning the organization of trade at rural fairs.[83]

The trade fair here was held generally on the first and fifteenth days of each month. The party committee claimed that it actively encouraged subsidiary production in order to "enliven the market." From 1 December to 1 February, the business transactions recorded at the five meetings of the fairs were as follows:

	1 December	*15 December*	*1 January*	*15 January*	*1 February*
Number of people who attended the fair	2,800	3,200	4,309	6,000	7,200
Varieties of goods marketed	95	184	190	198	225
Amount of business transacted (*y*)	15,705	26,339	41,393	36,838	38,899

The above figures show a sharp rise in the number of people participating and the varieties of goods marketed but, after a sharp rise of the value of business transacted on 1 January, there was a decline in the next month. This was put down to seasonal changes in production, for instance, the greater part of additional commodities marketed in January were sundry goods like bamboo baskets and cooking utensils. In the case of agricultural produce and byproducts like vegetables, wild fibres, and ramie, because the production season was over, and the products available had been marketed on the fair days before that, less of these commodities were sold on 15 January and 1 February.[84]

During the two months of November and December in the previous year, the whole commune netted a total income of 220,000 yuan from subsidiary production, an increase of 4.7 times compared with the corresponding period in 1959 and an increase of 3 times compared

with the two months of September and October before the holding of the fairs. The report also said that the No. 2 production team of the Lienmeng production brigade obtained a total income of 12,644 yuan from subsidiary production in two months, which was 63.7 per cent of the total income from subsidiary production for the whole year.

After the fair was opened for trade, for part of the commodities under the second category and all the commodities under the third category goods for which there was a procurement quota, the State commercial departments signed purchase contracts with the brigades, teams, and commune members. The contracts for pigs, ramie, and tobacco were signed with the brigades and teams, while those for eggs were signed with individual households. The commercial departments also issued to the teams and commune members a kind of "contract handbook" on which were noted the tasks for the whole year, the quantity to be delivered quarterly, and the quantity already delivered. The units and individuals who had fulfilled their tasks in respect of delivery and sale could use the "contract handbook" as proof of such fulfilment and sell all their surplus products freely at the fair.[85]

In regard to part of the commodities of the third category whose volume of output was fairly large in the place and which were regularly exported in the past, purchase contracts were also signed by the commercial departments with the production brigades and the commune members after consultations. The products for which purchase contracts were signed consisted of fresh fish, fire-wood, charcoal, and chicken. For some of the third-category commodities, products like water bamboo, yellow bramble vine, bracken root, paper pulp, wild starch, and other raw materials for industry, on every market day, the State commercial departments set up six additional buying points in the whole *chen* to buy them on a large scale at "reasonable prices" so that the producers could make "some profit" out of them. Some non-staple foodstuffs like vegetables, turnip, and lotus roots were "exchanged among the masses." The inhabitants of Tingssuch'iao and the railroad employees and workers there could also buy them. The commercial departments let the masses buy and sell these articles. These articles were also bought by the local peasants' service departments.

Simultaneously with the work of purchasing, the State-owned store of Tingssuch'iao also undertook to supply industrial products.

It put up for sale on market days more consumer goods like towels, socks, thermoflasks, and rubber footwear. It also supplied the bambooware, woodwork, and ironware factories of the commune with more than 60 million yuan worth of raw materials and fuels of all kinds. It also bought such sundry goods as bamboo baskets, rice sieves, water buckets, wooden tubs, bamboo chairs, choppers, turning shovels from these factories to meet the market demand. The commercial departments even issued to the commune members who sold bambooware and "native produce" to them coupons entitling them to preferential treatment in the purchase of sweetmeats. On representation of these coupons, sweets of better quality could be bought in preference to others.[86]

Thus rural trade fairs were encouraged and it was claimed that the development of rural side-line production had greatly activated buying and selling in the rural fairs. One report said that on an average a rural fair offered for sale at each of its meeting over 100 kinds of products with a total value of 3,000 yuan. This, it was claimed, had increased the collective income of the brigades as well as of the individual members. According to one instance cited, the collective side-line income of Ch'angp'ing production brigade in Hunghsui commune in Wuhsiang *hsien*, Shansi province, amounted to over 5,100 yuan in 1961, showing an increase of 31 per cent over 1960, and the side-line income of commune members increased from an average of 12 yuan per person in 1960 to 16.6 yuan in 1961.[87]

By September 1961, it was reported that there were about 40,000 rural fairs distributed over the length and breadth of China's countryside and that of the aggregate amount of commodities circulated in the rural areas, about 25 per cent was transacted through the rural fairs.[88] A subsequent report in 1962 gave the same figure of 40,000 rural fairs in the country,[89] which suggests that these fairs were being organized more or less on a continuing basis. It was stated authoritatively that for a "fairly long historical period to come" the system of ownership by the whole people and the system of collective ownership would exist side by side; so would the system of pay according to labour and more pay for more work. Likewise, the system of "private family side-lines" was an "objective necessity" and would continue. Therefore, the existence of rural fairs was "determined by the political and economic conditions in our rural areas at the present stage" and was "by no means a passing pheno-

menon." It would be incorrect, according to a party spokesman, to regard the holding of rural fairs as a temporary measure for facilitating commodity circulation and "to open or close them as we please."[90]

"DEMOCRATIC CENTRALISM"

In deep trouble over agriculture, the party was now greatly concerned about the state of its relationship with the peasantry. Historically, the Chinese Communist Party has had a different kind of relationship with the peasantry than the communist parties of Europe. The Chinese communists' road to power lay through the villages, and long years of work among and association with the peasantry gave them a sturdier base among the peasants than was the case with the communist parties of Europe, including that of the Soviet Union. The links with the villages were stronger and more intimate. Yet there was no doubt that as a result of the policies of the last few years a mess had been made of agriculture and that the peasantry was either passive or hostile. It had to be placated to prevent further damage and to revive agricultural production as well as peasants' willingness to co-operate in this task. The measures outlined above were designed to achieve this purpose and at the same time the party had to set about the task of repairing its relations with the peasants and it apparently proposed to do so by listening to their advice more attentively and by soliciting their views and assistance in devising measures for increasing production. The "democratic" aspect of the principle of "democratic centralism" on which the entire country functioned was now intended to play a larger role and, concretely in the conditions then prevailing, seemed to encompass mobilization of the "poor peasantry," greater association of the peasant with the work and with plans and drawing him into the work more actively, more "representative" meetings at all levels before decisions were taken, and greater attention to the advice of experienced peasants.

The authorities suddenly realized the need for a little more democratic control, or at least the appearance of such control to be exercised by the peasantry. Theoretically, the team management committee as well as representative conferences or congresses at all these levels were elected but general elections in the communes

took place only in 1961.[91] The "directing organs" at various levels of the people's communes, the administrative committees of the communes, the administrative committees of the production brigades, the production team committees, and the administrative committees of the community dining halls were asked to be "democratically elected" by the commune members and their representatives.[92] Even then the higher authorities had the right to approve the candidates selected and there were also frequent reports of cadres being sent to responsible positions at lower levels, thus setting aside the procedure of democratic control. But there was greater stress on holding meetings of peasants or their representatives to discuss problems.

The implementation of "democratic centralism" in the communes was now said to consist "first of all" in the "proper convocation" of the members' "general meetings" and the "members' representative meetings." The authorities at the lower echelons were advised that it was "necessary" to convene a number of "regular representative meetings and members' general meetings" each year (although it was unnecessary to convene them too often). The leading role of the party was to be maintained, and even reaffirmed, and the party committees in the communes, brigades, and teams were asked to establish a "firm nucleus of leadership" and the party committee secretary to act as "the leader" to direct the work in the villages. But the purpose in calling these representative meetings was to get the opinion of the peasants aired and to secure their assistance in facing the agricultural crisis. That is why the *Jen-min Jih-pao* insisted that the important thing was to conduct these meetings properly so that "problems of vital interest to the masses of commune members" were "solved realistically" and so that the "production and livelihood programmes" of the communes were "determined through discussions."[93] Through these meetings, a large number of peasants were sought to be involved in the making and implementation of decisions with regard to problems of production and distribution in the communes. This involvement, besides giving the peasantry a sense of participation, was believed to be an effective way of overcoming peasant resistance and ensuring his interest in the plans and programmes of the communes.

Once again the effort to enlist the support of the "poor peasantry" on the side of the party. The poor peasantry was considered

ideologically purer and more progressive and, therefore, more likely to extend support to the party. Since it constituted a majority of the rural population, it was this section with which the party was most anxious to repair its relations and it was to this section that the party addressed itself primarily. This was sought to be achieved through drawing out the "active elements" from this class for entrusting with positions of responsibility within the communes and by appealing to its "class solidarity" with the party as against the ex-landlords and "rich peasants." The "story" of the dark days of landlord domination before liberation was recounted, again and again, in order to remind the poor peasantry of the benefits it had gained from communist rule, and the poor peasant class was urged to play a more active role in the administration of the teams, brigades, and the communes. A report in the *Jen-min Jih-pao* mentioned three "key" problems confronting production teams in the communes.[94] The first "key problem" was the ensuring of the predominance of "poor and lower middle peasants" in the production teams. (The other two problems were appropriate arrangements of manpower in accordance with local conditions with contracts and quotas for work and the "full implementation" of the party policy of making production the centre of all agricultural activities.) The "predominance of the poor and lower middle peasants" was to be brought about through election of the majority of representatives of various legislative and administrative organs at various levels in the communes from among this class. This was regarded as an important step in restoring the party's damaged image among the peasantry.

At the same time, efforts were made to associate more rank and file peasants with the planning and execution of work and to encourage the more competent and enthusiastic among them to assume responsibility for supervision of work. This not only helped the fulfilment of tasks and targets and gave the peasants a sense of participation but it also allowed the party to retain the power and authority, enunciate basic policies while promoting "democratic" control by the peasantry in an effort to strengthen its links with it. The communes, the brigades, and the teams established many committees known as "democratic control teams," for different aspects of work and thereby involved a larger number of peasants in the work of the communes. For instance, the *Jen-min Jih-pao* published a

report from the Huapich'ang commune in Yungchi *hsien*, Kirin Province, where the commune was said to have established a number of "democratic control teams" through which "the masses participate in administrative work under the leadership of the administrative committees of the various production brigades concerned." There were "production, finance, animal husbandry, farm tools, livelihood, and cultural teams" which assisted the brigade administrative committee in fulfilling various tasks. Other communes and brigades were also reported to have established "production consultative teams" "livelihood advisory teams," "symposium of aged members, adults, and youth," teams for visiting peasants' names, field discussion groups, suggestion boxes, wall newspapers, and "blooming and contending forums."[95]

An earlier report from the same commune had claimed that the party committee of the commune had set up 738 "democratic management groups" among 123 production teams of 20 administrative divisions (brigades) of the whole commune. The "democratic management group" was described as "an organization steered by the team committee" and it was stated that the office of the group leader was held concurrently by a member of the team committee elected by the people. The "production management group" helped the team committee formulate plans for production and the "deployment of labour forces" as well as in the inspection of progress in production and the growth of crops, etc. Similarly there were "financial management group," "livestock breeding group," "tools reform group," "welfare group," and "cultural and publicity group," among others, to help in these various aspects of the work of the team.[96]

The attempt was, on the one hand, to draw in a broader section of the peasantry in the task of agricultural rehabilitation and, on the other, to strengthen the leadership at the team level by associating relatively enthusiastic and competent peasants in positions of responsibility to assist in the completion of targets and inspection of progress of work. A typical example lauded by the authorities which indicates the procedures being adopted and the aims of the party in this particular field was that of No. 6 production teams of Huangyang production brigade of Erpa people's commune in Wuwei *hsien*, Kansu province. This team, located at the Wangchiatehmen village at the foot of the Chilien mountains, com-

prised 20 households with 108 persons tilling 510 mow of land. An ex-landlord household, two "rich peasant" households and four middle peasant households, the rest of the 13 households being previously hired hands or beggars, made up the class composition of the team. It was claimed that the team possessed a "strong core" of leadership. The team head was assisted by four "advisers," five "vanguards," and three "rear service" cadres all of whom were reportedly popular among the commune members. They were "technically efficient and experienced," had "always accomplished the tasks entrusted to them." They kept a watch over the progress of work of others and, on discovering shortcomings or a case of lagging behind, they would get the shortcomings rectified. For instance, if they found any one, "be he their only son or other close relative," neglecting the care of their livestock and farm tools, they would make "severe criticism." They even concerned themselves with the affairs of other production teams to see that their work was being carried on properly.[97]

The five "vanguards" were headed by Liu Chi-lin, a member of the Communist Youth League, and Wang Yu-wen, party member and chief of the "livestock work group." All of them were reportedly "young and robust" and constituted an "important shock force" in the production team. The three "rear service officers" consisted of a party member, a cook, and the keeper of agricultural implements. The first two were "experts on economical management" and the last one an "excellent all-rounder," able to make rakes, brooms, baskets, and to repair farm tools, large or small. The "collective leadership" of this production team was characterized by "political purity." They were generally poor peasants and hired hands and lower middle peasants who had been "established as progressive elements in the different political movements and production struggles." Some of the old peasants were, for instance, "activists in the movements for the reduction of rent and for the overthrow of local bullies and for land reforms." Each of the members of the production team committee, it was claimed, was also a good and practical worker, working hard to set examples for the others. And each rallied around him a number of "activists" who were in "close contact with the masses." Wen Chi-chao, representative of the four "advisers," was also head of the old peasants; Wang yu-wen, head of the "animal work group," was

also "leader" of the young people; Wang Kuei-lan, representative of the three "rear service officers," was at the same time head of the women members of the team.[98]

The committee of the production team held regular as well as informal meetings. The five members of the committee (one chief of production, two chiefs of work groups, one old peasant, and one chief of "rear services section") discussed the situation of the day and arranged the work to be done the next day during lunch hours. In addition to such informal discussions, the committee met once every five or seven days, often with the participation of the "advisers," the "vanguards" and "rear service officers," and other "activists." The job of the committee of the production team was to "study the instructions of the superior organization," make arrangements for work and "plan the operations," examine the problems in the "battle for production, plan future strategy, and promote new techniques."[99]

Besides, there was also the meeting of the entire membership—theoretically, the highest authority in the production team. In accordance with the needs of farm work and seasons, the meeting was held twice a month. The meeting held at the beginning or the end of the month went over the work accounts, "summed up" the result achieved in the past, "lauded successful commune members," and made arrangements for the next round of tasks to be fulfilled. The meeting held during the middle of the month concerned itself with problems found in the course of "the battle of production" and measures to be adopted for the solution of the problems and formation of plans for the overfulfilment of the production tasks. The general meeting of the commune members in the team also discussed and decided on the quarterly plan for farm work, the implementation of "important calls of the superior organization," and the promotion of new techniques.

Additionally, there were the work group meetings. As mentioned earlier, each team was divided into various work groups and assigned specific assignments on a contract and quota basis. The work groups met daily in the fields to examine the quality of work done by each of the commune members and the work-points given to him on this basis.[100]

The report on the leadership methods employed in this particular team, which was given great prominence by the *Jen-min Jih-pao*,

has been mentioned here in detail not because this was how things stood in all the myriads of teams all over the country but the significance of it is that this is how the higher leadership wanted the teams to function. This was how the leadership wanted the cadres in the countryside to reinforce the party's strained ties with the peasantry and the manner in which they should exercise their leadership. It was a long haul towards restoring peasant confidence and inducing him to increase production but, besides providing him material incentives and restoring the peasants' normal routine, the leadership indicated that one other way in which this was to be done was by democratizing the methods of leadership in the countryside and by promoting greater peasant participation in the administration and planning and implementation of work in the communes.

According to the admission of the authorities themselves, an "important experience" acquired by the people's communes was that the development of production depended on the enthusiasm demonstrated by the peasant masses. It was with a view to arousing this enthusiasm that the party now laid so much stress on democratization and, in continuance of their massive attempt to appease the peasantry, its rights were now underscored along with its obligations. An authoritative article spelt out the rights and obligations of the peasant members of the rural communes and stated that, in order to arouse the enthusiasm of the "member masses," the "rights" enjoyed by commune members "should be more fully respected and safeguarded from now on." This would be of "great realistic significance" in the struggle for rehabilitating agriculture.[101]

One of the chief rights mentioned was the right of "private ownership" of the "means of subsistence." This included houses, furniture, clothing, bicycles, sewing machines,[102] etc., as well as their cash deposits in the bank and credit co-operatives. These were now declared to be "forever owned" by them. The right of ownership by the commune members over their houses was underlined and the State and the commune were not only to "safeguard the permanent ownership of houses by members but also to encourage members to build living quarters" and assist them with men, money, and labour.[103] This was intended to reassure the peasantry that the takeover of houses that was resorted to in some places during the first phase of communization was an aberration and that the policy of nationalization of houses in

urban areas, followed in 1958,[104] was not going to be applied to the rural areas.

The right of the commune members to engage in family subsidiary production and to tend private plots and the ownership of the fruits thereof has already been discussed. The "political rights" of the commune members were now also being underlined. They had the right to "make proposals" to their commune regarding "production, distribution, amenities, financial outlays," etc. They also had the "right" to take part in discussions and decisions and to make criticism and exercise "supervision" of the work of the communes. The effort apparently was to associate them with the management of the communes and make them feel as being "their own masters." The most effective method of achieving this objective was through bringing into full play the functions of the members' congresses and members' general meetings in the communes.[105]

The peasants' right to rest and leisure and to attend to their personal work was reaffirmed (and it was suggested that each male member might be given four days off and a female member six days off every month). Adequate rest and leisure was to be made possible for the peasants. Appropriate allowances were also recommended for those injured while performing public duties and pensions to the dependents for those who died on duty. The rights of women for equal pay and for equality in political, economic, cultural, and welfare fields was stressed as well as other privileges normally given to women during their difficult periods.

Again it must be pointed out that the party had no intention of relinquishing its control over rural work and abdicating its decision-making powers. In fact, the obligations of the commune members were clearly stated to be those of "observing the lines and policies of the party and the laws of the State and carrying out the decisions of the members' congresses and members' general meetings." It was formally acknowledged that "the laws of the State" were formulated on the basis of the policy of the party "which manifested the will of the working class and represented the interests of the working class." The commune members also had the obligation to "observe labour discipline," complete the "basic working days" set down by the commune, and protect "common property of the State, the commune and the brigades." They were also to sharpen their "revolutionary vigilance and guard against the comeback of

feudal forces and the sabotage activities of counter-revolutionaries."[106] But within the broader framework, the peasants were now being wooed to come forward and be associated with the problems of management and distribution so as to win their co-operation in increasing production. The stress on their rights and the call for strict observance of these rights by the commune was an important step in overcoming peasant passivity and resistance and restoring his sense of belonging and of participation in matters intimately connected with his daily life and work.

SOME OTHER ORGANIZATIONAL CHANGES

With the sharp slump in agricultural production, the "most central task" set by the party for the people's commune was the development of agricultural production, chiefly, "grain production." As mentioned earlier, the communes were asked to readjust their utilization of labour power so that during the busy season at least 80 per cent of the working population would be used "on the front line of agricultural production." All the undertakings of the communes must be carried out according to the farming season and the communes were advised to curtail their other activities during busy seasons, stop them when farm work was too heavy, and to resume them again in slack season. It was reported that since the autumn of 1960 over 20 million people had been transferred from various fields to agriculture, and that the majority had been shifted from within the people's communes, but it was believed that "further adjustments" were still necessary.[107] Commune industry took a back seat, and it was to be developed only when feasible and where feasible. Although commune industry was, relatively speaking, pushed to the background, subsidiary production in the communes which plays a vital role in village economy was given special importance. And it was in this field that a controlled free market was allowed.

Apart from grain production, one of the chief problems of the people's communes was that of livestock. This has been a critical problem since the process of collectivization began,[108] and got worse with the establishment of the communes. In the first phase of communization, the cadres had forgotten to make adequate arrangements for livestock breeding (problems like land for grazing, growing

of fodder, etc.) and many heads of livestock were eaten up by the commune members in the fear that their livestock would be communized. As a result of these and previous mistakes, there was an acute shortage of livestock. Now in the period of tidying up, the cadres were told to pay particular attention to livestock breeding.[109] The example of Wuch'ang commune in Honan province came in for special mention by the *Jen-min Jih-pao*. The drought there had caused a shortage of 2 million catties of fodder for its 2,884 animals, and so the commune organized a drive for the purpose of collecting and storing up as much fodder as possible. The production groups gathering grass collectively were given work credit on a quota basis and members doing it individually received in return cash or coal or wheat straw to mend their houses with, and "after work hours," or "rest period" were generally used for this purpose.[110]

Animal husbandry was to be given special importance and attention. Particularly, in areas specializing in this work, eight measures were recommended for speeding up livestock breeding. These included water conservancy, provisions of fodder grass and crops, multiplication (increasing the rate of multiplication and survival), nurturing of good strains, improving management, prevention of disease, building of sheds and pens for shelter, etc.[111]

Among some of the other organizational problems that needed adjustments were those resulting from excessive centralization and absence of immediate touch with local needs. For instance, after the almost total elimination of the middleman, the individual enterprises would arbitrarily send their products to the villages regardless of whether there was need or demand for them. The Peking General Goods Wholesale Company sent its inspectors to nearby rural areas and they found that as married girls combed their braids into knots, they needed hair nets and that as they reared cocoons in those areas, they wanted large bags for holding mulberry leaves, but what did the State store offer: electric scissors, plastic bags, and highheel ladies' shoes![112] The department stores started appointing agents in rural areas in order to get informed about the requirements of the peasantry in various areas. Then again, as the brigades, and sometimes even the communes, purchased tools and small machinery and other things required for production work by the production teams, the cadres at that level often purchased goods not actually required locally. In many places, the commune

members were now asked to handle their own purchasing work so that it could be done more efficiently and economically.[113]

SOME TECHNICAL PROBLEMS

Many technical problems had arisen because of blind adherence to the policies of the big leap. For instance, in the drive for rapid increase in agricultural production, inadequate attention was paid to problems of soil conservation and fertility. It was admitted that in recent years "owing to the comparatively fast development of production," which had rapidly changed "farming systems" and "effect of natural calamities," the work of soil conservation had been done "rather poorly." This was evident in the "undue increase in the repeat planting index," in "improper crop rotation system," and in the "limited application of fertilizers." Consequently, "soil strength" had shown "sign of decline in some places."[114] Moreover, the party directives had in the past favoured a "double crop" policy rather than a single crop one. Not unexpectedly, this policy applied without consideration to local feasibility harmed the soil and raised the expenses of production in many cases. It was later conceded in the period of readjustment that in recent years soil had a "tendency to become less fertile because more wheat and double crop rice was planted and it had to be emphasized that crops must be arranged so as to suit local conditions."[115]

Vast conservancy projects were undertaken in 1958 and 1959, which normally should have yielded highly beneficial results, but serious mistakes were made in doing this work for lack of attention to soil and climate conditions. The emphasis was on huge projects, ignoring the less grandiose but highly useful and effective work of small ditches, wells, etc. The *Jen-min Jih-pao* chid those who believed that small conservation projects could not solve their problems and lauded those areas which were not "greedy" and which finding that mammoth projects were beyond their resources concentrated their attention on smaller ones.[116] While new projects would be taken in hand, the work of maintaining and repairing the work that had already been done was frequently forgotten. This was an important reason for the partial failure of the massive effort in 1958 and 1959 in water conservancy. According to an investigation of irrigation areas in the north by the Ministry of Agriculture,

the potentialities of all the projects built in the last few years had not been fully tapped. In those nine areas only 56 per cent of the area was actually under irrigation, while 44 per cent of the area that could have been irrigated was not brought under actual irrigation. The "head ditch" and the "branch ditches" were "basically completed," but only 30-70 per cent of the "sub-ditches" and farm projects were completed, and with the exception of certain irrigation areas, no drainage ditches had been completed.[117] In another report on the Kwangtung area, it was complained that whereas some 210 water reservoirs (large, small, and medium) had been built, only 160 were effective; only 10 per cent of the projected area meant to be irrigated was actually served by the large reservoirs and only 40 per cent of the envisaged area by medium reservoirs.[118]

A subsequent article in another periodical also complained that water conservancy construction undertaken during the big leap period had not been brought into full play in developing agricultural production because the projects had not been completed. Building reservoirs and sinking wells did not amount to completion of water conservancy construction, it said. "After a reservoir is built, we have to build canals; after building canals, we have to build sluice gates; after building a trunk canal, we have to build branch canals and ditches." Even if a complete system was built with the construction of reservoirs, sluice gates, canals, and ditches, it still could not function effectively if the land was not levelled up. Large numbers of wells had to be provided with water lifts, otherwise they could not function well.[119] Water conservancy was still regarded as the "life-line of agriculture." Intensive efforts were made in the winter of 1960 and 1961 to further strengthen the water conservancy work and, by doing it more thoroughly and comprehensively, the authorities were expecting better results in the ensuing years.[120]

Another authoritative article put it differently. In any commune or production teams, it said, the increase in agricultural production depended on three factors: climate, land, and people. If people were familiar with the climate and the land and all the cadres and members in a commune or production team "worked together for the same purpose," they would be "able to take the initiative in dealing with Mother Nature" and achieve better results.[121] Crops were always grown under specific conditions and, for this reason, one must consider the special local natural conditions. For instance,

in popularizing a superior strain, due weight must be given to its suitability for a particular area. Similar consideration must be reserved for local manpower and material resources. The article gave the following example. Suppose, a production team, which grew only one rice crop a year, planted two rice crops on the same mow of experimental land and reaped a bumper harvest there. Suppose the single crop yielded 500 catties per mow and double crop an average of 700 catties per mow. If only the figures 500 and 700 catties were to be considered, it would appear naturally that it was better to grow two rice crops on all the rice fields of that production team. But before any such decision was arrived at, the article advised, one must find out the amount of work required from men and animals, how much fertilizer and how much water were needed by one mow of land in case two rice crops were sown. Was the production team in a position to make available all that manpower, animal power, and fertilizer; and what about the supply of tools and water?[122]

Besides land and climate, the training and experience of the men at work mattered. The land might be similar. The soil might be similar. The seed might be similar too, the quantity and quality of fertilizers might be the same; and even weeding might be carried out as frequently. But a good farmer would reap much more—sometimes double and somtimes many times more than an ordinary farmer. On a superficial glance, the farm jobs seem to be the "same old things" in both cases, but many small differences appear under close observation, for instance, the application of fertilizer. Before using the fertilizer, the good farmer would look at the weather and the moisture content of the fields and consider the degree of growth of the crops and the amount of fertilizer that could be profitably used. Thus he would apply the limited fertilizer in the most suitable way. Then again, from the same irrigation ditch, the good farmer could get water for 70 mow of land by careful watering, while the inexperienced farmer would hardly be able to irrigate 40 mow of land.[123] This was the precious experience accumulated over generations and centuries which could not be disregarded in developing agricultural production—as it was obviously done during the big leap period and the first phase of communization.

This theme of local feasibility, local climate and natural conditions, and local experience runs like a thread through the propaganda

and advice given to rural areas and cadres during this period of retreat. There can be little doubt that disregard of these factors in the past few years had substantially contributed to the agricultural decline. The conclusion is irresistible that, although party propaganda did not spell it out, the Eight-Point Charter drawn up by the party high command for agricultural development (and some say by Mao Tse-tung himself) was, at least in the first few years, responsible for many of these mistakes that were now being rectified. With its emphasis on close planting and deep ploughing it encouraged the flouting of local peculiarities and led to the adoption of irrational policies. This had been partially realized in 1959 (as mentioned in the previous chapter) but the full realization and discard came in 1961. Party propaganda continued to pay lip-service to the Eight-Point Charter, but the harm done was now being indirectly admitted by focussing attention on a discreet and rational application of the Charter with full regard to local conditions. The party propaganda, no doubt, tried to give the impression that the party had all the time intended this sound guideline to be observed and the blame, as usual, was put on the cadres for failure to understand deeply the party policies and suitably carry them out. It was conceded that the thesis, that the closer the planting the greater the output, had been disproved but it was made out as if this was the mistaken view of some of the lower ranking cadres, and not that of the leadership. In any case, the party now advised the rural functionaries to sum up and adopt not only "positive" experiences but also "negative" ones, which had a harmful effect on production, to reject them and to find out the limits of close planting and deep ploughing in relation to the climate, the soil, the fertilizer, the availability of water, and so on.

THE CADRES: PROBLEMS AND DIFFICULTIES

Once again the party turned its attention towards "strengthening" the "work of leadership" of the communes and of raising the political and ideological level of the cadres who included both party members and those holding any official position in the communes, brigades, and teams. Once again there was rectification and once again stress on closer links between cadres and the masses. In the winter of 1960 and early 1961, there were reports of a fresh rectifica-

tion campaign with the attention on the political education of cadres as well as on special recruitment from among the "poor peasants." In the Ituho production brigade of Chiaotzu commune in the Peking municipality, for instance, the party branch "insisted" on holding party classes every Saturday evening with the secretary and deputy secretary as instructors and called a conference of party cells every Sunday evening as well as joint conferences of branch committee members and leaders of the party cells each month to examine and study the progress of the party members in executing the party policies and to resolve any problems that might have arisen.[124] The party committee of Mayun *hsien* near Peking decided to open on an experimental basis a small party school in a production brigade for cadres at the "front line of production" where party policies were explained and discussed.[125]

From Anhwei came the report that in the Takuan commune, after a rectification campaign and reorganization of the commune, 20 per cent new cadres had been added and that, as 79 per cent of the cadres were originally poor peasants, they were urged to recall their miseries under the old order and thus raise the consciousness and enthusiasm of the people.[126] Still another report from Kwangtung said that the Nantou commune after the rectification movement had the cadres in its production brigade "elected" anew. In one of the brigades, of the original seventy-four cadres, sixty-one were retained and thirteen "elected" afresh from the "active elements" of the lower middle and poor peasant groups.[127] The peasants were advised to be particularly careful and watchful in selecting cadres of their teams and brigades which was likened to selecting a "son-in-law." "We must be earnest in our selection just as a girl chooses her husband." And the advice was to elect poor peasants and lower middle peasants.

It is true that the party's preoccupation with the imperfections and inadequacies of the cadres and the "contradictions" between them and the masses was not a new development. It has been a recurring theme in party propaganda and the exhortations to the cadres to study, to raise their ideological level, to forge closer links with the masses, to resolve contradictions, to improve their style of work, etc., have a ritualistic element—again and again the party leadership has sounded such calls. But the stress now on the relationship between the cadres and the peasant masses had a certain

immediate relevance and importance. The bungling in the commune development and the resultant agricultural crisis had strained the regime's relations with the peasantry. The cadres were necessarily the instruments through which the new policies were to be implemented and relations with the peasantry repaired and the agricultural crisis surmounted. The renewed stress on the quality, ideological education, and style of work of the cadres also marked to some extent an attempt to resolve difficulties through the usual "mass-line" doctrine. Under adverse conditions, the party generally took recourse to the mass-line as a possible remedial measure. "Coming from the masses and going back to the masses" has been a consistent ideological element in Mao's thinking and Mao has had a mythical faith in the possibilities of overcoming difficulties through the "mass-line" and closer association of the cadres with the masses. Now there was an even greater urgent need for the cadres to implement the mass-line and attempt to forge closer links with the masses. Unless this was done, the party propaganda warned, "the enthusiasm of the masses will not last long."[129] This was an euphemistic way of admitting the crisis of faith among the peasantry and the need for healing the breach.

For the cadres, therefore, the party press was full of exhortation to go deep among the rural masses, to investigate and study problems, to listen to and solicit the opinions of the masses and to develop intimate contact with them.[130] There were admonitions for "some comrades" who did not go deep into the basic level and who sat in their offices and issued many impracticable and meaningless decisions. In dealing with "directives from the higher levels" or "advanced experiences of other localities" they did not first investigate local conditions to carry out necessary experiments at test points and then "proceed from actualities to thoroughly implement these directives." On the other hand, the cadres were further admonished that it was not enough just to go around visiting without a thorough understanding of the problems. "Some comrades" were "busy the whole day, visiting here, looking there," but not prepared to go deeper to carry out a "penetrating and intensive investigation and study of things." They failed to overcome "routineism." The directives and policies of the Central Committee, the cadres were told, "reflect objective laws" and must be made "guides" for analysis of things, but the cadres must "join

the masses in seeking reasons for the problems and measures for their solution." It was a mistake to say, "you [the masses] supply the facts and we supply the measures."[131]

At the same time, the cadres were told to profit from the experience of veteran peasants and learn their methods and to make them their advisers. The experience of the veterans had accumulated during a long period when agricultural production was done by manual labour. This experience was still very useful because "our agricultural production still relies basically on manual labour." Old techniques were not to be discarded until the new ones were fully established and thus "avoid the chaos caused by the gap that might occur as a result of premature actions of transformation which could lead to a decrease in agricultural production."[132]

One problem in regard to the rural cadres was that, while their general educational level was not very high, they were expected to deal with complex and difficult issues in a most prescient manner. The party and the State had to gather the opinions of the masses through the cadres in formulating party policies and guiding principles of State plans and then the cadres had to be relied upon for organizing and leading the masses to carry out the policies. The leadership of the party was exercised through the cadres.[133] After a "correct policy" had been formulated (by the leaders), the cadres became the "keystone to the success or failure of work."[134] They had, on the one hand, to carry out party directives faithfully (whether they were in time or out of time, feasible or not, popular or otherwise) and, on the other, would have to take the blame if party policies failed.

The cadres had also to function as a pipeline between the peasantry and the party high command, the higher echelons were almost completely dependent upon reports that percolated from the lowest level cadres to the middle level ones on to the top. If these reports departed too greatly from party policies, the axe could easily be applied against them on the charge of "rightism" or "sectarianism," but if they did not reflect properly the mood of the masses and report the actual conditions the formulation of party policy itself became vitiated. Often very finely balanced and intricately formulated policies and directives would be handed down to the cadres who had first to comprehend fully the policies themselves, and then, in a manner of speaking, "sell" them to the peasantry. One

aspect of the dilemma was clearly evident in the instructions emphasized by the *Jen-min Jih-pao* which stated that the cadres could neither alter the resolutions of the Party Committee without "asking for instructions," nor could they "observe the rules to the letter without regard to the actual situation."[135] At the same time since the cadres exercised tremendous power and influence in their own places of work, they could twist party policies to some extent and otherwise abuse their power. Charges of corruption and abuse of power and the arbitrary and haughty and sometimes even cruel treatment of the peasants by the cadres have occasionally found their way into the Chinese press. Evidence is now also available from the issues of the secret military journal, *Kung-tso T'ung-hsun*, about the arbitrary and cruel behaviour of many cadres which, particularly during the difficult days of 1958-61, added greatly to the problems of the leadership in the rural areas.[136]

THE NPC SESSION: THE ROUT

The regime was thus in full retreat. As stated earlier, the more the authorities retreated the further they were compelled to retreat. The retreat in fact had turned into a rout. The official stamp on the rout was put by the Third Session of the Second National People's Congress which met in Peking between 27 March and 16 April 1962. A preparatory meeting was called earlier from 22 March, perhaps in order to prepare the members about the full extent of the losses caused by the policies adopted during the big leap and the establishment of the rural communes and by three successive years of natural calamities. The meetings of the National People's Congress were held in camera and no report was published. Chou En-lai delivered the main report but again only a short summary was officially released at the end of the session, which disclosed no figures of agricultural and industrial production during 1960 and 1961.[137]

The official summary of Chou's report, however, indicated the measure of the crisis in the guidelines that were put forward for the further development of industry and agriculture. The report reaffirmed the policy, adopted since late 1960, of "adjusting the economy," or as officially put, a policy of "adjusting, consolidating, filling out, and raising standards." The central task continued to be the revival of agricultural production, "first of all grain, cotton,

and oil-bearing crops." Significantly, capital construction was to be retrenched further and in an unusual (for a communist country) change in the order of priorities, heavy industry was now put at the bottom, and the new scale of priorities came to be agriculture, light industry, and lastly heavy industry. Hitherto light industry had been given a step-motherly treatment and made to fend for itself, but now the grave economic crisis had compelled attention to the daily requirements of the people and the need for increasing the production of daily necessities of life.[138] The imbalance between heavy industry and light industry that had existed during all the previous years of the new regime and aggravated by the policies of the big leap was now sought to be rectified and it was stated that primary attention should be given to light industry and handicrafts while making arrangements for industrial production. The new guide-post was: production first and capital construction later.[139]

The extent of the changes in economic planning forced upon the leadership and the scope of the changes envisaged can be seen from a theoretical article in one of the academic journals of communist China.[140] The article first noted the dependence of heavy industry on the growth of agriculture. Without the farm produce necessary for maintaining reproduction of labour power and continually raising living standards and without agricultural aid in the form of labour power and capital, it said, conditions for reproduction in heavy industry "cannot be made complete." Moreover, without increase in farm produce there was no way of producing the means of production which heavy industry was supposed to provide by itself from within. In a "predominantly agricultural country like China," heavy industry must have a constantly enlarged market provided by an expanding agriculture before an outlet could be found for a considerable part of heavy industrial products and before the process of enlarging reproduction could be "freed from any hindrance." It was frankly admitted that in a country like China heavy industry could not depend on internal accumulation for development; in the early stages of industrialization, the huge amounts of capital required for investment could not be obtained from within heavy industry itself—the State had to acquire funds "directly and indirectly from agriculture" in order to provide the necessary finances. But, it was now acknowledged, the capacity of "backward agriculture" to finance industrialization was "compara-

tively weak." This, it was officially conceded, had put an intolerable burden on agriculture, resulting in dislocation of the economy and acute tension on the agricultural front. It had become necessary, therefore, to rearrange the scale of construction in heavy industry in order to "reduce the burden imposed on agriculture" and "to do everything in our power to aid agriculture and reinforce this foundation of the national economy so that agriculture and industry can support, promote, and raise each other."

It was necessary to ease pressure on agriculture and first of all strengthen and ensure the growth of agriculture. The steps envisaged for achieving this were far-ranging as well as far-reaching in their implications. First of all, a new hard look was given to the policy of building big, medium, and small enterprises at the same time, the policy of walking on two legs. The conclusion was reached that there were definite limits to the adoption of labour-intensive projects in preference to capital intensive enterprises. It was true that, compared with big and medium enterprises, construction of small enterprises involved smaller investment, took less time, went into operation more easily, depended on local supply of materials, and could easily be linked to agriculture and be adapted to the regional characteristics of agricultural requirements. But, on the other hand, what was now considered to be more important, since the technical equipment of these enterprises was inferior, their labour productivity was low and labour force required by them for production and administration large and their consumption of materials high. It was essential, therefore, to "take special care to arrange and readjust the relations between small enterprises and agriculture" and to "exercise strict control over those small enterprises which clash with agriculture" in using up manpower and materials and financial resources.

Not only were the small enterprises which consumed labour and materials otherwise necessary for agricultural production to be jettisoned, but the construction of new enterprises, big or small, was also to be drastically cut down. While the article admitted that in the long run the development of heavy industry depended on the construction of new enterprises, the exigencies of the present circumstances demanded forsaking new construction, which required more manpower, materials, and financial resources, and depending upon increases in the production capacity of the already

existing enterprises and exploiting their potentialities to the fullest extent possible. Indeed new construction was virtually halted during this period of "adjustment and filling out." The article also suggested either putting a stop to the import of capital goods and machinery or carefully controlling the nature of these imports. The imports of capital goods, it said, had to be paid for by the export of agricultural produce and, therefore, imposed a burden on agriculture and also made a demand on manpower and financial resources for their adequate use. It was suggested that generally these imports should be made with an eye to their ability to serve the needs of agriculture and that they should, as far as possible, be paid for by such subsidiary farm products as to put the least strain on domestic demand.

Most importantly, the articles asked for an adjustment in the internal structure of industry in order to realize the aim of making industry serve agriculture. While in official jargon agriculture had been made the foundation and industry the "leading factor," industry was to exercise its lead by stepping up its assistance to agriculture. For this it was suggested that the direction of heavy industrial production should be changed. Industry's aid should not consist merely in exploiting the existing potentialities but also in adjusting the internal composition of heavy industry in order to make it agriculture-oriented. For instance, the proportions between agricultural machine industry and other machine-making industries, between chemical fertilizer for agriculture and other chemical industry, between machinery for agricultural purposes and fuels and power for agricultural purposes may be so arranged as to enable first service to agriculture. Moreover, "socialist heavy industry" could not only "systematically increase" the proportion of its products that catered to the needs of agriculture but could also make its products "cheap-priced, good in quality, and suited to the requirements of agricultural production." Since socialist industrial enterprises did not "produce for profit-making," the big, medium, and small enterprises could "serve mechanization and semi-mechanization of agriculture under overall plans and through division of labour."[141]

State aid to agriculture could also take various forms and shapes. Besides direct investments and subsidies, the State could regulate the peasants' income and purchasing power through its financial,

credit, and price policies. It could ease the burden on the peasants by stabilizing agricultural tax in case of increase in production or lower it if production declined, or the State could help by adjusting the prices of industrial products. It could also promote purchase of industrial goods in the rural areas by extending loans and making deposits for advanced purchases. It was suggested that one or several of these measures might be adopted by the State to ensure genuine assistance by heavy industry to the development of agricultural production.

It is impossible to say with any certainty to what extent the measures outlined above were carried out and what has been the extent of industry's aid to agriculture. Judging from reports it seems fairly obvious that considerable effort was put into the development of agriculture, that there was a sharp setback in investment in heavy industry, and that there was considerable expansion in the goods and services rendered by industry to agriculture. One report claimed that a "new balance" was being realized step by step in industrial production and that many machine-building plants were shifting to the manufacture of farm machines. In the production of the means of production, the proportion of those meant for agriculture was raised, and in the production of means of consumption, the proportion of light industrial products was raised.[142] A report from Honan said that the machine industry in the province had changed its direction and that more than 140 factories would be geared to meeting the needs of agriculture. Over 30 of them were manufacturing farm machinery while about 109 were undertaking repair tasks. After their reorientation in 1962, the amount of farm machinery and accessories produced constituted 75 per cent of the total output of the machine industry in the province.[143]

Another report claimed that in the two years of 1960-61, agriculture was provided with nearly 40,000 standard tractors, representing an average annual output about 20 times that in 1958. These could serve nearly 60 million mow of farm land. The agricultural machine industry also produced in these two years, the report said, power machines with a total of six million horsepower. This along with one million horsepower previously available could satisfy the irrigation and drainage needs of about 280 million mow of farm land. It was also claimed that the range of agricultural machines now being produced had been considerably expanded in the last

two years and that, particularly, repair facilities were now more abundantly available. Industry, the report said, had also provided a large number of small farming implements and improved models. In these two years the rural areas had been supplied 150,000 animal-drawn rubber-wheeled carts and over 10 million hand-pushed rubber-wheeled carts.[144]

Still another report spoke of China having built 1,000 large and medium sized reservoirs with the assistance of industry and of the increase in farm irrigation by almost 200 per cent compared with that in 1959.[145] There were similar reports about the supply of fertilizers, agricultural insecticides, etc. It was reported, for instance, that over a hundred machine-building factories had been designated for nitrogenous fertilizer industry. This was to be the commencement of the setting up of manufacturing industry for turning out complete equipment for producing chemical fertilizers.[146] A *New China News Agency* report said that six big chemical engineering enterprises were readjusting their direction of production and expanding existing capacity to produce chemical fertilizers.[147]

While reports of progress are a usual feature of Chinese propaganda and due allowance has to be made for it in evaluating these claims, it seems fair to assume that a real effort was made to supply the needs of agricultural development in order to overcome the agricultural crisis. Of course, the actual progress achieved was nowhere near being as spectacular as official propaganda often sounded. The process of recovery in agriculture could only be a painfully slow, uphill task. The Twelve-Year Agricultural Development Programme was in the doldrums and little was heard about it during these years. The grand and ambitious plans had to be given up and the party leadership had to be content with a modest and gradual development. The prime consideration had to be to halt the "descending spiral" in agricultural production and that having been achieved by the end of 1961, the next step was a slow recovery—and all this by putting in tremendous effort. The Chinese communists had earlier expected to achieve fully mechanized farming within ten years,[148] but were now compelled to talk in terms of 20-25 years before agriculture could be mechanized.[149] Even this period was not meant to be a firm date but only to indicate the prolonged and complicated nature of the problem. In fact the stress now was on adequate research on agricultural machinery suitable for

Chinese agriculture. The Tenth Plenum of the Eighth Central Committee had instructed that it was necessary to "strengthen research in science and technology" and the role of research prior to agro-technical reform tuned to Chinese conditions was now emphasized.[150]

Although mechanization continued to remain a "principle item on the order of the day of the entire party and all the people,"[151] the approach was now extremely cautious and gradualist. The diversity of natural conditions had been realized even before, but it had been hopefully expected that all those difficulties could be quickly overcome. But now there was a further realization that there was no early and easy answer. The vast territories stretching from the snow-covered Ch'angpai mountains to the evergreen Hainan island, the varied and numerous nature of the crops grown and the methods of farming, the vast differences in climate, soil, land features, the paucity of land in relation to population—all these created complicated problems for agro-technical reform; hence, the need for intensive and extensive research before such reform could be brought about. Implements for farm work in slopes and for harvesting wheat in the rainy season of north-east China, for farm work on the plains in north China, for work in the rice fields of south China, and for gathering feeding grass in the pastoral areas, to take a few examples, required deep study. A series of problems ranging from sowing to reaping, from tuberous crops to high-stalk crops, needed to be resolved. It was also clear that, in the conditions of China, small farming tools and semi-mechanized implements had to be given primary attention. Moreover, to rectify one of the previous mistakes, the repairing facilities had to be greatly extended in order to make full use of the existing implements and machinery.[152] In any case, there was no doubt left that there could not be sufficient agricultural machinery available as the motive power for a long time and that agriculture would continue to depend on animal power.[153]

The party leadership did not come out with a new agricultural development programme and obviously settled down to a slow, unspectacular, step-by-step revival and growth of agricultural production. The themes shifted to rational utilization of soil resources and full exploitation of potentialities of land in agriculture, forestry, livestock, supplementary enterprises, and fisheries. But

no quick results were promised or expected. With the sharp reduction in investment in capital construction, the diversion of financial, industrial, and human resources into agriculture, the normalization of the peasant's life and work, the decentralization of management, the reconstruction of an incentive system and some better luck with the weather, the agricultural crisis was gradually mitigated and the year 1961 was reported to be a little better than 1960, and 1962 registered some improvement over the previous years.[154] The progress was necessarily, though exasperatingly, slow but the regime was in no position to take any more chances and the question of what next could arise only when agricultural production had been fully rehabilitated and its continued growth ensured.

CONCLUSION

It is obvious that the retreat forced upon the Chinese leaders had been breathtaking. One perceptive scholar described it as China's NEP period.[155] It was in fact a much greater setback. The Soviets went back to NEP from war communism which was not meant to be the higher form of communism that would follow the completion of the construction of a socialist society. In the case of China, the country was presumed to be ascending to a higher level of human organization after a successful evolution from the lower forms of socialist organization. China's period of rehabilitation and consolidation of the economy and State system came during 1949-52. In 1953 came the First Five-Year Plan for the transformation of the political and economic structure from bourgeois democratic (albeit under the leadership of the proletarian class) into socialist or at least semi-socialist structure. The Second Five-Year Plan, starting in 1958, the big leap, and the people's communes, which were an essential ingredient of the big leap, had as their aims the lifting up of the system into a higher stage of socialism with elements of communism in it. After nearly a decade of development in which some impressive gains were made, the Chinese communists had to order a retreat which in terms of social organization in agriculture nearly took them back to where they started from and which made them depart from the hitherto sacrosanct communist policies and adopt new policies like that of giving priority to agriculture and

downgrading heavy industry to the third place.

Not only the order of priorities but the internal changes introduced in rural organization were departures from the dearly held principles of the past. Even the collective remained nominally. Although the production brigade (the former collective) was stated to be the basic accounting unit, in fact it was the production team which had become both the production and accounting unit in rural organization. The production teams were a carryover from the days of the mutual-aid teams and had been integrated into the collective called Higher Agricultural Producers Co-operatives. Now the team had become once again (after nearly a decade of collectivization) the hub of rural organization and the centre of agricutural production. That the authorities were forced to revert to the production teams shows the extent of the crisis as well as the retreat. The production teams managed their own affairs and entered into a contract with the commune and through the commune with the State for guaranteed production against guaranteed compensation. Not only the teams but individual members formed part of this hierarchy of contracts and they knew what their task was and what the reward for completing it was going to be; outside of their contract work, they had comparative freedom to arrange their own affairs and engage in subsidiary occupations of their choice This much freedom they had not enjoyed since the "mutual-aid" days.

A great deal of efforts had to be put in to revive agriculture, for the peasants' faith in party policies and the regime's rural organization was in a disarray. According to one scholar, the party was forced to make use of clan and family connections of the cadres in their native villages in order to restore the party's links with the rural areas.[156] Perhaps the party leadership was forced to tolerate the use of such relationship in certain cases but did not make any conscious effort to promote this trend. Be that as it may, there is no doubt that the retreat prompted by the agricultural crisis resulting from organizational changes of 1958-60 in the rural areas and compounded by natural calamities put the rural organization out of joint with no set pattern but with considerable confusion and disarray. Even if the retreat was going to be temporary, its dimensions were unprecedented for a communist country.

NOTES

[1]Fang Chung, "All-Round Improvement in China's Economy," *Peking Review*, No. 34, 23 August 1963.

[2]Lord Montgomery's article in the *Sunday Times*, Magazine Section, 15 October 1961.

[3]See Sven Lindquist, *China in Crisis*, Faber and Faber, London, 1963.

[4]*Kung-tso T'ung-hsun* (microfilmed by the Library of Congress), No. 1, 1 April 1961.

[5]See the resolution of the Ninth Plenum of the Eighth Central Committee of the Chinese Communist Party, 14-18 January 1961, *Peking Review*, No. 4, 27 January 1961, pp. 5-7.

[6]Chou En-lai, in his speech on the thirteenth anniversary, admitted that the agricultural difficulties were caused both by serious natural disasters and "shortcomings and mistakes in our work." *Peking Review*, No. 40, 5 October 1962, p. 6.

[7]Communique of the Ninth Plenary Session of Eighth Central Committee of the Chinese Communist Party, *Peking Review*, No. 4, 27 January 1961.

[8]*Jen-min Jih-pao*, editorial, 20 November 1960.

[9]*Ibid.*, editorial, 21 December 1960.

[10]*Nan-fang Jih-pao*, editorial, 16 September 1960.

[11]See fn. 7.

[12]"Final Accounting and Distribution in Rural People's Communes," *Ta-kung Pao*, 10 February 1961.

[13]"The System of Ownership at Three Levels benefits Present Level of Development," *Jen-min Jih-pao*, 3 December 1960.

[14]Hsu Ti-hsin, "On the Basic System of the Rural People's Communes at the Present Stage," *Hung-ch'i*, No. 15-16, 10 August 1961.

[15]*Ibid.*

[16]*Chung-kuo Ch'ing-nien*, No. 8, April 1961.

[17]*Hung-ch'i*, No 3-4, 1 February 1961; *Nan-fang Jih-pao*, editorial, 21 December 1960.

[18]*Jen-min Jih-pao*, 13 September 1961 and 22 March 1962.

[19]*Ibid.*, editorial, 27 December 1960.

[20]Liao Lu-yen (Minister for Agriculture), *Hung-ch'i*, No. 3-4, 1 February 1961.

[21]*Jen-min Jih-pao*, editorial, 25 November 1960.

[22]"Fataohotzu People's Commune at Hustein *hsien*, Kirin Province, Strengthens Leadership and Gives Priority to the Development of the Economy of the Production Brigades," *Jen-min Jih-pao*, 27 November 1960.

[23]Ch'en Yi-yen, "What is Allowed and What is not Allowed," *Nan-fang Jih-pao*, 30 November 1960.

[24]See fn. 21.

[25]*Chung-kuo Ch'ing-nien*, No. 8, April 1961.

[26]See fn. 21.

[27]*Ibid.*

[28]*Jen-min Jih-pao*, 9 March 1961.

[29]*Chung-kuo Ch'ing-nien Pao*, 30 October 1960.

[30]*Hung-ch'i*, No. 5, 1 March 1961.

[31]Shu Tai-hsin and Fu Wen-yeh, "Enforce the Three Guarantee and One Reward System in Ways Appropriate to Local Conditions," *Hung-ch'i*, No. 15-16, 10 August 1961.

[32]"The System of Ownership at Three Levels Benefits the Present Level of Development of Rural Productivity and the Degree of Consciousness of the Peasants," *Jen-min Jih-pao*, 5 December 1960.

[33]Chang Ken-sheng, "Improve the Management of the Rural People's Communes in Kwangtung Province" (Report delivered to the Conference of Directors of Rural Work Departments of CCP District and Hsien Committees in Kwangtung Province), *Nan-fang Jih-pao*, 28 October 1960.

[34]*Ibid.*

[35]*Jen-min Jih-pao*, 29 December 1960.

[36]See, for instance, *Hung-ch'i*, fn. 31.

[37]Work Team, Propaganda Department, Kwangtung CCP Provincial Committee, "Ch'engt'uan Production Brigade Makes Definite 3-Guarantee Quota and Correctly Treats the Relationships between the Production Brigades and the Production Teams," *Nan-fang Jih-pao*, 8 October 1960.

[38]*Ibid.*

[39]*Jen-min Jih-pao*, 20 May 1961.

[40]See, for instance, "Some Problems of Procurement of Agricultural Products," *Jen-min Jih-pao*, 26 October 1931.

[41]Ch'i Ch'i-sheng, "The Great Significance of Exchange of Equal Values to the Present Socialist Construction in our Country," *Kwang-ming Jih-pao*, 17 April 1960.

[42]*Jen-min Jih-pao*, 20 May 1961.

[43]Yi Ch'ien, "Seriously Implement the Principle of Exchange of Equal Value," *Kung-jen Jih-pao*, 28 January 1961.

[44]*Jen-min Jih-pao*, 26 July 1961.

[45]*Chung-kuo Ch'ing-nien*, No. 8, April 1961.

[46]Liu-kang, *Jen-min Jih-pao*, 26 July 1961.

[47]*Ibid.*

[48]*Jen-min Jih-pao*, 19 August 1961.

[49]"Heichiachuang Production Team Persisted in Recording Work Points on Assessment and Distribution According to Labour," *Jen-min Jih-pao*, 11 November 1960.

[50]*Ibid.*

[51]*Ibid.*

[52]*Ta-kung Pao*, 20 March 1961.

[53]*Jen-min Jih-pao*, 25 April 1962.

[54]*Ibid.*, 30 June 1961.

[55]*Ibid.*

[56]Chen Chih, "How to Strengthen and Perfect the Responsibility System of Production Teams," *Shih-shih Shou-ts'e*, No. 18, 21 September 1961.

[57]*Jen-min Jih-pao*, 14 April 1961.

[58]See, for instance, "How to raise Wage Points Value and Income," *Jen-min*

Jih-pao, 20 May 1961; "Raising the Unit Value of Labour," *ibid.*, 28 April 1961.

[59]Chu Kuang-fu, "Make a Success of the Financial Work of People's Communes," *Hung-ch'i*, No. 1, 1 January 1962.

[60]*Ibid.*

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[62]For the regime's new approach towards private plots, see article by Yao Feng-yu in *Ta-kung Pao*, 12 June 1961.

[63]Wang Hsueh-wen and Jen Wei-cheng, "Correctly Develop the Role of Domestic Side-line Occupations as Supplement to Collective Economy," *Chung-kuo Ch'ing-nien*, No. 5-6, 16 March 1961.

[64]*Jen-min Jih-pao*, 2 February 1961.

[65]Lin I-chou, "Commune Members' Domestic Side-Line Occupations a Necessary Complement to Socialist Economy," *Hung-ch'i*, No. 17, 1 September 1961.

[66]*Ibid.*

[67]*Ibid.*

[68]Liu Li-chih (Secretary CCP Committee, Chiehyang *hsien* Kwangtung), "Correct Handling of Economic Relations between Collective Body and Commune Members in Foukeng Production Brigade," *Jen-min Jih-pao*, 2 February 1961.

[69]See, for instance, *Jen-min Jih-pao*, 2 June, 21 June, 16 July, and 17 August 1961, and 9 March 1962.

[70]*Jen-min Jih-pao*, 16 August 1961.

[71]Kuan Ta-t'ung, "Enforce Firmly the Party Policy of Activating Rural Fairs," *Ta-kung Pao*, 20 January 1961.

[72]*Ibid.*

[73]Jen Wei-chung, "Answer to Questions from Readers Concerning Trade at Rural Fairs," *Chung-kuo Ch'ing-nien*, No. 10, 16 May 1961.

[74]Kuan Ta-t'ung. (See fn. 71.)

[75]See, for instance, the report from Chi *hsien*. Yang Hsiao-hsien, "Strengthen Organizational Leadership, Develop Rural Trade Fairs in a Better Way," *Ta-kung Pao*, 13 January 1961.

[76]Ho Cheng and Wei Wen, "On Trade in Rural Fairs," *Ching-chi Yen-chiu*, No. 4, 17 April 1962.

[77]Kuan Ta-t'ung (see fn. 71); also see an article by Kuan Ta-t'ung, *Jen-min Jih-pao*, 9 March 1962.

[78]*Ibid.*

[79]*Jen Wei-chung.* (See fn. 73.)

[80]*Jen-min Jih-pao*, 16 August 1961.

[81]*Ibid.*, 17 August 1961.

[82]*Ibid.*, 21 January 1961.

[83]Lin Yao, "Depend on the Masses, Firmly Adhere to Policies and Enliven Trade at Rural Fairs," *Jen-min Jih-pao*, 14 March 1961.

[84]*Ibid.*

[85]*Ibid.*

[86]*Ibid.*

[87]*Ching-chi Yen-chiu.* (See fn. 76.)

[88]Kuan Ta-t'ung, "On Trade at Rural Fairs," *Hung-ch'i*, No. 18, 16 September 1961.

[89]See fn. 76.

[90]Kuan Ta-t'ung. (See fn. 88.)

[91]For details see James R. Townsend, "Democratic Management in the Communes," *China Quarterly*, No. 16, October-December 1963, pp. 137-50.

[92]*Jen-min Jih-pao*, editorial, 27 January 1961.

[93]*Ibid.*

[94]Sun Min, Chang Yung-shou, and Wang Tsung-ch'i, "Improve the Method of Leadership of the Production Team," *Jen-min Jih-pao*, 10 November 1960.

[95]*Jen-min Jih-pao*, editorial, 27 January 1961.

[96]Chao Yu-ch'ing, "Huapich'ang People's Commune sets up Democratic Management Groups to Give Full Play to Role of Commune Members," *Jen-min Jih-pao*, 13 December 1960.

[97]*Jen-min Jih-pao*, 10 November 1960.

[98]*Ibid.*

[99]*Ibid.*

[100]*Ibid.*

[101]Wang Sa-wen, "The Rights and Obligations of Members of Rural People's Commune," *Kung-jen Jih-pao*, 28 November 1961.

[102]As this writer came to know personally, sowing machines were nationalized in Peking in 1958 and those who worked for their living with sowing machines were compelled to enter co-operatives and work collectively.

[103]See fn. 101.

[104]Houses were nationalized in the urban areas in 1958 and were strictly rationed out to the users, including their former owners.

[105]See fn. 101.

[106]*Ibid.*

[107]*Hung-chi'i*, No. 5, 1 March 1961.

[108]For a detailed examination of the problem, see K. R. Walker, *Planning in Chinese Agriculture*, 1965.

[109]*Jen-min Jih-pao*, 23 August 1961.

[110]*Ibid.*

[111]*Min-tzu T'uan-chieh*, Peking, No. 10-11, 6 November 1961.

[112]*Jen-min Jih-pao*, 15 July 1961.

[113]*Ibid.*

[114]See article by Liu Hsun-lo, *Jen-min Jih-pao*, 15 November 1961.

[115]*Jen-min Jih-pao*, 15 September 1961.

[116]*Ibid.*, editorial, 18 January 1962.

[117]*Ibid.*, editorial, 23 November 1961.

[118]*Ibid.*

[119]Shih Hung, "Conditions are Favourable for Winning a Rich Harvest Next Year," *Shih-shih Shou-ts'e*, No. 20, 21 October 1961.

[120]*Ibid.*

[121]Shih Hung, "Several Problems Relating to the Summing up of Experiences about Agricultural Production," *Shih-shih Shou-ts'e*, No, 15, 6 August 1962,

[122]*Ibid.* [123]*Ibid.*

[124]*Jen-min Jih-pao*, 28 April 1961.

[125]*Ibid.*, 4 May 1961. [126]*Ibid.*, 28 April 1961.

[127]*Ibid.*, 29 March 1961.

[128]*Ibid.*, 20 May 1961.

[129]*Ibid.*, 4 May 1961.

[130]*Ibid.*, 6 May 1961.

[131]*Ibid.*, 29 April 1961.

[132]*Ibid.*, 4 April 1961.

[133]See Chao Han, "Several Questions on the Party's Cadre Policy," *Hung-ch'i*, No.12, 16 June 1962.

[134]*Jen-min Jih-pao*, 27 October 1961. Reproduction of the editorial of *Ch'ien-hsien*, No. 20, 1961.

[135]*Jen-min Jih-pao*, 14 December 1961.

[136]*Kung-tso T'ung-hsun*, No.15, 5 April 1961, pp. 26-30; No. 5, 17 January 1961, pp. 15-7; and No. 7, 1 February 1966, pp. 18-21. Also see John W. Lewis, "China's Secret Military Papers," *China Quarterly*, April-June 1964, pp. 68-74.

[137]*New China News Agency*, 16 April 1962.

[138]*Ibid.*

[139]Kuang Chun, "Correctly Understand the '8-character' Guideline Centering on Adjustment," *Shih-shih Shou-tse*, No. 9, 6 May 1962.

[140]Wang Hsiang-ming, "Heavy Industry's Dependence on and Aid to Agriculture," *Ching-chi Yen-chiu*, No. 10, 17 October 1962.

[141]*Ibid.*

[142]*Kuang-ming Jih-pao*, 18 October 1962.

[143]*New China News Agency*, 5 January 1963.

[144]"New Achievements by China's Agricultural Machine Industry," *Shih-shih Shou-ts'e*, No. 3-4, 17 February 1962.

[145]"Mutual Aid between Urban and Rural Areas for Common Development," *Shih-shih Shou-ts'e*, No. 2, 21 January 1962.

[146]*Kuang-ming Jih-pao*, 14 February 1963.

[147]*New China News Agency*, 2 April 1963.

[148]See Chapter Three.

[149]*Jen-min Jih-pao*, editorial, 22 October 1962.

[150]"A Glorious Task for the Agricultural Science and Technology Front," *Hung-ch'i*, No. 20, 16 October 1962.

[151]*Chung-kuo Nung-yeh Chi-hsueh*, editorial, No. 9, 5 September 1962.

[152]*Ibid.*

[153]See, for instance, article by Yang Ting-hsin in *Kuang-ming Jih-pao*, 29 August 1962.

[154]See communique of the Tenth Plenary Session of the Eight Central Committee of the Communist Party of China, *Peking Review*, No. 39, 28 September 1962.

[155]See Franz Schurmann, "China's New Economic Policy'—Transition or Beginning," *China Quarterly*, January-March 1964, pp. 65-91.

[156]John W. Lewis, "The Leadership Doctrine of the Chinese Communist Party," *Asian Survey*, No. 10, October 1963, pp. 457-63.

CHAPTER FIVE

RECENT DEVELOPMENTS, 1963-64

IT CAN BE seen from the foregoing analysis that in regard to organization and management of production and distribution within the communes, the authorities were forced to retreat one step after another until the difference between the new arrangements and what obtained before became nominal. As pointed out earlier, the retreat in fact took the authorities back in some ways to the days of the mutual-aid groups. The Chinese communist leadership was yielding to the logic of the situation. During 1961 and early 1962, the brigades were made the "basic-level accounting unit" (in place of the commune) and the teams the "basic-level production unit," with land, labour, tools, and draught animals being "fixed" for the use of the team but nominally under the ownership of the brigades and distribution of income too was nominally to be done at the brigade level, although contracts were entered into with the teams and work groups and even individuals for guaranteed production in return for guaranteed remuneration according to fixed norms and the quantity and quality of each type of work. This was in essence the system that obtained during the period of collectivization before the establishment of the communes.

Now even this could not be maintained. Agricultural management and organization had to be further decentralized and the teams made the "basic-level accounting unit" as well as the "basic-level production unit."[1] What used to be formerly known as the mutual-aid teams, in other words, the old village, (once again) became the hub of production, organization, management, and distribution. Instead of the "four fixes," the production team now owned such principal means of production as land, livestock, and farm tools. The teams directly organized production and distribution of income.[2] They drew up the cultivation plans according to local conditions, decided upon measures to increase production, arranged farm work, assigned the farm jobs to work group or individuals, fixed labour norms and piece work quotas and assessed the work-

points of the members and distributed the income accordingly after fulfilling the State quota and making other necessary deductions. This was frankly admitted to have been necessitated by the need to arouse the "activism" of the peasantry. As the team was not big in size, the commune members could "see and feel their own fruits of labour and the relation between them and the commune economy," and this would, hopefully, "increase their activism."[3]

T'ao Chu, the influential First Secretary of the Kwangtung Provincial Communist Party, admitted that the separation of the centres for production and distribution, or as he put it "accounting units," was an "irrational phenomenon," which became a counter-productive factor in agricultural production. Production was organized at the team level but the distribution of its results at a higher level engendered peasant disaffection as well as a tendency towards egalitarianism among the production teams. In any case, it did not lend itself to a rational handling of the differences between production teams. This, he conceded, was a problem even during the period of co-operativization and had not been solved by the formation of communes. The overwhelming majority of the communes had now adopted the production team as the "basic accounting unit" and, T'ao Chu claimed, "collective economy had thus been brought completely on the right track" and now developed "more and more healthily." This "strengthened" collective economy and "effectively promoted" the restoration of agricultural production. Public accumulation "had increased, the teams posessed more draught cattles and farm implements" and "some teams" had "purchased such modern agricultural machinery as pumps."[4] And the assurance was given that for "a comparatively long period in the future" the teams would continue to enjoy their present status and rights.

The production brigades were thus being even formally stripped of many of their powers and functions. They no longer exercised direct control over production and distribution. In some communes there came to be only two levels of operation, the team level and the commune level, but in others, with larger population and numerous teams, the brigade level continued to exist. The function of the brigades, like those of the commune, were largely to assist, advise, and supervise in the work of the teams. The brigade also undertook work like that in water conservancy and the opera-

tion of small-scale industry, which was beyond the scope and means of the individual teams. It laid title to a modest ownership and also served as a link and a channel of communication between the team and the commune. An important feature of the brigade was that it provided the basic-level organization of the Communist Party, the unit where the party branch was located[5] and, therefore, a vantage point from which party leadership and supervision over the work of agricultural production was exercised.

Besides this devolution of authority and the decentralization of agricultural operations, the organization and use of the labour force, which was an important factor in agricultural development, continued in the direction of fixing "rational labour norms," "clearly divided responsibilities," and strict inspection and assessment of the work done. The agricultural labour norm denotes the amount of farm work of a specified quality and standard which an average labourer (peasant) could accomplish in one day under specified conditions by labouring at a given degree of intensity. The party now insisted that such norms should be fixed rationally, which meant that norms should be so fixed as to be capable of being fulfilled through exertion and overfulfilled through greater exertion. The determination of norms for a whole variety of farm jobs is quite obviously a complex problem and its sucessful handling was the criterion, and indication, of good management of a commune. For instance, the "good management" at the Lungch'uan People's Commune was attributed to its success in working out rational norms. As the cadres and the commune members had intimate knowledge of the quality of the soil and the conditions of water conservancy, the suitability of crops, the amount of labour required for each job, etc., they were able to evolve appropriate norms. It was particularly stressed that the cadres were good at employing democratic methods of working and that the administrative committees of teams after study and investigation submitted their decisions to the team members' conferences for discussion and final decision.[6]

The next step after fixing up rational labour norms was rational labour assignment and division of responsibility. In this connection, too, the Lungch'uan People's Commune was claimed to have done "outstanding work." The variegated farm work was concretely distributed among individual peasants, in terms of sections, fields, and jobs so that each labourer knew what his assign-

ment was and the work-points that the assignment carried in accordance with the heaviness and skill involved. Consideration was also given to having the right men for the right job. More than 80 per cent of the work was assigned individually whereas those tasks which were more suitably performed collectively were entrusted to work groups. This introduced stability and regularity in labour management and disposition. The accent was on practicability, flexibility, and suitable remuneration. For instance, labour norms should be fixed for every different farm job but its concrete application should take into account different conditions. If ten work-points were given for the completion of weeding on one mow of land, the reward might be increased for fields where there was more weed or where the soil was harder. Similarly, labour should be fixed but some scope provided for *ad hoc* work, such as fighting floods, etc. The diversification of division of labour should be determined by the characteristics of agricultural production. Some farm jobs required labour all the year round, some during certain periods, and some only extemporarily. Again, not only suitable men should be assigned to jobs but suitable jobs be assigned to farm labourers. Those who were good at fostering seedlings should do that work; those who were physically strong should do heavy work and vice versa.[7]

All this points to the complexity of the problems faced in the organization of labour, in determining labour norms, and fixing assignments and assessing work, and the regime's anxiety now was to encourage the adoption of a pragmatic approach geared towards the revival of agricultural production. The period of bold, ambitious experimentation, to achieve a breakthrough in agriculture by an elemental socio-economic transformation was over, the incentive system was recreated, the organization and management of production decentralized, and the old routine revived. The party could hardly take any more liberties in these matters, if it wanted the dislocation in agriculture to be ended. During 1963-64, the organization and management system and the pattern of incentives continued to be on the lines outlined earlier.

FEAR OF CAPITALIST REVIVAL: FREE MARKET

Yet the party leaders were locked in an acute dilemma. Were they opening the pandora's box with all these changes? They had been

forced to fall back on individual initiative and material incentives to stop the rot in agriculture, to allow private cultivation of a small plot of land and a limited free market. Where would all this lead to? The ghost of capitalism haunted the leadership. The discontent among the peasantry had obviously been acute and fairly widespread, and, according to the authorities' own admission, there were "sabotage activities" at various places in 1962 which were as usual blamed on the former landlords and rich peasants[8] and were even connected with the "170 secret agents" which the "Chiang gang" and "U.S. imperialism" had smuggled into mainland China in "nine groups" in the summer of 1962 to act as "guerilla corridor" on the mainland to pave the way for the return of Chiang Kai-shek.[9] Some former landlords, rich peasants, and "counter-revolutionary and bad elements," it was alleged, were "overjoyed and dreamt" about an uprising within the country to "change the days." They tried to take advantage of the "temporary difficulties" and spread rumours and create confusion. Besides, the peasants naturally tended to devote a great deal of attention to their plot and side-line occupation, often at the expense of collective production. The lure of the free market attracted the peasants' attention and engaged all their energies. In Kwangtung, for instance, it was reported that some production teams sent their products (in this case tobacco and peanuts) to the market even before meeting the State quota.[10] Commerce offered better prospects to some than farming and they were not averse to neglecting the latter in the hope of earning more money in the free market.[11]

The peasants, or at least sections of them, also attempted to restrict the scope of collective production and enlarge that of private subsidiary occupations. As the First Secretary of the CCP Hunan Provincial Committee put it: "Some people" said that "we should rely on the collective for our daily needs and on ourselves for money to spend." The meaning of it was that with the exception of grain production there should be private individual production in such side-line occupations as forestry, animal husbandry, fishing, etc.[12] Only thus could efficiency and fair return be ensured, these people said. If this tendency was allowed to grow, the socialization of agriculture would be in "serious jeopardy."

There were thus ominous implications for the Chinese communists in the developments in rural China. The evidence points to con-

siderable confusion and struggle. The basic measures with regard to management, organization, and distribution—and even the private plot and the trade fairs—could not be changed without peril to the revival of agricultural production. At the same time, the "spontaneous tendency towards capitalism" inherent in these measures was a matter of serious concern to the regime. How to grant "proper small freedom" without allowing it to impede the development of collective economy was the difficult dilemma of the Chinese communist leaders. To arrest the growth of capitalistic tendencies in the rural areas, they decided to take two measures. On the one hand, they decided to unleash a new socialist educational campaign in the countryside and, on the other, they took steps to ensure greater control over private side-line production and the free market. An intense campaign based on the doctrine that there was no cessation of the class struggle and exhortations to the rural cadres to rely on the "poor and middle peasants" was unfolded to check the growth of capitalist thinking in the countryside. At the same time, certain controls were instituted in regard to private subsidiary occupations and the free market.

Taking the last first, the authorities were obviously seriously concerned about the growth of the private plots and the free market. As the *Jen-min Jih-pao* put it, "capitalism lurked behind private side-line production."[13] It was no longer possible to eliminate it altogether with the experience of the last few years still too fresh and alarming, but steps were taken to restrict the scope of it so as to be able to keep it under control. The authorities took two measures to circumscribe the development of private production and sale. They increased the role of the supply and marketing co-operatives and the State wholesale stores in the purchase and supply of goods in the rural areas and they stressed the development of collective subsidiary production as distinct from private or family side-line production.

The State established special "wholesale stores at the third level" whose function was to cater to the needs of the rural areas and supply them with industrial products. This was to be done generally through the supply and marketing co-operatives and in the autumn of 1962 this supply was particularly made to coincide with the "brisk season" for State purchase of agricultural products. This commodity distribution was carried out on a quarterly basis.[14]

The State stores were advised to streamline their functioning and adequately ascertain the quantity, quality, and variety of goods required in the rural areas and to maintain a close touch with the supply and marketing co-operatives both to ascertain the goods needed and to assist them in securing greater control over rural trade. They were asked to "popularize the system of sending liaison personnel" to the countryside to ascertain the requirements and to send regular lists of commodities available with them to the "basic-level" supply and marketing co-operatives.[15] Through the supply of industrial products neeed by the peasantry to these co-operatives the State stores enabled them to play a larger role in securing control over the free market. The supply and marketing co-operatives undertook to purchase more quantities of the produce of the teams and the individual peasants and provide the marketing channel for them and handled goods outside the scope of State plans.

The supply and marketing co-operatives also evolved a new kind of exchange fair, somewhat different from the trade fair of the free market. These exchange fairs were held at the provincial, *hsien*, or the town market level with the aim of bringing about the exchange of industrial products with the subsidiary products of the peasantry and were authoritatively described as an "important form of buying and selling in socialist commerce" and an "ideal measure" in organizating urban-rural interchange and regional interchange of "industrial products of the third category."[16] Thus, thousands of products which could not be incorporated in State planning directly were now sought to be brought within the purview of socialist commerce. At these fairs contracts were signed between producing, supplying, and purchasing units, and thus greater planning was facilitated.

Generally speaking, the *hsien* level exchange fairs aimed principally at organizing urban-rural and regional interchange of goods, including goods produced in neighbouring *hsien*, so that contracts signed at national or provincial meetings or fairs could be carried to the basic levels and production or marketing contracts of a year long or seasonal nature could be signed. At the interchange meetings held in market fairs or towns, the purpose was stated to be to send industrial products to the countryside and to procure farm products and byproducts. Here short-term contracts were entered

into for the supply and purchase of products and prices were to some extent determined by the conditions of supply and demand,[17] thus providing some incentive to the teams and members to market their goods there.

There were many reports in the Chinese press of these exchange fairs. For instance, the Shansi Provincial Supply and Marketing Co-operatives held an exchange fair to facilitate the supply of the means of production for spring farming and for exchanging farm production supplies. Transactions of draught animals, chemicals, chemical fertilizer, farm drugs, rubber-tyred carts, medium-sized and small farm implements, pumps and other such items amounting to cover six and a half million yuan were reported.[18] Similarly, a Kwangtung Provincial Fair for exchanging third category goods was held in October 1963 at Canton. It was stated to be the largest in scale and over 13,000 contracts covering third category agricultural side-line products and third category industrial products valued at about 80 million yuan were signed there.[19] There were similar reports about exchange fairs at the municipal and town levels.

The role of the supply and marketing co-operatives was stregthened to control the forces of capitalism in the countryside. These co-operatives, with their base in every village and with links with the State commercial departments in the towns and cities, enjoyed wide support of the State and had become the principal channel of the flow of commodities to and fro. They were entrusted with the task of procuring industrial raw materials and farm and subsidiary products. Major farm products, except for grain and oil bearing crops, such as cotton, hemp, tobacco leaves, bamboo, raw paint, apples and oranges, etc., were all to be procured through these co-operatives. At the same time, the means of subsistence as well as the means of agricultural production were supplied through them. The former included clothing, consumer goods, and subsidiary foodstuffs and the latter medium-size and small farm tools, modern farm tools, draught cattle, chemical fertilizer, farm insecticides, etc.[20]

Clearly the supply and marketing co-operatives were designated for a crucial role in peasant economy and life. Besides, they were now also required to control and guide rural trade fairs and "transform" small traders and pedlars in order to check the spontaneous

growth of capitalism in the countryside. The existence of two kinds of markets and two kinds of prices obliged the authorities to use the supply and marketing co-operatives to direct the free market so that it did not get out of hand. This demanded "correct economic measures" and "correct administrative and managerial work." On the administrative side, the important measure was the instructions to these co-operatives to "examine and register" the present small traders and pedlars in order to "educate and transform them." Those who were allowed to operate their business were to be issued a license and permitted to deal in certain commodities "within the bounds of the law."[21] The authorities were obliged to countenance the continued existence of this class of people because of their capacity and assistance in overcoming the problem of short distance transportation and in facilitating the flow and circulation of commodities. However, in leading and directing trade fairs, the co-operatives were advised to rely mainly on economic measures. Since they handled the bulk of supplies from and to the rural areas, they were in a position to dominate the market. They were asked to penetrate deep among the teams and peasant masses, cater to their needs in supplying goods, and play the leading role in the purchase and marketing of their products and thus control and lead the free market.

A side objective of these exchange fairs was to break through the administrative barriers and encourage the re-establishment of traditional channels of trade and marketing. Until then the State distribution of commodities and marketing was in accordance with administrative areas. Now the attempt was to take into account what were described as "economic areas" so as to bring about a "rational direction" of the flow of goods. This inter-area exchange of goods breaking the restrictions of administrative divisions had many advantages. It fruitfully restored the traditional trade links and thus facilitated the circulation of commodities.[22] It made possible to choose the most economic route to transport commodities, reducing the number of transport links involved, to simplify the storage problems, to cut down on circulation expenses, and to minimize the loss and damage to commodities.

There was, for instance, the report from Szechuan. In early July (1963), the Szechuan provincial departments of commerce and handicrafts and the supply and marketing co-operatives jointly

held a third category goods exchange fair. The fair not only "enlivened" trade and found market for goods which were otherwise regarded as unsalable but also re-established the "traditional circulation channels." As an instance, it was reported that the native steel of T'achu county was good in quality and had a traditional market in Fuling, Wenhsien, and Nanch'ung. These links had been broken in recent years but were now revived through the exchange fairs, and contracts for a supply of over thirty tons were concluded. Similarly there had been a break in the supply of small hardware from Tatsu county to its traditional markets in Tahsien, Mienyang, and Wenchiang, which was now restored as a result of the exchange fair.[23] As another instance it was reported that the counties on the borders of Kwangtung, Kwangsi, and Hunan held a joint exchange fair at Papu, Hohsien in Kwangsi to strengthen traditional economic relations between border districts of the three provinces and to activate the exchange of goods. The fair brought the border districts into closer economic contact and helped re-establish the traditional supply and marketing channels.[24]

COLLECTIVE SUBSIDIARY PRODUCTION

An allied measure to restrain the growth of capitalist tendencies in the rural areas was the development of collective side-line production and the consequent restriction of family or individual private subsidiary occupation. The importance of subsidiary production in the rural economy has been mentioned earlier. It enabled multiple undertakings by the peasantry through the development of animal husbandry, forestry, and fishery. It supplied the market with hundreds of sundry items which were beyond the scope and capacity of State enterprises and ensured gainful employment to the peasantry during the slack season. Not the least important, it provided an additional and significant source of income and cash to the peasantry. This had a particular importance for the peasants. To take a random example, a *Hopei Jih-pao* editorial reprinted by the *Jen-min Jih-pao* stated that in that province the income from subsidiary production in the rural areas constituted about one-fourth of the gross income from agriculture and side-line production and in some teams it was as high as 50 per cent.[25] In another instance from Chekiang province, the income from rural side-lines in theYuyao

county constituted some 42 per cent of the total income from farm and side-line production of the whole county.[26] With the peasants being allowed to undertake individual cultivation of a small plot and to engage in private side-line occupation as well as the freedom to sell the produce from them in the free market, it was inevitable that the peasants would want to give as much attention as possible to their private production for increasing their income and to enlarge the scope of private subsidiary production. An mentioned earlier, a general attempt was to limit collective production only to grains and leave everything else for private production.[27] The party leadership, on the other hand, was getting increasingly anxious about the growth of private enterprise in the rural sector and wanted to contain it.

One important way in which the party sought to contain private subsidiary production was by enjoining upon the teams to undertake collective side-line production to counterbalance the development of private side-line occupations. To develop collective side-line occupations, the party leadership affirmed, was not only a matter of economics but of politics, for the struggle between the two roads of socialism and capitalism had "found expression" in agricultural production as well as in side-line production. Now this struggle had "manifested" itself "even more noticeably" in side-line production.[28] The cadres were asked to apply the class line on this question also, that is to mobilize support for collective undertaking of subsidiary production from the "poor and lower middle peasants," from those sections which would have the least stake in the development of private subsidiary occupations. There was a great deal of struggle in the rural areas over this issue and the party had to counter the argument that the masses did not want the collective to run multiple undertakings. The party's stock answer was: who were the people who were being called "masses"? Were they "rich peasants, former landlords, and bad elements" or the "poor and lower middle peasants" who constituted the "masses" and who wanted these undertakings to be run collectively?

The party propaganda among the poor peasants was that it was in their interest that collective side-line production be developed as they did not have sufficient resources to do it on their own. Among other arguments used was that collective side-line production promoted the development of agricultural production also. It brought

more funds at the disposal of production teams which could be utilized for further development of production and, as usual, the press reported instances of production teams utilizing funds earned from subsidiary production in procuring farm tools, draught animals, and other means of production. Not only was the rate of labour utilization raised but large numbers found gainful employment. Despite earlier claims about labour shortage in the countryside, a report from Hunan admitted that some 30-50 per cent of labour was surplus and a large number of it was now sought to be employed in collective subsidiary occupation.[29] In any case during 1963-64 the collective operation by production teams of multiple undertakings was stepped up with a consequent restriction of private or family undertakings. In one commune, it was mentioned that the proportion of collective side-line output to its total side-line output increased over last year from 56 per cent to 65 per cent, while the proportion of commune members' family side-line production declined from 46 per cent to 35 per cent.[30] The campaign was accelerated in the winter of 1963 as the slack season in farm production and the "boom season" for rural subsidiary production approached.[31]

The authorities were, however, careful not to ban or discourage the commune members from working on their tiny plots and their private subsidiary occupations, for that would have invited hostility, retarded the recovery of agriculture, and reduced the number and amounts of subsidiary products available for the market. The *Jen-min Jih-pao* instructed that provided the "absolute superiority" of collective economy was guaranteed, to "encourage and assist" commune members to develop household side-line occupations was advantageous to the "increase of social products" and the income of the commune members.[32] The general emphasis was on a proper demarcation of the scope of operation between collective side-line production and family (or private) side-line production. In this connection, one propaganda journal cited the example of Lotsun production team in the Fu-ch'eng commune of Ch'ingyuan *hsien*, Kwangtung, as "worthy of emulation."[33] According to this report, this team adhered to the principle of attaching "chief importance" to collective side-line production "supplemented by family side-line production" and made "unified arrangements" for and gave "equal consideration" to both. Generally, those

undertakings which were large in scale and required a considerable amount of manpower and financial resources were operated collectively by the production team and the income therefrom also went to the team. In cases where the resources were concentrated and those subsidiary occupations which were permanent and fixed the teams also ran them collectively and pocketed the income earned from them. But where the resources were dispersed, the subsidiary occupations were scattered, the manpower and investment required was small, the peasants were allowed to undertake them in their spare time and keep the income accruing from them. In this particular team, the collective operations were fixed as: the growing of peanuts, lotus roots, sugarcane, melons and vegetables, the breeding of pond fish, and the raising of hogs. The team members could privately raise pigs, chicken, ducks, and geese, cultivate their private plots, grow fruit trees around their houses and catch fish and cut firewood in their spare time.[34] One important recommendation to the teams was that they should give priority to those items which were traditionally locally produced and for which raw materials, techniques, and markets were easily available.[35]

SOCIALIST EDUCATION

To meet the danger of "capitalist revival" (or was it "feudal revival"—it was not very clear from the official propaganda), the party also unleashed an ideological campaign in the rural areas. There were three "great struggles" of this period, as the party leaders put it: the class struggle, the struggle for production, and the struggle for socialist experiment.[36] These were, in fact, the three "regular and fundamental tasks of the party throughout the period of socialist revolution and socialist construction." The present ideological campaign involved the party cadres and the peasant masses and its aim was to educate them, instil socialist consciousness in them, and steel them ideologically against the onslaughts of "feudal remnants." Had not Mao said in his speech on contradiction in 1957:

> It is true that in China, socialist transformation, in so far as a change in the system of ownership is concerned, has in the main been completed, and the turbulent, large-scale mass class struggle characteristic of the revolutionary periods had in the main con-

cluded. But remnants of the overthrown landlord and compradore classes still exist; the bourgeoisie still exists; and the petty bourgeoisie has only just begun to remould itself; class struggle is not over yet, the class struggle between various political forces, and the class struggle in the ideological field between the proletariat and the bourgeoisie will still be long and devious and at times may even become very acute. The proletariat seeks to transform the world according to its own world outlook, so does the bourgeoisie. In this respect, the question of whether socialism or capitalism will win is still not really settled.[37]

So the class struggle in the countryside was on and it was impermissible to forget that. Apparently, "some cadres" had believed that, since agriculture had been collectivized and even communized, class struggle had ceased and that, since every one was being paid according to work-points, no class distinctions could be made among sections of the peasantry. The serious ideological deviation had to be cured. Moreover, the cadres and the peasant masses had to be further steeped in socialist faith and class consciousness, because of the grave setback in the last few years;[38] so a socialist education campaign was launched in the rural areas, particularly in the autumn of 1963, as the slack farming season approached, and reaching well into 1964.

This time, however, it was class struggle with a difference. It could not be accompanied by many administrative and economic measures. On the economic front the party had beaten a retreat and, with the exception of some restraints put on the private subsidiary occupation of the peasantry and the free market (but not their elimination), the retreat was not reversed. As the Minister for Agriculture, Liao Lu-yen admitted, it had been "proved by experience" that the work of carrying out socialist transformation of a small peasant economy "cannot possibly be realized by a simple call." It was "impermissible," he wrote in an article, "to transform the peasants' means of production into collective property by methods of expropriation." If compulsion was used and expropriation resorted to, it would constitute "the crime of damaging the worker-peasant alliance, the alliance between the poor peasants and middle peasants and agricultural collectivization."[39] The class struggle had, therefore, to be confined to socialist education and propaganda

without resort to any significant economic measures and changes. The party had to make up with words what it could not back up with action.

The class struggle, however, always needs some allies and some enemies. The allies were declared to be the "poor and lower-middle" peasantry, which meant mostly those sections which were poor before the land reforms and continued to be so despite land reforms and co-operativization (and despite official claims about their prosperity). The enemies were, not unnaturally, the ex-landlords and rich peasants. Nearly thirteen years after land reforms, these elements were still regarded as a serious menace to the continuation of socialization of agriculture and (one suspects that their ranks were swelled by those who were rather poorly off before the land reform but who had as a result made good and become more prosperous). During the difficult days of famine during 1959-61, the discontent among the peasantry had obviously shaken the faith of the peasantry in party policies and leadership and there were dark hints of disturbances and attempts to undo the collective system. Agriculture Minister Liao Lu-yen said that the "landlords and rich peasants would manoeuvre and pull strings from behind the scenes" and would go in for "speculation and cornering the local rural markets and hiring farm hands and setting themselves up as money-lenders"—"all in an attempt to smash the collective economy." They would adopt the "tactic of worming their way into leading positions and bribing cadres in order to usurp the leadership over collective economy" and "in a thousand ways to corrupt our cadres." They even "took advantage of clan relationships, of feudal superstitions and other forces of habit of the old society and carried out all kinds of subversive activities."[40]

The class struggle had also to contend with the bourgeois predilections of the "middle peasant." He had a "spontaneous tendency" towards capitalism because he could make use of his skills and resources to become more prosperous and demand more freedom. On the other hand, he not only had links with the rich peasantry but also had influence over the lower middle and poor peasantry. It was necessary to keep him neutralized. How to struggle against his bourgeois leanings and yet not make him an enemy was not an easy task, for what he did and what happened to him had an impact on production. It was for that reason that many cadres had reser-

vations about conducting the class struggle in a manner which would involve the middle peasants. Many of them felt that the skills of the middle peasants were needed to develop agricultural development.[41] But the party mandate was that this was an erroneous view and that it was still necessary to struggle against their spontaneous tendency towards capitalism and to propagate socialist ideology. Their skills and experience would be useful only if put to the service of collective economy. So the unenviable task of reforming the middle peasant and then uniting with him was placed before the cadres. The middle peasants invariably assumed a "wait-and-see" attitude towards socialist transformation and were ready to depart from the socialist road whenever an opportunity presented itself. Socialist education and reformation had to be stepped up but at the same time it would not do to adopt rough and ready methods and due regard must be paid to manners and methods. The cadres must not assume a "rude attitude" and employ "simple methods" or adopt methods for dealing with the enemy to treat those who had wrong ideas and had made mistakes.[42]

In the class struggle and the socialist education campaign, the chief allies were to be the "poor and lower middle" peasants. The party must base itself on their support and draw them close to the party. Many cadres had mistaken notions about them: they regarded them as "stupid and unable to manage things."[43] They were "quarrelsome," "difficult," and "troublesome."[44] The cadres must cleanse themselves of such snobbish ideas and "humbly listen to the opinions of poor and middle peasants," accept their criticism and discuss things with them, and thus improve their work. For, after all, if the party could not draw out the support of this section, on whom else was it going to depend for its support, not on the middle peasants and certainly not on the rich peasants? The poor and lower middle peasants constituted some 70 per cent of the rural population and the party must aim for their support. They were more easily and steadfastly converted to socialism, according to the leadership, and their support for collective economy was more firm and enduring. The party must make every effort to secure this base in the rural areas and the class line of the party in the rural areas was to bring about the dominance in all administrative and economic organs and organizations of the poor and lower middle peasantry—of course, as always, under the leadership of the party. In other words, poor peasants

must accept the party line and policies and also take the lead in carrying them out.

One of the principal ways in which the socialist educational campaign was to be conducted in the rural areas was the retelling of the history of oppression of peasants in old society. The party leadership believed that most of its troubles on the ideological front in the countryside would be over if the peasants were to be made to recall and remember their past sufferings and misery and the younger generation which had not experienced those dark days made to listen to those stories about the old society and realize its good fortune in not having had to go through those times. Meetings were held everywhere in which poor peasants recounted their tale of woes and compared those horrible old days with their changed conditions now. Lectures were organized on village history, history of co-operativization, and "the family history" of the poor and lower middle peasants in order to arouse the class consciousness of the masses. In Honan, for instance, special emphasis was laid on the retelling of personal experience of the poor and lower middle peasants, as the spoken word by those who were aggrieved (in the old society) was the "monument of convincing truth." No textbook could substitute for it. The youth were mobilized to make door to door visits at the houses of the poor peasants so that they could acquaint themselves with the family histories of the poor peasants and be thus better prepared to withstand the "onslaught" of the class enemies in the future.[45] In Chekiang, clubs were formed extensively in villages in order to carry on the work of propagating socialist ideology. The "intellectual youth" (mostly from the cities obviously) were organized to compile 25 kinds of materials, including "three generations of local depots," the "flowery signboard of the landlords" and the "tale of blood and tears."[46] An article in the Central Committee's theoretical organ *Hung-ch'i* advised that the history of class struggles must be recalled, compiled and printed in book form for passing down from generation to generation and also claimed that as a result of this socialist education campaign many people realized that there were still class enemies and that they could not "send their horses to the southern hills for grazing and return their arms to the armoury."[47]

CADRES TO THE FIELDS

Another aspect of the ideological education campaign was the renewed insistence by the party that the cadres must participate in labour and guide the peasants through actual participation in labour. The call to the cadres to go to the "front line of production" was not a new one. The *hsia fang* movement started in 1957 when large numbers of administrative personnel and people from all walks of life were urged to go to the villages and cadres were given the call to get closer to the sight of production and take part in physical labour. We have seen how this was repeated in 1960 and was one of the ways in which the party sought to strengthen its rural leadership as well as the commune organization. The campaign was now intensified with a new vigour and was regarded as one of the chief links in the task of repairing the party's leadership and relationship with the peasantry and toning up the commune organization. If the local leaders were to do physical labour side by side with the peasants, the distance between the peasantry and party would be narrowed and the peasantry would be more willing to listen to their advice and be more willing to follow party policies. The party, it was hopefully expected, would also be able to secure greater control, particularly over the teams and brigades, than had been possible in recent years. It was imperative for the rural cadres to bring about greater identity with the rank and file peasants. There was clearly considerable resistance on the part of the cadres to labour like ordinary peasants as a matter of routine and not just as a gesture, which is probably what they had been doing in previous years in response to the higher leadership's directives about participation in labour.

Apart from the problem of their multifarious duties, the cadres were also bothered about their position and standing with the peasantry if they were to carry manure and do other manual chores like the ordinary peasants.[48] The leadership chided such cadres for maintaining ideas that officials of the old society had about themselves and advised the cadres that they should look no different from the rank and file peasant. *Hung-ch'i* devoted almost an entire issue and published fourteen articles on model cadres and exemplary deeds set by cadres at production brigades and communes in taking part in collective labour.[49] Whether such persons existed

and whether all these deeds were actually true was besides the point; the real point was that that was how the leadership wanted the cadres to function. These model cadres were all poor peasants in origin, worked hard, took regular part in manual work, always kept the interest of the collective in view, never bothered about their own work-points, went "deep into production" and thus solved problems concretely, and as a result of labouring side by side with the peasants were able to establish intimate relationship with them.

In impressing upon the cadres the need to take part in manual labour, the journal said that, through their concrete deeds by participating in collective labour, they would be able to identify themselves with the peasants who would then regard them as their "bosom friends" and offer their heart to them.[50] There would remain no "wide gap" between them and the peasants. If a cadre considered himself an official and a "magistrate," he was "obscuring" the line between the relationship between the cadres and the masses in the new society and between the officials and masses in the old society. By taking part in labour, the cadres would know better the production situation and the problems could be solved promptly. Moreover, identification with the masses in manual labour would enable the cadres to give "timely explanations" of party policies and to better implement them. Cadres' participation in labour would set a good example for younger generations and inculcate in them the love of labour. And the warning was given that if this neglect (of participating in collective production) continued long the "reactionary elements of exploiting classes," the "landlords, rich peasants, counter-revolutionaries, and bad elements" would take advantage of the opportunities resulting from the divorce of certain cadres from labour and from the masses, would corrupt and demoralize them and turn them into their agents with the aim of seizing the leadership of the party and government units and changing their character.

The basic-level cadres were to take part in collective labour as a matter of course, but even the higher cadres at the commune and *hsien* level must also take part in physical work in the countryside. In Kwangtung, for instance, the provincial government decided that all cadres at the *hsien* level should devote one month in a year in collective production while those at the commune level should spend two months in a year in collective labour.[51] This "exemplary

action" prompted all brigade and team cadres to emulate their experiences and take part in collective labour.

To sum up, the goals of the mass education movement that was "universally developed" in the rural areas can be defined in the words of T'ao Chu as: the use of proletarian ideology to educate and remould the peasants, to raise the class awakening of the broad masses of poor peasants and lower middle peasants; to improve the ideological work style of the cadres, to promote closer relations between the cadres and the masses, to overcome and prevent corrosion by capitalist ideology; to expose and smash the various sabotage plots of the class enemies; and to consolidate collective economy and develop agricultural production.[52] It was the party's relationship with the peasantry which was at stake and which explains the insistence and the fervour with which the cadres were asked to go to the fields and establish their identity with the peasant masses. And the urgency of it was that the remoulding and the class struggle had to take place within a framework of comparatively liberal economic policies.

WHAT NEXT? DIRECTION OF AGRICULTURAL DEVELOPMENT

The Chinese communists' attempt to achieve a breakthrough in agriculture by means of the organization of communes had failed. The reverse suffered by the regime in agriculture had been shattering. The commune organization was deprived of its central features and a number of fundamental concessions had to be given to stop the rapid decline in production. Slowly and painfully, the structure that lay in shambles had to be built anew and agricultural production revived. The authorities have not released any figures since 1959 but it is known now that a small recovery was made in 1962 and some further progress made in 1963.[53] The summer harvest in 1963 was good and in winter wheat, spring wheat and early rice, the majority of production teams were reported to have increased their production over the last year.[54] The harvest of rape seed was also better. Food crops had been planted on larger areas and the situation with regard to economic crops was also claimed to have taken a turn for the better; cotton, hemp, and sugar had also been planted on larger areas than in the last year. The policy put forward by the party centre in the second half of 1960, the policy of "readjust-

ment, consolidation, filling out, and raising standards," in order to overcome the disproportions that had appeared in the economy, was continued to be observed during current years. The most important aspect of this policy was the "concentration of forces" for strengthening the agricultural front and, simultaneously, the appropriate shortening of the "front line of industrial production and capital construction."[55] The aim was to revive agriculture and this policy continued to be observed during 1963-64.

Agriculture slowly recovered but the problem of the future direction of agricultural development remained. How to increase agricultural production rapidly commensurate with the increase in population and with the growing needs of development remained the most important problem. The communes had failed to provide the answer as the Chinese communists had hoped. So, "what next," the party leadership had declared and this was a common starting point for all discussion that the modernization of agriculture was essential for ensuring a stable and prosperous agriculture. Modernization was the goal and all efforts were to be bent in that direction. But how to achieve modernization and how soon it could be done were extremely complex and difficult questions and some "hundred flowers" were allowed to grow in dealing with these problems. The nation's economists and experts were engaged in a controversy over these issues and varying opinions were expressed on how best to achieve modernization. Within the framework of collective economy and the goal of modernization, the experts joined issue with each other on the road that the country should take in transforming agriculture through agro-technical reform.

What was to be the centre, the kingpin of technical reform and modernization of China? Was it to be the mechanization and electrification of agriculture? Or was it to be achieved through the use of chemical fertilizers? Or was the first step water conservancy which, as Mao had said, was the "life-line" of agriculture? Where should machinery be introduced first: on already intensively cultivated areas or in waste lands? Opinions differed and a debate followed.

One group of experts believed that the chief link in the task of agro-technical reform had to be mechanization and electrification. Only when machinery had taken over the burden of men and animals could it be possible to maintain continuous agricultural growth and

resist the vagaries of nature. Only then would agriculture be able to provide reliable surplus for accelerated development of the rest of the economy. Only then could China ultimately consolidate the collective economy and eliminate the material foundation on which the individual peasant economy could subsist.[56] The massive use of mechanized and electrical farm implements would make it possible to use the water and soil resources more rationally, to open more production outlets to utilize grassy plains, to denude mountains, make barren lands fertile and use all water, soil and biological resources rationally in order to develop agriculture,forestry, stock breeding, fisheries, and side-occupations. With the productivity of agricultural labour greatly raised, and the total output of farm produce greatly increased, it would be possible to transfer part of the labour force gradually from agriculture, to undertake rural construction, and support industry, transport and communications.[57]

It was easier to theorize on the benefits of mechanization than to bring it about in a country like China. As one economist pointed out, if agricultural mechanization was ever to come to China, the following targets would have to be realized: 800 horsepower of mechanized machinery per 10,000 mow of cultivated fields; one standard tractor for every 1,500 mow of land suitable for mechanized cultivation; one water flume-conveyor for every 4,000 mow of arable land; an average of one horse-power of mechanized irrigation equipment for every 90 mow of cultivated land under irrigation; use of five kilowatt hours of electric power per mow of cultivated land. On this reckoning the total requirements came to: mechanical power—130 million horse-power; standard tractors—800,000; water flume-conveyors—400,000; mechanized irrigation equipment—two million horse-power; electric power for use in agriculture—about nine billion kilowatt hours.[58] A stupendous task for a developing country with a weak industrial base. Could this be realized before State industrialization had become a reality and how long would it take to attain these targets? Some of the experts believed that agricultural modernization was possible without waiting for state industrialization while others thought that one was contingent on the other. Those who held the former opinion thought in terms of step-by-step transformation, from small implements to big ones and from semi-mechanized ones to fully mechanized ones, otherwise it

was difficult to see how China's weak industrial base could meet the needs of full-scale mechanization of agriculture.

Moreover, China's mechanization of agriculture must take into account the vastly different soil and land conditions and climatic changes in different parts of China. Where should mechanization be concentrated? In the conditions of China only a limited amount of agricultural machinery was available. Should it be utilized first in the areas growing the principal commodities, grain and economic crops? In cultivation, irrigation or rural transportation? In finely cultivated areas or in areas where cultivation was spotty and on waste land? One school of thought advocated that mechanization should first be applied to cultivation practices in Manchuria and North China, to irrigation in the paddy fields of South China, and to well irrigation in the Hopei-Shantung-Honan area.[59] Another school advocated that mechanization be put to service to increase the proportion of cultivated land in order to tackle the problem of low per capita availability of land. Machines should be assigned to areas of reclaimable waste land. The other view was that, generally speaking, the better the natural conditions and higher the development of economic and cultural level the larger were the economic results of agricultural mechanization. One economist warned, however, that no hasty conclusion should be drawn that, no matter what the time or type of agricultural machines available, the area of careful and intensive cultivation should always have priority in the assignment of machines. Different machines had different functions and different economic characteristics. If the machine was assigned to an area unsuitable for its use, the economic results will be counter-productive, no matter what other advantageous conditions such areas might have.[60]

Another opinion was that, in view of the existing technical base of the country, greater importance should be attached to electrification. The urgent task in Chinese agriculture was to raise the yield per mow and according to this view the conditions for production in east China and central south China were close to those in Japan and the measures of electrification adopted by Japan should be seriously studied. Electrically driven machines were easy to operate and comparatively simple to service and repair. The wear and tear of parts and accessories were markedly lower as compared with tractor-driven machines. These advantages had great significance

for the advancement of the development of agricultural electrification.[61]

Still another group of experts believed that the universal use of chemicals in agriculture should be regarded as the "centre" of the country's agro-technical reform. The main and immediate objective in Chinese agriculture must be the raising of per unit-area output. Therefore, it was necessary to consider what the effect of every modern technical measure was on increasing production. Mechanization, these people said, played a vital role in reclaiming waste land and expanding farm land and farm production, but its impact on increasing per unit-area output was very limited. While large-scale water conservancy had a marked effect on increasing per unit-area output, this effect was exerted once for all rather than every year. On the other hand, the effect on increasing per unit-area output of the extensive use of chemicals in agriculture was specially marked. The natural fertility of the soil in most parts of the country was rather poor and the present level of fertilizer application was low. Within a definite period of time, if the quantity of fertilizer applied was continuously increased and if the other measures matched well, the yield per unit-area could be increased by twice as much as at present. It was also claimed that the country had "basically mastered the techniques of production and application of chemical fertilizers," while in the case of the production and operation of agricultural machinery "things were not so good." The production teams could afford to buy fertilizers and did not need a State subsidy for this purpose. Besides, the price of chemical fertilizers not only covered the cost but left a definite profit and thus it could take only a few years before the investments could be recovered.[62]

The advocates of large-scale water conservancy insisted that in the conditions of China the "universal construction of water conservancy" should be the chief technical measure in connection with agricultural production. Vast areas in the country were constantly threatened by floods or drought. For instance, a quarter of the farm land was subjected to flood and water-logging and all of it was situated in the chief grain and cotton-producing areas where the population was dense and the soil fertile. Floods and drought continued to constitute the greatest threats to agricultural production. Therefore, the struggle to prevent floods and drought must be made the primary task in the technical reform of agriculture.

Water conservation offered the surest guarantee for high yield and stable harvest.[63]

There were voices of greater sanity in the babble of theoretical discussions. Some took a more modest view of the possibilities and believed that the realization of scientific farming should receive the primary emphasis in the technical reform of the country's agriculture. Besides mechanization and electrification, "universal" water conservancy and "universal" use of chemical fertilizers, which took long and required vast resources, attention should be concentrated on applying scientific measures such as selecting, fostering, and popularizing superior seed, enforcing a proper system of rotation of crops, employing methods of cultivating plants under adverse circumstances, speeding up the planting of trees and their growth through scientific methods and guiding aquatic production in accordance with the law of growth and propagation of aquatic living things. Promoting scientific farming was more important and had greater effect on production in the present conditions as it was not subject to the limitation of the foundation of heavy industry. It only required a large number of people who had training in modern science and technology.[64]

Another view was that in determining the country's road for mechanization of agriculture, while it was necessary to absorb all the useful experiences of other countries, China must follow its own road to mechanization. This should accord with its social system, complex natural conditions, the tradition of careful farming, rich manpower resources, the present level of industry and the present purchasing power of the communes, production brigades and teams. It was necessary both to raise labour productivity and to raise the yield per mow. Large agricultural machines should be used in combination with medium size and small ones or, in fact, the latter should be regarded as more important and all the machines should be put to use for as many purposes as possible. Before the transition to full mechanization could be made, the use of machinery should be combined with the use of cattle and horses and the use of the mechanized implements with semi-mechanized, improved farming implements, which, in the present conditions, had to be mainly depended upon.[65]

COMMUNIST PARTY'S DECISION ON FUTURE DIRECTION: "STABLE AND HIGH-YIELDING FARM LAND"

While the experts debated and disputed, the party took stock of the situation and took its decisions with regard to future agricultural development. In the first instance, the party decided basically to continue the policy of simultaneous use of modern and native techniques and to rely on labour-intensive measures for bringing about further development. In the conditions of China, these policies were to some extent inevitable and it was not their unsoundness that had led to the failure of the big leap but their faulty and unbalanced implementation. Now the party was wiser and a more cautious implementation of these policies was intended. In regard to the strategy of the future development of agriculture, the party decided to base its policies on a theoretical concept of Mao Tse-tung which he had developed in the guerilla war period. This was to concentrate forces on one point to "win a battle of annihilation." In Mao's colourful phraseology, it was not as effective to hurt all the five fingers as to chop off one of them. On the agricultural front this was to be achieved by developing "high and stable yields" on small farms through a concentration of forces and gradually to extend this area of high and stable yield to the whole country,[66] without in any way reducing the acreage under cultivation and without neglecting careful cultivation of all the tillable land.

What was meant by stable and high yields? It denoted the ability of the country to ensure a good harvest despite drought and excessive rain resulting in floods and water-logging and on that basis to increase the per mow crop yield, thus ensuring a steady increase in agricultural production. From now on, it was authoritatively stated, "we will continue to raise the production rates of various kinds of crops in different localities until they met the targets specified in our national programme for agricultural development."[67] Only a minority of production teams and communes had surpassed this target while the majority had lagged behind, some of them considerably behind. Excepting a few areas which were free from the menace of drought and water-logging and which, therefore, enjoyed stable yield, the other areas were all subject to the influences of changing weather conditions and uneven rainfall. In order to achieve stable crop yield, each and every locality must continuously improve its anti-drought, anti-flood, and

anti-water-logging capacity. The area of farm land which was stable and high yielding despite drought and floods at present consisted of only a small part of the 1.6 billion mow of farm land. In the near future, in the next three to five years, it was conceded, it would still be only a small part, but it would be increasing year by year, "growing from small to big and from few to many."[68]

Every locality, commune, production brigade, and production team was instructed to look into its own conditions and, based on the actual situation, work out a plan and target for building stable- and high-yield farm land and proceed to carry out the plan systematically. Such a plan should be formulated in accordance with the manpower, material resources, financial strength, natural conditions, and the leadership of the cadres of the area making the plan. A thorough inspection should be made and all these factors should be carefully calculated and only then quotas and targets worked out with due regard to their practicality for setting up stable- and high-yield farm land.[69] It was advised that projects should be designed in separate stages and in separate groups and one group built after another. Even in the process of building a group of steady- and high-yield farm land, concrete plans should be drawn up, projects should be undertaken at separate stages, and each stage should be completed before passing on to the next.[70]

The first important step was the selection of area and a correct choice was crucial in achieving better results. The criteria established for the choice of such areas were as follows. First, those areas should be selected where the natural conditions were better and where either the ratio of marketable grain was high or cotton and major industrial crops were concentrated. Secondly, areas in which the foundation of water conservancy was good and water and electricity sources were ample. Thirdly, areas with greater potentials of engineering facilities and where the latent power could be easily tapped. Fourthly, where the projects need not be too big and could easily be built and where with investment of small amounts of money greater results could be achieved.[71]

Besides proper selection of areas, plans should be made for full utilization and protection of natural resources (forests, rivers, and grass lands, etc.), for rational utilization of existing cultivated land, for rational organization of increasing grain production and developing industrial crops, for all-round development of farming, forestry,

stock-breeding, side-occupations, and fisheries and for full and planned utilization of manpower, material, and financial resources. The teams, brigades, and communes were told not to depend on State aid for their plans but on their internal resources and, therefore, the stress was on labour-intensive projects which were not beyond the financial capacity of the unit undertaking them. Besides a careful survey and designing work, the method of mass mobilization must be adopted and the masses set into motion for completing the projects undertaken. One factor that must determine the final decision was the increased quantity of grain, industrial raw materials and non-staple food that would be required for the completion of a project. This was the yardstick for measuring the effect of investment in the building of steady- and high-yield farm land and no project may be undertaken which required excessive quantities of grain and raw materials. So, all the surveying and designing personnel, planners, scientific and technical workers taking part in the building of steady- and high-yield farm land as well as those working on the agricultural front were required to make a "serious study" of the party's line and policies, of Chairman Mao's works, particularly his theory of agricultural development and his thesis of concentrating forces in a battle of annihilation, self-reliance, and building the country with industry and thrift.[72]

Although the slogan of converting the existing farm land, or about 80 per cent of it, into a steady- and high-yielding farm land, despite drought and floods and water-logging, over the years and in separate stages had been advanced, the authorities were this time under no illusion that this could be realized either easily or quickly. That is why the decision was made to reach this goal step by step, in stages, and area by area. There was also the danger that in the preoccupation with the building of the so-called stable- and high-yielding area, the careful cultivation of the rest of the farm land might be neglected. Therefore, it was again and again stressed that the entire farm land must be cultivated and managed well in the first place, for the country's agricultural production depended on that, and only then appropriate arrangements be worked out for development of areas with high and stable yields.

It was obvious that the development of stable- and high-yield farm land involved first of all the tackling of the problem of drought and water-logging and, therefore, a concentration on water con-

servancy. In fact, the party's decision was that water conservancy be put in the foremost position in agricultural capital construction, that is, be made the "centre" of the process of transformation and modernization. "A good harvest depended on water," as it was put. This was the starting point, for the first question that had to be solved was whether a harvest could be reaped and only then the question of how much could be considered.[73] The primary effort should be to solve the water problem and the attempt should first be to try to retain the maximum rainfall in the soil and then to take such measures as to grow forests, raise grass, terrace hill-slopes, construct irrigation channels, and apply deep ploughing, etc.

Once again the principles advocated for the construction of water conservancy were that they should be small, inexpensive, and labour-intensive so as to be within the resource and competence of the teams, brigades, or the communes building them. In building and repairing small water conservancy projects, the work could easily be completed within a short time. For instance, it was pointed out, in hilly districts the production teams or brigades need spend only a little money to dig a pond or build a small water reservoir and some small irrigation ditches to set up scores of mow or even hundreds of mow of farm land that would produce a high and stable crop yield. Again, wells were important sources for irrigation in the plains of north China, half of the farm lands that produced high and stable crop yield irrespective of drought and excessive rainfall in Hopei, Honan, and Shantung provinces depended upon wells for irrigation. The investment in sinking wells was not big but wells were reliable sources for irrigating farm land.[74]

It appears somewhat odd that with its tradition of intensive farming and the attention that had been given to water conservancy all these years and the claims that had been made in the work of irrigation, that these small projects should not have been already built. However, the stress this time was on completing the building of a whole system of water conservancy. As it was said, China was a land with many mountains and water resources, including underground water, providing remarkable latent potentialities for building small ponds, and water reservoirs, sinking wells, installing water-wheel pump, and directing the water flow by means of differences in water levels. Although such water conservancy works were small in scale, a gigantic water conservancy network, it was asserted, could

be formed to irrigate vast tracts of farm lands if every locality concentrated its efforts on repairing and building water conservancy projects to meet its own requirements. Some farm land now had water conservation facilities, but it was necessary to combine various projects into complete water conservancy systems, level ground, and improve management work in order to increase irrigation facilities.

The authorities advised the rural areas that it was much better to tap the latent potential of the existing water conservancy facilities than to build new ones, as it required less investment and yielded benefits sooner and that it was much better to build small projects, rather than big ones, but that care must be taken to see that every project was a complete water conservancy system in itself. Only thus would the role of water conservancy projects be brought into full play. It was some times necessary to complete the main project first, but after the completion of the main project, efforts must be made to build auxiliary projects which would combine the projects into a whole water system. If the auxiliary projects, such as the digging of irrigation ditches, the construction of necessary building and the levelling of the ground, was not completed, the main project could also not be fully exploited. Further, many places had neglected the work of repairing and maintaining the irrigation facilities already existing and it was stressed that the maintaining and proper operating of the water conservancy facilities was as important as their construction.[75]

Finally, water conservancy construction, as other activities, should follow the mass line and rely on the masses for successful completion. The alternatives posed were: should the rural areas launch a mass irrigation campaign and develop the "revolutionary spirit of self-reliance" or should they depend on State investment for every project? It was opined that the former was a true revolutionary policy.[76] It was estimated that between 30 and 40 per cent of the large and medium irrigation areas throughout the country and between 20 and 30 per cent of the irrigation and drainage equipment in China still required supplementary work to turn them into complete systems, and once this was done, it was confidently expected that it would be possible to bring the role of existing water conservancy projects into fuller play.[77] And the call was given to build small-scale water conservancy projects on a mass scale and to join

them into complete water systems through the mobilization of the masses and the resources needed internally by the teams or the communes concerned.

Whatever the decision with regard to the future direction of agricultural development, there was one lesson which the Chinese communists were not going to forget too soon, and that was the balanced growth of different sectors of agriculture (as of the economy in general) and the preservation of historical and traditional specialization of different regions and areas. Mao's theory of balance-imbalance-new balance had a very adverse effect on the economy and was quietly discarded now. The attempt to create imbalances by concentrating on certain sectors to the neglect of others and then arriving at a so-called higher balance proved to be an irrational economic policy. The "correct handling" of the proportional relationship among the various branches of agriculture now became a major theme of Chinese communist propaganda on the rural front.[78] Grain production was the "foundation of agriculture" and, therefore, had to be given prior attention. But economic crops must not be neglected either. Or else the expansion of light industry and the income of the peasants and the accumulation of funds by the State and the communes would be adversely affected. The authorities recommended a policy of simultaneous development of food and economic crops and within economic crops adequate attention not only to cotton but also to oil-bearing crops, tobacco, hemp, sugar, etc. Apart from food and economic crops, animal husbandry plays a vital role in agricultural economy and also supplies agriculture with animal power and fertilizer. The more the Chinese economy develops, it was underlined, the greater would be the proportion of animal husbandry to agriculture. Animal husbandry must, therefore, be given a prominent position in agricultural development. Similarly, forestry must be developed proportionately, particularly in the hilly terrain where forestry resources and land suitable for afforestation abounds.

The steps necessary to satisfy the requirement of agriculture for its own expanded reproduction were listed as the enlargement of cultivated area, increasing soil fertility, extensive utilization of hilly grounds, grass lands and water resources, rearing of more pigs, accumulation of more manure, attention to fine strains, breeding draught animals

in other words, balanced and proportionate development of various branches and sectors of agriculture.

At the same time, while advocating multiple undertakings by various units so as to be comparatively self-sufficient, the authorities were also careful in emphasizing the need for preserving the specialization of various areas and regions. There already existed in the country food crop areas, economic crop areas, animal husbandry areas, fishery areas, and forestry areas. These had come into existence through the utilization of different natural conditions and the specialized experiences in production accumulated over a long period. The attempt to upset the traditional pattern by making every area self-sufficient and trying to grow everything during the big leap period had a deleterious effect on production. This specialization must be maintained and the division of labour turned to mutual benefit, for it enabled the country to utilize the natural and economic resources in the various areas more completely and effectively. The practice of area specialization in relation to production made it possible to make arrangements for various agricultural departments and crops to be located in areas that were most favourable to their respective growth and management, resulting in maximum financial return with minimum manpower and financial investment. So, "we must start with our existing agricultural production bases. Any arrangement planned for the future without regard to the existing bases is impractical."[79]

MANAGEMENT OF TEAMS: "FROM A FEW BUT GOOD TO BOTH MANY AND GOOD"

Mao's strategy of concentrating forces to win a battle of annihilation, or of chopping off one fingure instead of hurting all the five was applied to the management of production teams also. Since the teams were now the centre of all agricultural activities, their good management or otherwise had become a matter of vital importance in the development of agricultural production. Moreover, party control over the affairs of teams and keeping them within the confines of party policies had also become a matter of serious concern. In response to the call of the party high command, large numbers of leading cadres at various levels in the provinces were sent to the production teams to repair party leadership and to

promote sound management. Their tasks were sixfold. They assisted thete ams to carry out "earnestly and thoroughly" the guideline of "overall development in agriculture, forestry, stock-breeding, and side-line occupations with emphasis on foodgrains," as well as the "eight-point Charter" in agriculture. They promoted scientific experimentation. They helped the teams to improve their operations and management. And it was their task to "study and popularize the working style of harnessing the particular to general and achieve a unity of the particular with the general";[80] in other words, to fit party policies to local conditions and to secure acceptance of these policies by the teams and peasant members of the teams.

But the party leadership also realized that all this could not be achieved in a short period and, therefore, the instructions were that attention should be first focussed on a few teams in each area and after their management had been put on sound footing and with the experience thus gained to extend the work to others and improve their management. Due to the "lack of adequate experience and insufficient strength," it was advised that primary importance should be given to the setting up of a few good teams before advancing from there to "both many and good" step by step. We should rather give a little help that would be really good help, it was said. In giving help to one group of production teams, the higher cadres should aim at really good management and consolidation so as to make them a worthy example of well-managed production teams in a particular locality.[81]

CONCLUSION

The Chinese attempt to transform agriculture through merely socio-economic institutional changes, while putting all the money in heavy industry, had dismally failed. Agriculture could not be starved and yet be expected to lay the golden egg. It is clear from the above survey that the Communist Party leadership had, in response to the agricultural crisis of 1959-61, adopted for the present a cautious policy in agricultural development. The primacy of agriculture in State investments and general State policies and the contraction of heavy industry as well as its readaptation to serve agricultural needs continued through 1964. The organizational measures adopted to appease the peasantry and to rehabilitate

agriculture also continued, by and large, through 1964. The alienation of the peasantry from the party as a result of the disastrous steps of 1958-59 was serious. The resulting confusion and a general breakdown of party authority in the countryside can be imagined. The party introduced a policy of economic liberalism to placate the peasantry and to revive agricultural production and also set about the task of gradually repairing its relations with the peasantry and re-establishing its authority in the villages. The influx of senior cadres in the production teams was meant to achieve that purpose.

How long will the party leadership continue to exercise this restraint? Will it again get impatient and try to force the pace? It is obvious that the problems of Chinese agriculture, like that of other developing but heavily populated countries, are intractable, and there are no easy or quick solutions. It will require patient and sustained effort over a very long period to achieve the goal of attaining world's advanced level of economic development. Will the Chinese leadership continue to be reconciled to this slow pace? Already during 1963-64, while the policies of economic liberalism in agriculture continued to be followed, the party sought to tighten the political controls through ideological, educational campaigns, and to assert its leadership over the production teams. While agriculture has been declared the "foundation" of the economy, the Chinese communists also keep referring ambivalently to industry (that is heavy industry) being the "leading factor." This leaves the door open for future switches in priorities and renewed emphasis on heavy industry. The outer shell of the commune has been kept intact and the threat of reversion to the old policies any time the party decided so remains. Ominous hints have been dropped now and then that in the future when the material and ideological conditions were ripe, the commune economy would be developed and first the brigade and then the commune itself would replace the team as the basic accounting unit.[82]

This, however, could be a part of the usual propaganda ritual and not meant too seriously. The dilemma of the Chinese communists remains that, if they continue to pursue present liberal and cautious policies, it not only breeds capitalistic tendencies in the rural areas but also does not give hope of a quick breakthrough and rapid economic development which the Chinese leaders regard necessary

for their world-wide political role; on the other hand, the attempt to force the pace through sharp institutional changes had resulted in a crisis from which it took them years to recover and repetition might aggravate the problems. The experience of the crisis being too fresh, it is doubtful if the Chinese leaders plan to embark upon the previous policies in the near future, but it is possible that very slowly and gradually they might increase the dose of collectivization while maintaining for some time the heavy investments in agricultural development and their present order of priorities and, perhaps very gradually again, begin undertaking capital construction on a larger scale.

NOTES

[1]See, for instance, *Chung-kuo Ch'ing-nien Pao*, 18 April 1963.

[2]*Ibid.*

[3]*Ibid.*

[4]T'ao Chu, "The People's Communes are Making Progress," *Hung-ch'i*, No. 4, 26 February 1964.

[5]*Ibid.*

[6]*Chiang-huai Hsueh-k'an*, No. 2, 15 April 1963. As translated in *Selections from China Mainland Magazines*, No. 371, 2 July 1963, p. 34.

[7]*Ibid.*

[8]*Chung-kuo Ch'ing-nien Pao*, 25 April 1963.

[9]*Ibid.*, 4 May 1963.

[10]"Real Achievement in Flexibility without Confusion and Control without Rigidity," *Nan-fang Jih-pao*, 26 April 1963.

[11]See fn. 8.

[12]*Chang P'ing-hua*, "My Criticism of the Remark Relying on the Collective for Our Daily Needs and Relying on Ourselves for Money to Spend," article broadcast by Hunan Broadcasting Station, 4 April 1963 and monitored and published by *Union Research Service*, No. 31, 7 May 1963, p. 635.

[13]*Jen-min Jih-pao*, editorial, 14 November 1963.

[14]See, for instance, article by Wang Ching-wu in *Ta-kung Pao*, 8 November 1962.

[15]See, for instance, the report in *Nan-fang Jih-pao*, 26 April 1965.

[16]"Meetings for Exchange of Goods in Rural Areas," *Ta-kung Pao*, 6 October 1963.

[17]*Ibid.*

[18]*Ibid.*, 26 February 1963.

[19]*Nan-fang Jih-pao*, 9 October 1963.

[20]Liang Yao, "The Current Tasks of Supply and Marketing Co-operatives," *Hsin Kung-shang*, No. 2, 18 February 1964.

[21]*Ibid.*

[22]"The Inter-Area Supply of Goods is a Good Practice," *Ta-kung Pao*, 12 January 1963. For a detailed examination of this aspect of rural development see William Skinner, "Marketing and Social Control in China," Part III, *Journal of Asian Studies*, Vol. XXIV, No. 3, May 1965, pp. 363-99.

[23]*Ta-kung Pao*, 24 July 1963.

[24]*Ibid.*, 19 September 1963.

[25]*Jen-min Jih-pao*, 19 October 1963.

[26]*Ta-kung Pao*, 2 July 1963.

[27]See fn. 12.

[28]*Jen-min Jih-pao*, editorial, 14 November 1963.

[29]See fn. 12.

[30]Chih Chu-shan, "Supply and Marketing Co-operative Supports Production Teams in Developing Side-line Production," *Ta-kung Pao*, 5 September 1963.

[31]*Ta-kung Pao*, 10 October 1963; Wang K'ai, "Adhere to the Principle of Giving Priority to the Collective in Developing Side-line Production," *Shih-shih Shou-ts'e*, No. 21, 6 November 1963.

[32]See fn. 28.

[33]Wang K'ai, "Adhere to the Principle of Giving Priority to the Collective in Developing Side-line Production," *Shih-shih Shou-ts'e*, No. 21, 6 November 1963.

[34]*Ibid.*

[35]*Ta-kung Pao*, 10 October 1963.

[36]Wei Wan-pao, "Raise the Fighting Power of the Basic-Level Party Organization of the Rural Areas," *Hung-ch'i*, No. 18, 13 September 1963.

[37]*On the Correct Handling of Contradictions Among the People*, People's Publishing House, 1957.

[38]*Chung-kuo Ch'ing-nien*, editorial, 30 November 1963.

[39]Liao Lu-yen, "Collectivization of Agriculture in China," article written for October issue of *Cuba Socialists;* reproduced in *Peking Review*, No. 44, 1 November 1963.

[40]*Ibid.*

[41]See *Nan-fang Jih-pao*, editorial, 27 August 1963.

[42]*Chung-kuo Ch'ing-nien Pao*, 30 April 1963.

[43]*Ibid.*, 25 April 1963.

[44]See fn. 36.

[45]*Chung-kuo Ch'ing-nien Pao*, editorial, 30 November 1963.

[46]*Kuang-ming Jih-pao*, 7 September 1964.

[47]See fn. 36.

[48]*Ibid.*

[49]*Hung-ch'i*, No. 13-14, 10 July 1963.

[50]*Ibid.*, editorial.

[51]*Nan-fang Jih-pao, 26* November *1964.*

[52]*Hung-ch'i, No. 4, 26* February *1964.*

[53]It was only in 1965 that agricultural production fully recovered and slightly exceeded the 1957 figure at about 190 million tons.

[54]Ch'i Wen, "Our Economic Situation is Ever Improving," *Chung-kuo Ch'ing-nien*, No. 19, 1 October 1963.

[55]*Ibid.*

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INDEX