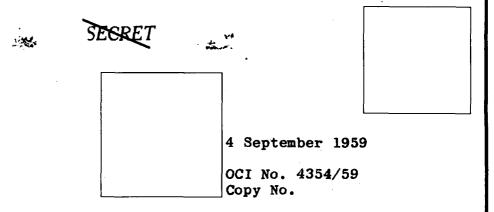
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#### CURRENT INTELLIGENCE STAFF STUDY

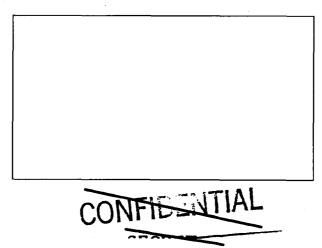
THE <u>COMMUNE</u>:

REVELATION AND INITIAL ORGANIZATION, SUMMER 1958 (Reference Title: ESAU V-59)

#### Office of Current Intelligence

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### CURRENT INTELLIGENCE STAFF STUDY

The Commune: Revelation and Initial Organization, Summer 1958

This is a working paper. As with the first four ESAU papers, portions of it will appear in a comprehensive account of the Chinese "commune" program. Several other papers relating to the program are in process.

This paper has not been coordinated outside OCI. The ESAU group would welcome comment, addressed to Philip L. Bridgham, the responsible analyst, or to W. P. Southard, the acting coordinator of the ESAU Project.

## SEGRET

#### SUMMARY

An earlier chapter has indicated that the concept of the commune was introduced and developed in secret discussions at two Chinese Communist party conferences in March and May of 1958. The present chapter, concerned with the period of July and August 1958, traces the piecemeal disclosure of the communes to the Chinese people and to the world and discusses the first part of the organizational phase of the commune movement.

The commune was unveiled by Chen Po-ta, long a spokesman for Mao, in two articles in July. On 1 July, Chen cited the experiences of an agricultural cooperative as an example of spontaneous formation of a "people's commune" combining industry and agriculture. The commune was characterized in this initial discussion primarily as an instrument for achieving rural industrialization. The article identified Engels' "Principles of Communism" as a major source in Marxist-Leninist theory for the concept of the "people's commune."

Chen's longer article, two weeks later, was an unprecedentedly extravagant eulogy of Mao as a Marxist-Leninist theorist, and in this and other respects it was so chauvinistic as inevitably to give offense to the USSR. Somewhat misrepresenting a quotation of Lenin's, Chen argued that the development of Marxist theory had been a particularly urgent task for Asian countries and that Mao had accomplished this task in the Chinese revolution. The implication was strong that Mao had done this not only for China but for other Asian countries as well.

Chen went on to assert that Mao's "theory" had been transformed into a powerful "material force" promoting rapid economic development in China. The masses had achieved high yields from experimental plots in agriculture and had undertaken a program of industrialization in rural areas. This development of mass industry and a parallel development of mass education marked the beginning, Chen said, of the "combination of industry and agriculture" and the "combination of education and productive labor" predicted in the <u>Communist</u> Manifesto.

Chen then put Mao on record as having said--apparently in May--that "our <u>/the party's</u>7 direction must be gradually and systematically to organize 'industry, agriculture, commerce, education, and the militia' into a big commune, thereby to form basic units of our society." Chen observed that this



concept of the commune was "a conclusion drawn by Comrade Mao Tse-tung from actual life." He also declared that under Mao's banner China would in the "not distant future" achieve a Communist society.

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Chen's article was revealing in several respects. It firmly identified Mao as the architect of the commune policy, it asserted that Mao's concept was a conclusion drawn primarily from practical experience in China, and it implied some contentions which as later developed were to strain the Sino-Soviet alliance: that Peiping had discovered a distinctive road to Communism; that this road was a shortcut which would bring China to Communism at a relatively early date; and, that this road was relevant to bloc countries other than China.

The next step in the unveiling of the communes was performed by party leaders touring the provinces. The most striking performance on record was that of Liu Shao-chi, Mao's first lieutenant. Liu displayed boundless optimism about the growth of China's economy, elaborated Mao's concept of the commune, and declared that "the time will be very soon when we realize Communism."

Chu Te, Mao's old comrade, and Tan Chen-lin, a "partymachine" leader close to both Mao and Liu, also promoted the communes during July. After Tan had explained to an agricultural conference the reasons for Mao's decision to establish communes, the party press revealed that the commune would soon move beyond the experimental stage.

During the same period, three key editorials in the party's official newspaper provided further indications that a fundamental policy change was impending. One called for the full mobilization of the peasantry to usher China into a "golden age." Another implied that this mobilization would be accomplished by means of a new social organization in the countryside. The third cited theoretical problems that had come to the fore with the "leap forward," including the questions of combining industry and agriculture, of improving production relations along with productive forces, and of rapidly creating conditions for the transition to Communism.

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

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It is impossible to judge how well informed about the commune program Khrushchev was, either when he arrived or when he departed. Whatever the content of the Khrushchev-Mao talks, Mao left Peiping the very day after Khrushchev's departure to initiate the mass campaign to organize communes throughout China.

Mao visited a cooperative in Hopei on 4 August and extolled the virtues of the commune organization and of communal life. After a three-day survey of Honan, Mao went on to Shantung on 9 August. There he issued a "directive" to establish communes --the effect of which was "to generate an upsurge in establishing people's communes" throughout China.

Mao's directive was the signal for the announcement of the commune program to the Chinese people as a whole and to the world at large. On 11 August, Mao's concept of the commune was presented (by Tan Chen-lin) in the party newspaper and was transmitted abroad. The party press soon began to publicize the formation of communes and to discuss a specific model commune.

It is important to note that the commune was publicized from the very outset as a device which would permit the early realization of Communism. In this connection, the model commune featured from its inception a distribution system combining wages and "free supply."

There was growing evidence during August, just before the party leadership met to pass a resolution on the establishment of communes, that the dominant leaders were losing touch with the realities of the Chinese economy. This was evident in discussions of the prospects for agricultural development, for the rapid development of the iron and steel industry, and for the mechanization of agriculture. These extravagant expectations help to explain the party's high hopes for a rapid advance to Communism following the successful establishment of communes.

### The Commune: Revelation and Initial Organization, Summer 1958

#### Introduction

As indicated in a preceding chapter, the concept of the commune apparently was introduced and developed in secret discussions at two Chinese Communist party conferences held in March and May of 1958. The purpose of the present chapter is to trace the piecemeal manner in which the communes were revealed to public view and to discuss the first part of the organizational phase of the commune movement. This stage in the evolution of the commune program, encompassing the two months of July and August, was initiated symbolically on July first, the anniversary of the founding of the Chinese Communist party.

#### I. The Commune Revealed (July 1958)

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

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

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

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

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

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

As a point of departure, Chen asserted that Marx and Engels had pointed out only the "general direction of the struggle" and had not pretended to "write out a prescription for each nation...(to) ensure the victory of the revolution and the realization of Communism." Moreover, Marx, Engels, and Lenin had stressed that "Marxist theory could not be

allowed to remain where it was but should be constantly enriched and developed according to life and different historical conditions."

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

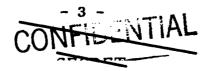
"If we recollect what Lenin told the Communists of the East during 1919, we will understand that the complex problems confronting us here /In socialist revolution and construction7 were not encountered by the Communist movements of the past, and we will realize how important it is to the international Communist movement as a whole to solve these problems.\*

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

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

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

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



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

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

"Karl Marx and Engels in the Communist Manifesto listed the last two of the ten measures to be taken after the realization of the proletarian dictatorship as follows: 'combine agriculture and industry and facilitate the gradual elimination of distinctions between town and country'; and 'combine education and material production.' The general line for socialist construction and the basic points contained therein as proposed by Comrade Mao Tse-tung and adopted by the second session of the eighth national congress of our party are, in China's actual practice at present, clarifying the conditions and concrete forms for realizing these two measures. Comrade Mao Tse-tung said that our direction must be gradually and systematically to organize 'industry, agriculture, commerce, education and the militia' into a big commune, thereby to form basic

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units of our society. In this commune, industry, agriculture, and commerce are the material life of the people; culture and education are the spiritual life reflecting the material life of the people; and the militia will protect such material life and spiritual life. The militia is absolutely necessary pending the complete elimination of exploitation of man by man in the world. This conception of the commune is a conclusion drawn by Comrade Mao Tse-tung from actual life.

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

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

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

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

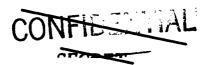
The next step in the unveiling of the commune was performed by ranking leaders of the Chinese Communist party who, on tour through the provinces in July, explained and promoted

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

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

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

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



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"He went on to unfold before us the future of the motherland, saying: 'Communism will definitely be realized in China. We now do not need 15 years to catch up with Britain; we can overtake her in a very short time. We must go right ahead to reach Communism. Now we must not think that Communism will only be realized very slowly. So long as we work properly, the time will be very soon when we realize Communism." (underlining supplied)

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

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

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

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

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

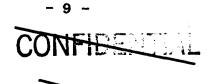
The last of these illuminating editorials appeared in the 28 July issue under the title "New State of Affairs on the Theoretical Front." Referring to the campaign to indoctrinate the Chinese people in Communist dogma, the editorial asserted with unconscious humor that "the study of Marxist-Leninist theory, especially the study of Comrade Mao Tsetung's writings...has become the rage among the masses." More to the point, it listed a number of new theoretical problems which had come to the fore following the "great leap forward" in socialist construction, including "the question of combining

industry and agriculture; the question of how to improve production relations in line with the development of the productive forces; and the question of how to create rapidly in China the conditions for the transition from a socialist society to a Communist society." Then followed the bizarre conclusion that these problems were already being solved by the people who were "implementing the principle of combining the general truths of Marxism-Leninism with the specific practice of China." Thus the groundwork was laid for subsequently attributing to the creative wisdom of the masses both the theoretical basis and the organizational form of the commune.

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

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

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



#### II. Initial Organization of the Communes (August 1958)

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

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

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

Certainly Mao's directive was the signal for the announcement of the commune program to the Chinese people as a whole and to the world at large (as distinct from the small audience, both domestic and foreign, of Red Flag). On 11 August, Mao's conceptual formulation of the commune (as basic units of society combining industry, agriculture, commerce, education, and militia) appeared for the first time in People's Daily and on the same date was transmitted abroad by the New China News Agency.

In an article nominally devoted to the summer grain harvest and carried on the front page of People's Daily, Tan Chenlin introduced the commune as, by implication, the latest example of Comrade Mao's creative development of Marxism-Leninism. A key passage in the article stated:

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

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

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

Also appearing in the 18 August issue of <u>People's Daily</u> was a detailed discussion of the organization and operation of a specific commune located in the Hsinyang District. This was the famous Sputnik Commune, which was to serve as the model

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in the process of establishing communes throughout China. A feature of this discussion was the novel system of distribution employed by this commune, a system combining elements of "free supply" and the payment of wages. It is interesting to note that this heretical distribution system was an integral feature of the commune program from its inception.

During-the latter half of August, the top leadership of the Chinese Communist party met in an enlarged session of the politburo to compile and ratify a formal resolution on the establishment of "people's communes" in rural areas. Shortly before the conclusion of this conference, Chou En-lai made one of his rare appearances in the role of publicizing the commune movement. On a visit to Tsinghua University in Peiping, he called on the students to make economical construction designs suitable for the communes and hailed an experimental, low-cost motor vehicle designed by the students as "a contribution to the cause of Communism." More striking was the reaction of the students, following his departure, who vowed: "We must always remember the party's teachings. Advance, advance, and advance again toward Communism."

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

A similar strain of delusion was present in a <u>People's</u> <u>Daily</u> editorial on 8 August lauding the crude native blast furnaces and converters constructed in rural areas as the answer to high-speed development of the iron and steel industry.

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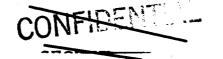
Implicit in the discussion was the goal of doubling steel production in 1958 by a mass campaign, a campaign which was destined to disrupt the rural economy in the latter months of the year and result in an enormous waste of manpower and materials.

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

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



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