PEOPLE'S COMMUNES IN CHINA

FOREIGN LANGUAGES PRESS PEKING
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<td>18</td>
<td>7</td>
<td>For “middle peasants” read “lower middle peasants”</td>
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<td>21</td>
<td>5</td>
<td>For “two hundred households” read “one hundred households”</td>
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<td>24</td>
<td>10-11</td>
<td>For “After another few years,” read “Then, after a number of years,”</td>
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<td>38</td>
<td>9-12</td>
<td>For “who are able to work but remained out of job before the organization of people’s communes,” read “who are able to work but had not yet taken up productive work before the organization of people’s communes,”</td>
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<td>53</td>
<td>14-15</td>
<td>For “appropriately rearrange the taxes due the communes.” read “appropriately readjust the taxes due from the communes.”</td>
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<td>53</td>
<td>15</td>
<td>For “transition” read “gradual transition”</td>
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<td>58</td>
<td>16</td>
<td>For “rich peasants” read “well-to-do peasants”</td>
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<td>58</td>
<td>21-22</td>
<td>For “Socialist activists” read “Socialist-minded and proficient activists”</td>
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<td>59</td>
<td>4</td>
<td>For “and checking up work done.” read “and business accounting.”</td>
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<td>65</td>
<td>1 (footnote)</td>
<td>For “mineral oil products” read “oil-bearing crops”</td>
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<td>89</td>
<td>17</td>
<td>For “in the co-operative” read “during the merger of the co-operatives”</td>
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**ERRATA**
PUBLISHER'S NOTE

This is a collection of editorials and articles on China's people's commune movement, recently published by the Renmin Ribao (People's Daily) and the Hongqi (Red Flag) magazine. The resolution on the establishment of people's communes in the rural areas adopted by the Central Committee of the Chinese Communist Party and exemplary commune regulations are also included. We hope this booklet will give the reader a general picture of this unprecedented movement now prevailing throughout the countryside of China.

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Printed in the People's Republic of China
RESOLUTION OF THE CENTRAL COMMITTEE OF THE CHINESE COMMUNIST PARTY ON THE ESTABLISHMENT OF PEOPLE'S COMMUNES IN THE RURAL AREAS

(August 29, 1958)

1. The people's communes are the logical result of the march of events. Large, comprehensive people's communes have made their appearance, and in several places they are already widespread. They have developed very rapidly in some areas. It is highly probable that there will soon be an upsurge in setting up people's communes throughout the country and the development is irresistible. The basis for the development of the people's communes is mainly the all-round, continuous leap forward in China's agricultural production and the ever-rising political consciousness of the 500 million peasants. An unprecedented advance has been made in agricultural capital construction since the advocates of the capitalist road were fundamentally defeated economically, politically and ideologically. This has created a new basis for practically eliminating flood and drought, and for ensuring the comparatively stable advance of agricultural production. Agriculture has leaped forward since Right conservatism has been overcome and the old technical norms in agriculture have been broken down. The output of agricultural products has doubled or in-
creased several-fold, in some cases more than ten times or scores of times. This has further stimulated emancipation of thought among the people. Large-scale agricultural capital construction and the application of more advanced agricultural technique are making their demands on labour power. The growth of rural industry also demands the transfer of some manpower from agriculture. The demand for mechanization and electrification has become increasingly urgent in China's rural areas. Capital construction in agriculture and the struggle for bumper harvests involve large-scale co-operation which cuts across the boundaries between co-operatives, townships and counties. The people have taken to organizing themselves along military lines, working with militancy, and leading a collective life, and this has raised the political consciousness of the 500 million peasants still further. Community dining rooms, kindergartens, nurseries, sewing groups, barber shops, public baths, happy homes for the aged, agricultural middle schools, "red and expert" schools, are leading the peasants towards a happier collective life and further fostering ideas of collectivism among the peasant masses. What all these things illustrate is that the agricultural co-operative with scores of families or several hundred families can no longer meet the needs of the changing situation. In the present circumstances, the establishment of people's communes with all-round management of agriculture, forestry, animal husbandry, side-occupations and fishery, where industry (the worker), agriculture (the peasant), exchange (the trader), culture and education (the student) and military affairs (the militiaman) merge into one, is the fundamental policy to guide the peasants to accelerate socialist construction, complete the building of socialism ahead of time and carry out the gradual transition to communism.

2. Concerning the organization and size of the communes. Generally speaking, it is at present better to establish one commune to a township with the commune comprising about two thousand peasant households. Where a township embraces a vast area and is sparsely populated, more than one commune may be established, each with less than two thousand households. In some places, several townships may merge and form a single commune comprising about six or seven thousand households, according to topographical conditions and the needs for the development of production. As to the establishment of communes of more than 10,000 or even more than 20,000 households, we need not oppose them, but for the present we should not take the initiative to encourage them.

As the people's communes grow there may be a tendency to form federations with the county as a unit. Plans should be drawn up right now on a county basis to ensure the rational distribution of people's communes.

The size of the communes and the all-round development of agriculture, forestry, animal husbandry, subsidiary production and fishery as well as of industry (the worker), agriculture (the peasant), exchange (the trader), culture and education (the student) and military affairs (the militiaman), demand an appropriate division of labour within the administrative organs of the communes; a number of departments, each responsible for a particular kind of work, should be set up, following the principle of compactness and efficiency in organization and of cadres taking direct part in production. The township governments and the communes should become one, with
the township committee of the Party becoming the Party committee of the commune and the township people's council becoming the administrative committee of the commune.

3. Concerning the methods and steps to be adopted to merge small co-operatives into bigger ones and transform them into people's communes. The merger of small co-operatives into bigger ones and their transformation into people's communes is now a common mass demand. The poor and the lower-middle peasants firmly support it; most upper-middle peasants also favour it. We must rely on the poor and the lower-middle peasants and fully encourage the masses to air their views and argue it out, unite the majority of the upper-middle peasants who favour it, overcome vacillation among the remainder, and expose and foil rumour-mongering and sabotage by landlord and rich-peasant elements, so that the mass of the peasants merge the smaller co-operatives into bigger ones and transform them into communes through ideological emancipation and on a voluntary basis, without any compulsion. As to the steps to be taken, it is of course better to complete the merger into bigger co-ops and their transformation into communes at once; but where this is not feasible, it can be done in two stages, with no compulsory or rash steps. In all counties, experiments should first be made in some selected areas and the experience gained should then be popularized gradually.

The merger of smaller co-operatives into bigger ones and their transformation into communes must be carried out in close co-ordination with current production to ensure that it not only has no adverse effect on current production, but becomes a tremendous force stimulating an even greater leap forward in production. Therefore, in the early period of the merger, the method of "changing the upper structure while keeping the lower structure unchanged" may be adopted. The original, smaller co-operatives may at first jointly elect an administrative committee for the merged co-ops to unify planning and the arrangement of work, and transform themselves into farming zones or production brigades. The original organization of production and system of administration may, for the time being, remain unchanged and continue as before; and then later, step by step, merge, readjust and settle whatever needs merging or readjusting and whatever specific questions demand solution during the merger, so as to make sure there is no adverse effect on production.

The size of the communes, the speed of carrying out the merger of small co-operatives into bigger ones and their transformation into communes, and the methods and steps to be taken in this connection will be decided in accordance with the local conditions by the various provinces, autonomous regions and municipalities directly under the central authorities. But no matter when the merger takes place, whether before or after autumn, in the coming winter or next spring, the small co-operatives which are prepared to merge should be brought together from now on to discuss and jointly work out unified plans for post-autumn capital construction in agriculture and to make unified arrangements of all kinds for preparatory work for an even bigger harvest next year.

4. Concerning some questions of the economic policy involved in the merger of co-operatives. In the course of the merger, education should be strengthened to prevent the growth of departmentalism among a few co-
operatives, which might otherwise share out too much or all of their income and leave little or no common funds before the merger. On the other hand, it must be understood that with various agricultural co-operatives established on different foundations, the amount of their public property, their indebtedness inside and outside the co-operatives and so on will not be completely equal when they merge into bigger co-operatives. In the course of the merger, the cadres and the masses should be educated in the spirit of communism so as to recognize these differences and not resort to minute squaring of accounts, insisting on equal shares and bothering with trifles.

When a people's commune is established, it is not necessary to deal with the questions of reserved private plots of land, scattered fruit trees, share funds and so on in a great hurry; nor is it necessary to adopt clear-cut stipulations on these questions. Generally speaking, reserved private plots of land may perhaps be turned over to collective management in the course of the merger of co-operatives; scattered fruit trees, for the time being, may remain privately owned and be dealt with some time later. Share funds etc. can be handled after a year or two, since the funds will automatically become publicly owned with the development of production, the increase of income and the advance in the people's consciousness.

5. Concerning the name, ownership and system of distribution of the communes.

All the big merged co-operatives will be called people's communes. There is no need to change them into state-owned farms, for it is not proper for farms to embrace industry, agriculture, exchange, culture and education and military affairs at the same time.

After the establishment of people's communes, there is no need immediately to transform collective ownership into ownership by the people as a whole. It is better at present to maintain collective ownership to avoid unnecessary complications arising in the course of the transformation of ownership. In fact, collective ownership in people's communes already contains some elements of ownership by the people as a whole. These elements will grow constantly in the course of the continuous development of people's communes and will gradually replace collective ownership. The transition from collective ownership to ownership by the people as a whole is a process, the completion of which may take less time—three or four years—in some places, and longer—five or six years or even longer—elsewhere. Even with the completion of this transition, people's communes, like state-owned industry, are still socialist in character, where the principle of "from each according to his ability and to each according to his work" prevails. After a number of years, as the social product increases greatly, the communist consciousness and morality of the entire people are raised to a much higher degree, and universal education is instituted and developed, the differences between workers and peasants, town and country and mental and manual labour—legacies of the old society that have inevitably been carried over into the socialist period—and the remnants of unequal bourgeois rights which are the reflection of these differences, will gradually vanish, and the function of the state will be limited to protecting the country from external aggression but it will play no role internally. At that
time Chinese society will enter the era of communism where the principle of "from each according to his ability and to each according to his needs" will be practised.

After the establishment of people's communes it is not necessary to hurry the change from the original system of distribution, in order to avoid any unfavourable effect on production. The system of distribution should be determined according to specific conditions. Where conditions permit, the shift to a wage system may be made. But where conditions are not yet ripe, the original system of payment according to workdays may be temporarily retained (such as the system of fixed targets for output, workdays and costs, with a part of the extra output as reward; or the system of calculating workdays on the basis of output). This can be changed when conditions permit.

Although ownership in the people's communes is still collective ownership and the system of distribution, either the wage system or payment according to workdays, is "to each according to his work" and not "to each according to his needs," the people's communes are the best form of organization for the attainment of socialism and gradual transition to communism. They will develop into the basic social units in communist society.

6. At the present stage, our task is to build socialism. The primary purpose of establishing people's communes is to accelerate the speed of socialist construction and the purpose of building socialism is to prepare actively for the transition to communism. It seems that the attainment of communism in China is no longer a remote future event. We should actively use the form of the people's communes to explore the practical road of transition to communism.

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GREET THE UPSURGE IN FORMING PEOPLE'S COMMUNES

(Editorial, Hongqi No. 7, September 1, 1958)

Following the great victories in agricultural production this summer and autumn, peasants over wide areas are becoming further organized: small co-operatives are being amalgamated into large ones, the agricultural producers' co-operatives are being transformed into people's communes where the township and the commune become one entity and industry (the worker), agriculture (the peasant), exchange (the trader), culture and education (the student) and military affairs (the militiaman) merge into one. The establishment of people's communes is shaping up as a new, irresistible tide of mass movement on a nation-wide scale. In not a few places peasants of entire counties have organized themselves in people's communes in a very short period of time. In places where communes have not yet been set up, the broad mass of peasant activists are making preparations. They will strive to found communes through mass airing of views and debates around the time of the autumn harvest. The existing people's communes have shown even greater superiority over the farm co-operatives, in spurring the initiative of the masses in

1 The basic administrative unit in the countryside.
production, raising the rate of utilization of labour power and labour productivity, enlarging productive capital construction, accelerating the cultural and technical revolutions and in promoting public welfare.

The fact that the broad masses enthusiastically welcome the establishment of people's communes shows that this is the logical trend of development of the present situation. The main foundations of the development of people's communes are the all-round and continuous leap forward of China's agricultural production and the constantly growing political consciousness of the 500 million peasants. The Chinese peasants, having defeated capitalism economically, politically and ideologically and having overcome Right conservatism in agricultural production, have carried out agricultural capital construction on an unprecedented scale, adopted advanced technical measures in farming and thereby are doubling farm yields or increasing them by several, a dozen or scores of times. At the same time, small and medium industrial enterprises are being rapidly developed in the countryside (including county seats and towns) so as to develop agricultural production further, to develop industry over wide areas of the countryside, to promote the integration of industry and agriculture and to raise the standard of living of the rural population.

These changes in the countryside enable the peasants to see that the original organizational form of the agricultural producers' co-operative, which is relatively small in scale and has relatively few fields of operation, can no longer meet the requirements of the development of the productive forces. In fact, peasants in many places have already had to break down the demarcation lines between small co-operatives, between small townships and sometimes even between counties, in the course of constructing irrigation works, levelling and improving land, afforesting, struggling against natural calamities, mechanizing agriculture, building hydro-electric power plants and improving communications and living conditions in the countryside on a large scale. Besides, for the farm co-operatives to operate agriculture alone has become entirely backward. The farm co-operative not only has to become a unit for joint management of agriculture, forestry, animal husbandry, side-occupations and fishery at one and the same time, but it also has to become a unified organizational unit where industry, agriculture, trade, education and culture, and military affairs merge into one. Thus, the merger of the township people's council1 and the farm co-operative facilitates unified leadership and the rapid expansion of the social productive forces, while the separation of the township and the co-operative has become entirely unnecessary. To make full use of labour power, to enable women to play their full part in field work and to ensure that there is no waste of the labour time of men and women, the farm co-operatives must be not only organizers of production but also organizers of the way of life; not only do they have to collectivize labour further, but also to organize the collective way of life. On the basis of this urgent need, public canteens, nurseries, kindergartens, sewing teams, etc. are being formed in large numbers. All this demands that the agricultural producers' co-operatives take an additional step forward—to transform themselves into people's communes.

1 Local government.
This transformation involves not only the enlargement of organization and the scope of management but also important changes in the relations of production. The people's communes in many places—for instance, the Weihsing (Sputnik) Commune in Suiping County, Honan Province, that is described in another article in this issue of *Hongqi*—have wiped out certain last vestiges of private ownership of the means of production (owing to the ever-growing need to work collectively and the extension of public canteen service to all the members, it becomes both impossible and unnecessary for them to keep small personal plots of land and breed their own pigs). And they have gone beyond the pattern of collective ownership in certain respects. Moreover, from such developments as the supply system of grain within the commune, people can easily see the budding sprouts of communism.

Of course, when the people's communes are established, it is not immediately necessary to transform collective ownership into ownership by the whole people and it is even less appropriate to strain to advance from socialism, i.e. the primary phase of communism, to its higher phase. The transition from collective ownership to ownership by the whole people is a process which may be fairly quick in one place and slower in another. After a period following the transition to ownership by the whole people, the productive forces of society will be expanded even more greatly; the products of society will become extremely abundant; the communist ideology, consciousness and moral character of the entire people will be raised immensely; and education will be universal and raised to a higher level. At the same time, differences between workers and peasants, between town and country as well as between mental and manual work—the remnants of old society that cannot but be retained during the socialist period—will gradually disappear; the remnants of unequal bourgeois rights which reflect these differences will also gradually disappear. Then the function of the state will only be to deal with aggression from external enemies; it will no longer be useful internally. By that time our country will enter a new era, from the socialist era based on the principle of “from each according to his ability and to each according to his work” to the communist era based on the principle of “from each according to his ability and to each according to his needs.”

The present people's commune offers our country a good form of organization to accelerate socialist construction and the transition to communism. It will not only be the primary unit of our society at the present stage but will grow and become the primary unit of the future communist society.

The fact that the broad mass of working people, without any hesitation, accept this form of organization, the people's commune, and change some outdated relations of production, is due not only to the development of the productive forces of our society at a flying speed, but also because the Chinese people have grasped the guiding ideology of the Communist Party's Central Committee and Comrade Mao Tse-tung on uninterrupted revolution. The working people want no pause in the course of the revolution and they see that the more rapidly the revolution advances, the more benefits they will derive. In the course of their advance the working people have put forward these slogans which are full of revolutionary spirit: Get organized along military lines, do things the
way battle duties are carried out and live collective lives. “Get organized along military lines” of course does not mean that they are really organized into military barracks, nor does it mean that they give themselves the titles of generals, colonels and lieutenants. It simply means that the swift expansion of agriculture demands that they should greatly strengthen their organization, act more quickly and with greater discipline and efficiency, so that, like factory workers and armymen, they can be deployed with greater freedom and on a large scale. That is why they have come to the conclusion that they should organize along military lines. The peasant leaders who have put forward these slogans do not know perhaps that Marx and Engels in the Communist Manifesto had long since advanced a programme for the “establishment of industrial armies, especially for agriculture.” But they and the broad mass of the peasants who have gone through the long years of the armed struggles of the people’s revolution know perfectly well that military lines are nothing to be feared. On the contrary, it is only natural to them that the whole population should be citizen soldiers ready to cope with the imperialist aggressors and their lackeys. Although the organization of agricultural labour along military lines at present is for waging battles against nature and not human enemies, it is nonetheless not difficult to transform one kind of struggle into another.

While no external enemies attack us, the people’s communes, in which the workers, peasants, traders, students and militiamen are merged into one, aim to storm the fortresses of nature and to march to the happy future of industrialization, urbanization and communism in the countryside. If and when external enemies dare to attack us, then the entire armed population will be mobilized to wipe out the enemies resolutely, thoroughly and completely.

Would this breed commandism? In our opinion, for the people’s communes to be organized along military lines and to arm the entire population is a completely different matter from commandism. Without the people’s communes, without the organization along military lines and without citizen soldiers, commandism can occur all the same. On the contrary, with the people’s communes, with organization along military lines and with citizen soldiers, commandism can be avoided and the highest degree of democracy can be realized. Actually, as the productivity of labour is being constantly raised, as the mechanization and electrification of farm work is more and more developed, as there is a constantly increasing amount of social products and the people’s cultural level is further raised, labour time will be gradually shortened, the intensity of labour will be gradually reduced and in this way the possibilities of overcoming commandism become greater and greater.

To organize along military lines, to do things the way battle duties are carried out and to live collective lives certainly does not mean that the intensity of labour should be infinitely stretched. As the Central Committee of the Party has pointed out, we should do our work rhythmically and combine hard battle with necessary rest and regrouping. Besides, discipline and centralization in work must be built on the voluntary and democratic basis of the masses.

The very establishment and development of the people’s communes must go through the process of thorough mental ferment among the masses. Only through a full airing of views and debates, only when the people
in a locality are willing to go in for it entirely out of their own accord, should the agricultural producers' co-operatives be transformed into people's communes. In the present conditions when the upsurge of our country's agricultural production is welling up so, when the revolutionary consciousness of our peasants is so mature and the cadres of our Party have become so closely knit with the masses in the course of leading the rectification campaign and production, we believe that the people's communes, with their inherent advantages, are sure to grow rapidly throughout the country.

HOLD HIGH THE RED FLAG OF PEOPLE'S COMMUNES AND MARCH ON

(Renmin Ribao Editorial, September 3, 1958)

People's communes, which mark a new stage in the socialist movement in China's rural areas, are now being set up and developed in many places at a rapid rate. This movement has been spontaneously started by the mass of peasants on the basis of great socialist consciousness. When a small number of people's communes were first established, their success at once inspired many of the agricultural producers' co-operatives to follow suit. The movement gradually gained momentum. Now, with the encouragement and guidance given by the Central Committee of the Communist Party and Chairman Mao Tse-tung, it is making even greater strides forward. *Tatsepaoo*¹ are appearing everywhere in the countryside, and a great number of applications have been made for the establishment of people's communes. Virtually all the peasants in Honan and Liaoning provinces are now members of people's communes and the movement is in high tide in the provinces of Hopei, Heilungkiang, and Anhwei. Meanwhile, preparations are being made in north-western China, the Yangtse valley and provinces

¹Opinions and criticisms written out in bold Chinese characters on large sheets of paper and posted for everybody to see.
south of the Yangtse River to establish people's communes after the autumn harvest.

Where the people's communes have already come into existence, the peasants, beating drums and gongs, celebrated the occasion with great joy, and their enthusiasm for production has reached a new height. The poor and middle peasants, in particular, rejoice in the formation of the commune and regard it as the "realization of a long-cherished dream."

The people's commune is characterized by its bigger size and more socialist nature. With big membership and huge expanse of land the communes can carry out production and construction of a comprehensive nature and on a large scale. They not only carry out an all-round management of agriculture, forestry, animal husbandry, side-occupations and fishery, but merge industry (the worker), agriculture (the peasant), exchange (the trader), culture and education (the student), and military affairs (the militiaman) into one.

People's communes so far established usually have a membership of 10,000 people each, in some cases 10,000 households. A commune generally corresponds to a township. If a township is too small, then several townships may be combined to form a commune.

Being big, they can do many things hitherto impossible to the agricultural producers' co-operatives, such as building medium-sized water-conservancy works, setting up factories and mines requiring complicated technique, carrying out big projects of road and housing construction, establishing secondary schools and schools of higher learning, etc. As a matter of fact, many of these undertakings are being carried out by the large communes and the matter of manpower shortage also becomes easier to tackle.

The people's commune represents a much higher degree of socialist development and collectivization than the agricultural producers' co-operative. Its massive scale of production requires organization with a higher efficiency and greater manoeuvrability of labour as well as the participation of all the women in production. Consequently more and more community canteens, nurseries, sewing groups and other kinds of establishments are being set up, and the last remnants of individual ownership of the means of production retained in the agricultural producers' co-operatives are being eliminated. In many places, for instance, the reserved plots, livestock, orchards and major items of production tools owned by individual peasants have been transferred to the people's communes in the course of their organization.

Ownership of the means of production by the whole people has been instituted by a few people's communes on the basis of the full agreement of their members. In the method of payment they are making experiments on both the wage and supply systems. These experiments are necessary because they help to point out the road to the further development of the relations of production in the countryside.

As the people's commune has for its membership workers, peasants, traders, students and militiamen it is no longer a solely economic organization — it combines economic, cultural, political and military affairs into one entity. There is, therefore, no longer any need for the separate existence of township governments. The management committees of the people's communes are in fact the people's councils of the townships. There is also a
tendency for the federation of people's communes in a county to become one with the people's council of that county. This facilitates unified leadership, closely combines the collective economy of the agricultural producers' co-operatives with the state economy of the townships and counties and helps the transition from the collective ownership to ownership by the whole people.

For this reason the people's commune is the most appropriate organizational form in China for accelerating socialist construction and the transition to communism. It will become the basic social unit in the future communist society as thinkers — from many outstanding utopian socialists to Marx, Engels, and Lenin — had predicted on many occasions.

The transformation of agricultural producers' co-operatives into people's communes is the inevitable trend in the development of Chinese history.

China has now some 700,000 agricultural producers' co-operatives, mostly set up during the upsurge of socialism¹ in 1955 and later gradually transformed into advanced co-operatives. They are undoubtedly far superior to individual farming, mutual-aid teams, and even the elementary agricultural producers' co-operatives, and have contributed enormously to the steady increase of China's farm output in the past few years. With the growth of agricultural production, especially the great leap forward in agriculture since last winter, these co-operatives have, however, gradually become inadequate to meet fully the needs of the day. The reason is as follows. These co-operatives are comparatively small in size. Averaging less than two hundred households in membership they have but a small amount of manpower. The amount of their public reserve funds is small and the rate of accumulation slow. With these handicaps it is difficult for them to engage in many kinds of production.

To achieve a high-speed advance in agriculture, enable the countryside to assume a new aspect at an early date, and improve the peasants' living standards as quickly as possible, as facts show, it is necessary to carry out large-scale capital construction that will fundamentally change the natural conditions; to apply new farming techniques; to develop forestry, animal husbandry, side-occupations and fishery side by side with agriculture; to build industries that serve agriculture and the needs of the peasants as well as big industries; gradually to carry out mechanization and electrification; to improve transport, communications and housing conditions in rural areas; and set up educational, health and cultural establishments — to do all this is beyond the power of an agricultural producers' co-operative consisting of a few dozens or hundreds of households.

The agricultural producers' co-operatives which merged into the present Chao Ying People's Commune in Shangcheng, Honan Province, previously had little industry though they abound in natural resources. After the formation of the commune 2,500 cadres and 17,500 members were allocated to the work and in ten days steel and iron plants, and factories making machinery, chemical fertilizer, cement, etc. — 4,530 all told — were built, of

¹ This refers to the upsurge of the agricultural co-operative movement in the latter half of 1955 and the first half of 1956, and, under its impulse, the nation-wide upsurge which swept individual handicraftsmen into co-operatives and transformed capitalist industry and commerce into joint state-private operation.
which 3,250 enterprises soon went into operation. Here, the superiority of people’s communes is clearly visible.

In the work of building water-conservancy projects, afforestation, combating drought, and flood prevention since last winter, the agricultural producers’ co-operatives in many places acutely felt the inferiority of small co-operatives and the incompetency of their original labour organization to develop potential power and raise labour efficiency. Hence many small co-operatives spontaneously joined hands, and socialist co-operation between co-operatives of different townships, different counties, and even different provinces was carried out. A series of measures have also been taken to “get organized along military lines, work with a fighting spirit, and live in a collective way.” This shows that the agricultural co-operatives, which are small in size, meagre in items of production and low in the degree of collectivization, are becoming handicaps to the further development of the productive forces.

It must be pointed out that the rapid growth of the people’s communes definitely does not stem solely from economic causes. The keenness shown by the mass of peasants towards the people’s communes speaks first of all of their greatly increased socialist and communist consciousness.

Through the 1957 debate among the rural population on the socialist and capitalist roads of development in the countryside, the Communist Party smashed the attack launched by the bourgeois rightists, landlords, rich peasants, and counter-revolutionaries, and overcame the capitalist trend among the well-to-do middle peasants. Later, through the rectification campaign, it fundamentally changed the relations between the cadres and the masses and eliminated the rightist conservative ideas in agricultural production. During the current leap forward in agricultural production and rural work the mass of peasants have witnessed not only a several-fold increase in agricultural production but also the happy future of industrialization and urbanization of rural areas. As a result, the prestige of the Party has become more consolidated than ever among the peasants. The peasants have shown an unprecedentedly firm determination to achieve socialism at an earlier date and to prepare conditions for the gradual transition to communism. While striving for the quickest advance in production and in culture and education, the peasants are trying to establish new relations of production and new organizational forms best suited to the development of the productive forces.

Without political consciousness as a basis, development of the people’s commune movement would be impossible and inconceivable.

The establishment of people’s communes has provided good conditions for the further development of the relations of production in the countryside. The expansion of the people’s communes and the merger of people’s communes and townships into one entity, which facilitates the rapid advance of industry, mining, communications, culture and education in the rural areas, makes it possible gradually to eliminate the differences between rural and urban areas, between peasants and workers, between peasants and intellectuals, as well as between collective ownership and ownership by the whole people.

The present people’s commune movement does not, however, require the immediate transformation, in all cases, of collective ownership into ownership by the whole people. Even less does it mean the transition from the
lower stage of socialism which is based on the principle “from each according to his ability, to each according to his work,” to its higher stage, i.e. communism, which is based on the principle “from each according to his ability, to each according to his needs.”

Some people’s communes may have gone farther than others, but generally speaking, the transformation of collective ownership into ownership by the whole people is a process that will take three or four years, even five or six years, to complete in the rural areas. After another few years, production will be greatly increased. The people’s communist consciousness and morality will be highly improved. Education will be made universal and elevated among the people. Differences between workers and peasants, urban and rural areas, mental and manual labour — left over from the old society and inevitably existing in the socialist society — as well as the remnants of unequal bourgeois rights which are the reflection of these differences, will gradually vanish, the function of the state will be limited to protecting the country from external aggression; it will play no role in domestic affairs. By that time Chinese society will enter the era of communism, the era when the principle “from each according to his ability, to each according to his needs” will be realized.

Now the development of people’s communes is growing into a mass movement more gigantic than the co-operative movement of 1955. The Party committees of various places must work out appropriate plans and give active guidance to the development according to local conditions. The development of people’s communes will doubtless be different in time, scale, pace, and method in different places. Uniformity should not be imposed. People’s communes must be set up on the basis of full discussion by the people concerned and it must be a matter of the people’s own choice. No rash, impetuous, or domineering attitude should be taken, especially on the question concerning change in the ownership of the means of production.

At present, work in the autumn fields allows for no delay while preparations must be made for the farm work of the coming winter and the next spring. We must give first priority to work related to production in all places, regardless of the condition whether people’s communes have or have not been established.
FROM AGRICULTURAL PRODUCERS' CO-OPERATIVES TO PEOPLE'S COMMUNES

(Hongqi No. 8, September 16, 1958)

WU CHIH-PU
First Secretary of Honan Provincial Committee of the Communist Party

China is going through a great period of accelerated socialist construction and active preparation to complete the transition from socialism to communism. The 600 million people, who have stood up under the banner of Mao Tse-tung, are forging ahead, in the spirit of uninterrupted revolution and on an unprecedented scale, to bring their socialist construction to new heights.

As in other provinces, Honan was swept with the trend to transform the agricultural producers' co-operatives into people's communes. With greater rapidity and momentum than the previous high tide in transforming mutual-aid teams into agricultural producers' co-operatives of the preliminary form and subsequently into those of the advanced type, the present upsurge quickly developed from a number of key places to large areas, engulfing the vast countryside in the province and extending its influence to the urban districts. In the cities, experimental people's communes are being organized on a large scale by the neighbourhood committees, factories, schools, government offices and mass organizations. Exultant and in high spirits, people throughout Honan Province are responding to the call of Comrade Mao Tse-tung for the organization of people's communes. In the few months since the start of the movement, people's communes have become the rule in both the rural and urban areas of the whole province.

The switch-over from agricultural producers' co-operatives to people's communes is of vital importance for speeding up socialist construction and the transition to communism. This is an inevitable outcome of the development of conditions throughout the country.

In the past year or so, Communist Party organizations in Honan have earnestly carried out Comrade Mao Tse-tung's directive regarding the correct handling of contradictions among the people. They have improved the relationship between men in industrial and agricultural production and other fields of socialist construction, and brought into full play the socialist and communist enthusiasm of the mass of the people. In pursuance of the directive of the Party's Central Committee regarding the rectification campaign, a general debate was conducted in the cities and countryside as to the two roads — socialism or capitalism, repulsing the onslaught of the bourgeois rightists, landlords, rich peasants and counter-revolutionaries, and overcoming the spontaneous tendency towards capitalism among the well-to-do middle peasants. The people were thus enabled to distinguish right from wrong on major issues, draw a clear line between the enemy and themselves, and see more clearly the necessity of pulling down the white flag of bourgeois ideas and hoisting in its stead the red flag of proletarian ideology, thus marching forward along the socialist path.
At the same time, a large number of cadres greatly bettered their style of work during the rectification campaign. Criticism and self-criticism were extensively developed among the cadres and masses through airing of views, general debate and putting up *tatsepaoo*. To understand each other more deeply, such thoroughgoing methods were adopted as cadres visiting the masses, holding exhibitions where their shortcomings were illustrated by actual examples, and having heart-to-heart talks. Functionaries in the factories and mines and co-operatives improved their working style, made it a point to take part in physical labour together with the workers and peasants, co-operating with them in opening experimental plots. Furthermore, an enormous number of government functionaries and intellectuals voluntarily went to the countryside and mountainous areas to join physical labour. All this has helped to develop further the fine traditions of the Communist Party of sharing the joy and sorrows of the masses, and has further strengthened the ties between the cadres and the people.

On the strength of such enhanced consciousness and personal ease of mind, the masses turned to good account their enthusiasm and creativeness, helped the leading organizations to reform many irrational regulations and working systems, and took a direct part in the management of the factories and mines and co-operatives. The multitude united as one, their labour enthusiasm and collective strength were given full play.

It was under such circumstances that a wave of enthusiasm culminated in the building of water-conservancy works in the whole province of Honan during last winter and spring. Alongside this came the marvels of “big leap forward” in Honan’s industrial and agricultural production this year. Amid the high tide of water conservancy and increased production, people in the whole province broke down the boundaries between counties, townships and co-operatives; extensive socialist co-operation involving millions of individuals was organized in the cities and countryside, and mountain areas and plains, brushing aside all personal considerations. It was precisely such vigorous growth of the communist spirit that served as ideological foundation for the broad mass of the people in their demand for the expansion of co-operatives and further liquidation of the remnants of private ownership.

The movement for people’s communes is the logic trend of the development of things where the radical improvement and enlargement of the social productive forces has compelled a readjustment of the existing relations of production.

Based on collective ownership of the means of production, the agricultural producers’ co-operatives were in the main suited to, and had in reality stimulated, to a great extent, the expansion of the productive forces. During the all-round “big leap forward” that has emerged in the industrial and agricultural fields since last winter, however, it became more and more obvious that the former agricultural producers’ co-operatives could not completely satisfy the needs of the developed productive forces.

Such contradictions were felt even more sharply in the big campaign for building water-conservancy projects and developing industry. Take for instance the Tanshui People’s Commune in Hsichia County, formed out of the merger of 48 small co-operatives. Before the transformation, unified planning for water-conservancy works was out of the question. During last winter and spring, more
than eighty small projects were completed along both banks of the Tanshui River by the former co-operatives, all working on their own. But because of their small scale and poor quality, the water-conservancy works could not withstand the onslaught of the flood waters and last summer 80 per cent of them were damaged. With the establishment of the people's commune, however, an overall plan is under way for the building of 13 reservoirs which will eliminate once and for all the menace of flood and drought.

Another example. Now we are all out for developing iron and steel production. Kuochuang Co-operative, Nanchao County, Honan Province, boasted an abundance of iron ore, but it lacked coal. Its neighbour, the Tienchuang Co-operative, had an adequate supply of coal, but was short of iron ore. Before the merger of the two co-ops into a people's commune, it was very difficult to put their resources under unified management.

All this illustrates that the agricultural co-ops, small in scale, meagre in manpower and material and financial resources, lower in the degree of collectivization and engaged mainly in agriculture and side-occupations, can no longer meet the needs of the various construction projects conducted on a broader scale and at a greater pace, the more so the needs of the present technical and cultural revolutions. The extension of large-scale socialist cooperation since last winter has enabled the people to realize the necessity of pooling their strength to a greater extent and of further readjusting the relations of production in the agricultural co-ops. That is why they have come out eagerly demanding the formation of people's communes.

Regarding the scale of the agricultural producers' co-operatives in Honan, there was a zigzag process of change between 1956 and 1958. There were also heated arguments among Party and non-Party comrades over the question: Which is superior, a large co-op or a small one? From the practice of the last three years, the peasants have been able to draw a striking comparison between the two.

As regards the superiority of the large co-ops, Comrade Mao Tse-tung gave a clear-cut directive in the book, Socialist Upsurge in China's Countryside. In his editorial remarks on the article, "The Superiority of Large Co-ops," collected in the book, he says:

Most of our present semi-socialist co-ops have only twenty or thirty families in them, because co-operatives of that size are easy to run and they give the administrative staff and the members an opportunity to gain experience quickly. But small co-ops have fewer members, less land and not much money. They cannot operate on a large scale or use machinery. The development of their forces of production is still hampered. They should not stay in this position too long, but should go on to combine with other co-operatives.

Some places can have one co-op for every township. In a few places, one co-op can embrace several townships. In many places, of course, one township will contain several co-ops.

Not only the plains sections can form big co-operatives, the hilly regions can form them too.1

But some comrades did not believe in the truth of what Comrade Mao Tse-tung had said. When co-operation of

1Socialist Upsurge in China's Countryside, p. 460, translated and published by Foreign Languages Press in 1957.
the advanced type was achieved in Honan in 1956, there were altogether 26,211 co-ops, each having an average membership of 358 households, and 808 co-ops embracing over one thousand families each. With the initial over-haul in the spring of 1957, the co-ops in the whole province became consolidated in the main, and many larger co-ops fared comparatively well. Closing their eyes to this situation and yielding to the demand of a small number of well-to-do middle peasants, a few rightist-opportunists within the Honan provincial Communist Party committee, however, indiscriminately tried to compel all the large co-ops to split up. As a result, the number of co-ops in Honan increased to 54,000, each averaging 180 households, with the smallest containing less than 30. But, thanks to the persistent effort of the Party committees at various levels, 495 large co-ops were retained.

Because of their superiority over the smaller ones, the large co-ops became more consolidated and showed greater advantages. For instance, with a membership each of more than a thousand families, the “July First” Co-op in Kushih County, Kuangming Co-op in Junan County, Chiliying Co-op in Hsinhsiang County, the Sino-Soviet Friendship Co-op in Lushan County and Anfeng Co-op in Anyang County all achieved greater results than the neighbouring smaller co-ops in developing production, undertaking capital construction, expanding accumulation and combating natural calamities. Between 1956 and 1957, the Anfeng Co-op increased its production 170 per cent and built up an accumulation of 160,000 yuan. In the same period, it bought 960 new-type farm tools including waterwheels, double-share ploughs, rubber-tyred carts, 1,604 sprayers, one Diesel generator, 47 power-driven pumps of various types, three tractors, eight flour mills and 39 sewing machines. It also built a modern brick kiln. In 1957, each member of the co-op got an average income of 150 yuan. The Hanchiachai Co-op in the neighbourhood was composed only of 185 families. In the same year, its members received an average per-capita income of no more than 41 yuan. Small in size, slow in the increase of production and scanty in accumulation, it purchased only a few improved farm tools, and installed not a single power-driven machine.

Some of the large co-ops took another stride forward last spring. They developed industrial and agricultural production simultaneously, merged the farming, handicraft, supply and marketing, and credit co-ops into one, set up their own secondary schools, trained large numbers of leading personnel and activists who are both socialist-minded and professionally competent, and gained adequate experience in the management of large-scale production. This was, in essence, the people’s commune in the bud, displaying a still greater superiority over the small co-ops.

From their actual experience gained in the past three years, and from the comparison between the large and small co-ops, the peasants have really come to realize the advantages of large co-ops. They sing with excitement:

Under the brilliant light of the General Line
Communism has blossomed in full glory,
Spring waters murmur in the distance,
To the accompaniment of the hissing electric planers
And the humming flour mills,
We’ve bought our tractors and disc harrows,
And installed electric lamps and telephones.
And now we can speak before a microphone!

The large co-ops have charted the path for the smaller ones.
As it was, spontaneous merger of agricultural co-ops began in Honan as early as the spring of 1958, so that by the time of the wheat harvest the existing co-ops were amalgamated into 30,000 or more. Meanwhile, the Communist Party committees at different levels in the province undertook to set up on a trial basis some large co-ops of several thousand households each, among them the 9,369-household Weihsing (Sputnik) Co-op in Chayashan, Suiping County, formed last April out of 27 smaller co-ops. After the wheat harvest, the establishment of such large co-ops began to spread far and wide from a few key points, and assumed the proportion of a mass movement.

In the course of the merger of the small co-ops, energetic efforts were made to build industry, organize community canteens, nurseries, kindergartens, homes for the aged, and other welfare services; plots of land reserved for private use were turned over to the co-op, and socialist co-operation was developed on a vast scale. In the cities, too, an increasing number of factories were built, and more and more community services and other welfare facilities initiated.

This was, in essence, already the start of the movement for people's communes. But people were not yet aware of the real nature of this development. Only after Comrade Mao Tse-tung gave his directive regarding the people's communes did they begin to see things clearly, realize the meaning of this new form of organization that has appeared in the vast rural and urban areas, and feel more confident and determined to take this path. On his inspection tour to Hopei, Honan and Shantung early in August this year, Comrade Mao Tse-tung gave further instructions on the organization of people's communes, saying: "It is better to run people's communes. Their advantages lie in that they can merge industry, agriculture, trade, culture and education, and military affairs into one entity, and make it easier for leadership." This was a still greater enlightenment and inspiration to the Honan people. An upsurge in forming people's communes thus rapidly spread out in the whole province.

Such is the main cause and general process of the gradual change-over from agricultural producers' co-operatives to people's communes.

At the present stage, the people's communes remain at a stage where the socialist principle of distribution, "from each according to his ability, to each according to his work," applies. They are, however, widely different from the agricultural producers' co-operatives. As Comrade Mao Tse-tung puts it, a people's commune is distinguished by two main characteristics: its bigger size and more socialist nature. By "bigger size" is meant, first, that a people's commune is much bigger than an agricultural co-op. Since the beginning of the movement for people's communes, 1,355 large, comprehensive people's communes have been formed in Honan, each embracing on the average 7,500 households. Of this total, 709 are communes each having a membership of 5,000 to 10,000 households, and 107 are communes with more than 10,000 households in each, the rest being communes of less than 5,000 households. A commune in the plain comprises, generally speaking, 10,000 households, while that in the mountain area, 2,000 to 3,000. Ten or even scores of times bigger in scale than the co-ops, the people's communes are really much more powerful in terms of manpower, land, financial resources and material strength.

Secondly, by "bigger size" is meant that a people's commune can undertake more fields of operation and extend
its activities to a wider sphere than a co-op. It is no longer an organization dealing with agriculture alone which was confined to fewer fields of operation, but a basic social unit that has as its task the over-all development of agriculture, forestry, animal husbandry, side-occupations and fishery, and that integrates industry, agriculture, trade, culture and education, and military affairs into a single whole. This explains another characteristic of the people's commune: the integration of the township with the commune, and the merger of the organ of government authority with the organization in charge of production; it is at once a basic social unit and a basic organ of state power.

By “more socialist nature” is meant that a people's commune is the best form of organization for effecting the transition from collective ownership to ownership by the whole people, and that it contains the budding of communism. In the people's commune the remnants of private ownership of the means of production are gradually eliminated and the plots of land held for individuals, privately-owned scattered trees and draught animals will gradually be turned over to the commune. To free the working women from household tasks, the people's commune sets up community canteens, nurseries, and sewing groups. It introduces a wage system whereby a basic wage is issued together with a certain amount of award, as is the current practice in most places. Wages are paid directly to the recipients, instead of through the head of the family as before. This is something warmly welcomed by the young people and women who now receive direct what has been earned by themselves. The patriarchal system carried over from the old society is thus effectively shattered.

A number of the people's communes in Honan have instituted the supply system. Some provide their members with rice while others with rice and food dishes, all free of charge. Still others, better situated economically, are experimenting with a supply system whereby seven or ten of the basic requirements of life are given to the members gratis, in accordance with specific standards. The seven basic requirements are eating, clothing, housing, childbirth, education, medical treatment, marriage and funeral expenses; while the ten basic requirements cover eating, clothing, childbirth, marriage, funeral, education, housing, fuel for winter, haircut, and the theatre. Apart from the basic requirements of life, the communes pay a certain amount of subsidies to their members according to work done. The socialist nature of the people's communes considerably surpasses that of the agricultural co-ops.

“A bigger size and a more socialist nature” — this suffices to prove the superiority of the people's communes. They are the best basic form of organization in China's socialist society, and will be the best for the attainment of socialism and the transition to communism.

The people's communes are the fullest embodiment of the Party's General Line for socialist construction. Doesn't the General Line state that we must exert our utmost? A large people's commune with a vast membership, once mobilized, will bring its initiative into full play. Doesn't the General Line say that we must press ahead consistently to attain our aim? This can be done if a people's commune has great strength, shows enormous initiative, and follows correct direction towards socialism and communism. Doesn't the General Line call for greater, faster, better, and more economical results? To achieve
greater and faster results requires huge manpower, sufficient funds and a comparatively high level of productivity. With the establishment of people's communes, the productive forces have been further expanded. Preliminary statistics for seven special administrative regions in Honan reveal that 6,940,000 working women were relieved of household tasks by the community canteens alone. In the city of Chengchow, of the 120,000 persons aged between 20 and 50 who are able to work but remained out of job before the organization of people's communes, at least 50,000 can find work in the various fields of construction. At the same time, because the people's communes are organized along military lines, and the members live the collective way and work as if fighting a battle, productivity has been raised, in general, by 20 per cent over the co-op level.

The people's communes are also in a better position to expand their accumulation and realize mechanization. Formerly the 310 small co-ops in Suiping County could accumulate only 2,900,000 yuan a year. But with the "big leap forward" in production and the formation of people's communes, they can build up an accumulation of 32 million yuan in 1958 alone. Given an adequate supply of machines, they can achieve mechanized farming this year, that is, three years ahead of the plan of the former small co-ops. Most of the people's communes in the Hsuchang area will have created an adequate accumulation by the end of this year for realizing mechanization of agriculture.

As for the achievement of "better and more economical results," this is also well within the reach of the people's communes. The reason is that, compared with the co-ops, the people's communes offer better conditions for unified planning, technical guidance and the planned utilization of manpower, material and financial resources. Moreover, the people's communes enjoy the best advantages for implementing the policy of the simultaneous development of industry and agriculture, heavy and light industries, and large, medium and small enterprises, and the policy of combining native and foreign technical methods. They also provide the best opportunity to mobilize the whole people to build industry, produce iron and steel and run all other enterprises.

It can be seen from the above that, as a basic form of organization, the people's communes can best realize the General Line for building socialism.

The people's communes are also the most suitable form of organization for the gradual transition from socialism to communism. They will facilitate the gradual eradication of differences between workers and peasants, between town and country, and between mental and physical labour. Since the people's communes undertake industry and agriculture simultaneously, with the result that industry makes its way into the countryside, the peasants at the same time are workers. From now on, industries will be so distributed as to facilitate the planned co-ordination between the large, medium and small enterprises, which will spread over the length and breadth of the country. With the close co-operation between the urban and rural areas, differences between town and country will gradually vanish.

As a result of the extension of the literacy campaign, the institution of universal primary and secondary education and the establishment of large numbers of commune-run "red and expert" schools, the working people are now able, in a short period, to attain an adequate amount
of general and scientific knowledge and master science, technology and culture. Meanwhile, the intellectuals and cadres are required to take part in manual labour and thus identify themselves with the workers and peasants. All this will help gradually to eliminate the differences between mental and physical labour.

The establishment of people's communes also makes it easier to get rid of all the individualist, departmentalist and other bourgeois ideas and habits, heighten socialist and communist consciousness of the people, and foster a communist morality. This will create conditions for the steady transition to communist society.

The emergence of people's communes is another momentous change of historic significance in Chinese society; they have opened up a splendid future for the Chinese people and blazed the trail to communism. That is why the Honan people gazed them with immeasurable joy after they had received Comrade Mao Tse-tung's directive regarding the people's communes. Credit to the Communist Party committees at various levels in Honan who showed great zeal and stood in the forefront of the movement, leading the masses boldly and determinedly forward. But because the movement came with a violent force and then developed at a flying speed, the Party Committees were not fully prepared ideologically, and also failed to sum up experience in good time. Undoubtedly, there will be many problems in such a large movement that call for prompt attention and solution. The task confronting all the Party organizations in Honan is, therefore, to make a success of the people's communes and fully develop their superiority. In our opinion, the following must be done in order to achieve the purpose:

First, to give politics its leading position. The establishment of people's communes involves an enormous change not only in the relations of production but also in the way of life; it means the further disintegration of private ownership and a further remoulding of men's ideology. That is why there will still be a sharp struggle between the two roads — socialism and capitalism — in the process of forming and consolidating the people's communes. The poor and lower-middle peasants actively demand the organization of people's communes. But a small number of well-to-do middle peasants are either against or dissatisfied with the movement while some landlords, rich peasants, counter-revolutionaries and other bad elements are bent on sabotaging the cause, spreading rumours and instigating the masses to oppose it. A key investigation made in the Hsuchang area shows that 89 per cent of the rural population are ardently for people's communes, 7 per cent basically for them and 4 per cent against and opposed to them. That is why, in order to run the people's communes successfully, Party leadership must be further strengthened, political-ideological work intensified, the Party's class line conscientiously carried out and the struggle between the two roads of socialism and capitalism continued. There must be reliance on the poor and lower-middle peasants, and their predominant position must be ensured in the communes. Special efforts must be made to conduct extensive and deep-going education among the masses in the spirit of socialism and communism, using comparisons and actual examples to show them the character, special features and advantages of the people's communes, and the principles and policies that should be followed in order to manage them properly. To carry out socialist and communist education, use
should be made of the mass airing of views, tatsepaod and general debate. Advantage should be taken of the current drafting and discussion of the regulations of the people's communes to hold a general debate on such problems as how to develop the superiority of the people's communes and how to run them successfully. This kind of debate will help expose and frustrate the subversive activities of the landlords, rich peasants, counter-revolutionaries and other bad elements, criticize and repudiate the wrong ideas and conduct of a few well-to-do middle peasants, and thus raise still higher the socialist and communist consciousness of the mass of the people and reinforce their confidence and determination to run the people's communes successfully.

Second, to strengthen the management of the people's communes. With a view to exploiting fully the superiority of the people's communes, the question concerning their organizational structure should be handled correctly and a proper administrative system set up and strengthened. Here, the principle must be followed of instituting unified management combined with administration at different levels, facilitating the over-all development of agriculture, forestry, animal husbandry, side-occupations and fishery, and effecting the close integration of industry, agriculture, trade, culture and education, and military affairs. In general, the people's communes may adopt a three-level system: the commune, the production contingent and the production brigade. The commune should practise planned management over the contingent, and the contingent over the brigade. Awards should be issued to the contingent and the brigade where production quota is over-fulfilled to encourage initiative. To strengthen management, it is necessary to draw up without delay unified plans for all-round development by taking into account the actual conditions in the commune. These include immediate, annual and long-term plans covering industry, agriculture, labour utilization and financial management. Only by so doing can manpower, funds, land and the natural resources be used in a unified way, and the various construction projects developed according to plan.

Third, to ensure an increase in production — a decisive factor for the success of a people's commune. The immediate task is to continue to strengthen field management of later period for the autumn crops in order to ensure a bumper harvest. Adequate spade work should be done for sowing after the autumn harvest. This includes timely, deep cultivation of all the wheat fields as well as land levelling so as to facilitate irrigation. Special attention should be paid to industrial production centring on the iron and steel industry so as to ensure the fulfillment of the plan for a "leap forward" in iron and steel production. Thus a bountiful harvest on both the industrial and agricultural fronts will be assured and a solid material foundation laid for the strengthening of the people's communes.

Fourth, to ensure a satisfactory collective life. As has been said previously, following the establishment of people's communes, community canteens, nurseries, kindergartens, homes for the aged and other socialist welfare services have been inaugurated. Now that people are living the collective way, productive forces have been further released, labour productivity has been markedly increased, and the communist ideology of the people enhanced. But if no proper arrangements are made with regard to the collective life, the labour enthusiasm of the members will be affected, so much the consolidation and
progress of the communes themselves. To ensure an increase in production and the consolidation of the communes, it is, therefore, essential that the collective life be arranged satisfactorily — let the members eat more and better food in the canteens than at home, and let the children enjoy a better life in the nurseries and kindergartens and the old folk in the homes for the aged than in their own houses.

But how to achieve all this? The main thing is, first and foremost, to expand production and gradually improve livelihood on the basis of increased production. To meet the daily needs, a good job should be done in kitchen gardening, raising pigs and sheep, poultry farming, fishing, making beancurd, vermicelli and edible oil, and other sidelines, apart from increasing industrial and agricultural production. This means that the members will not only have enough grain to eat but will also enjoy an adequate amount of varied fresh vegetables and other non-staple food.

The second thing to do in ensuring a satisfactory collective life is for the Communist Party committees at various levels to strengthen their leadership over the community services, appoint capable cadres to take charge of them and choose Party members, Communist Youth Leaguers and active elements among the poor and lower-middle peasants to work as cooks and creche nurses. Community canteens should have their own management committees, work out the necessary regulations and run their affairs successfully by relying on the masses.

It is only natural that, in the initial stage of the people's communes, members' livelihood cannot be improved considerably all at once. The principle of running the communes through hard work and thrift must be adhered to; best use should be made of the resources available and a fight waged against waste and extravagance.

Fifth, to develop actively the technical and cultural revolutions. As a result of the all-round "big leap forward" in industry and agriculture, there has been a serious shortage of labour power in the cities and the countryside. Despite these circumstances, the broad masses have given full play to their socialist labour enthusiasm and thus ensured the rapid growth of industry and agriculture. But intensification of labour and lengthening of working hours can only be an expediency; it cannot solve labour shortage fundamentally. Such a problem can only be solved by developing the technical revolution on a mass scale and further enlarging the productive forces. The chief task in the current technical revolution in the countryside is to realize, first of all, the semi-mechanization of agriculture by continuing to promote the farm-tool innovation movement centring on the popularization of ball-bearings for water-carrying devices, transport vehicles and implements for deep cultivation. Then a transition will be made from semi-mechanization to mechanization, step by step.

- With regard to the cultural revolution, Honan has, in the main, wiped out illiteracy, instituted universal primary and secondary education, and built a vast network of spare-time secondary schools and colleges and "red and expert" institutes. The current task is to consolidate these schools, raise their work to a higher level and quickly form a huge army of active socialist builders who are both socialist-minded and vocationally proficient, so as to meet the needs of the technical revolution.

The establishment of people's communes and the subsequent change in the relations of production have
created more favourable conditions for the technical and cultural revolutions. There will certainly be a still greater upsurge in these revolutions if we strengthen our leadership in them.

In order quickly to consolidate the people's communes, the Communist Party committees at different levels in Honan should give a more active and specific leadership to them. Leading comrades should make a thorough investigation of some key places, get a clear idea of the actual conditions, acquaint themselves with the state of mind of the masses, grasp the new problems and summarize and make popular in good time the experience in running people's communes properly. When faced with a new thing, it is imperative for one to make a conscientious and arduous study of it. This is especially true of the problems in relations to the people's communes. By so doing and by firmly believing in the masses, relying on them and fully carrying out the mass line, we shall undoubtedly be able to make a success of the people's communes.

THE PEOPLE'S COMMUNE MOVEMENT IN HOPEI

(Hongqi No. 9, October 1, 1958)

LIN TIEH
First Secretary of Hopei Provincial Committee of the Communist Party

I

As in every other part of China, a high tide in the movement for people's communes has swept the province of Hopei. In a very short time, the entire countryside is now besprinkled with people's communes—951 in all—combined from the original 42,183 agricultural co-ops. These communes are composed of households varying from one thousand to twenty thousand, the average number being 8,700.

Advancement from a lower to a higher level of collectivization, from the single agricultural productive unit to the unified organization which integrates industry, agriculture, trade, culture, education and military affairs, is a change with tremendous historical significance. It will certainly hasten a new upsurge of socialist political, economic and cultural construction, and create the necessary conditions for the transition to communism.

Some comrades in our province consider that the movement for forming the people's communes has come
unexpectedly. They hold that the rate should be slower. This view does not conform to the practical situation. They underestimate the victory of the socialist revolution in the ownership of the means of production in 1956; the victory of the socialist revolution on the political and ideological fronts in 1957; and the victory to be achieved on the production front in 1958. They do not understand sufficiently the series of profound changes arising from these victories in the countryside, and thus fall behind the development of things. Contrary to this view of theirs, the rising and speedy development of the movement for people's communes in Hopei, as in other provinces, is a logical result of history and reality.

Following the development of the productive forces from the second half of 1955 to the beginning of 1956, a great change took place in the relations of production in the rural areas in Hopei. The mutual-aid teams in agriculture developed into elementary co-ops, which eventually evolved into advanced co-ops. In consequence of this change, agricultural production and cultural activities began, in 1956, to progress by leaps and bounds. After the struggle against the offensive of the bourgeois rightists in 1957, the great debate on the two roads — socialism or capitalism, and the nation-wide rectification campaign, the overwhelming majority of the peasants further freed themselves from the influence of the ideology of the bourgeoisie in the countryside and well-to-do peasants, greatly consolidating the new relations of production. As a result, agricultural production this year leaped forward at a speed of several, in some instances, dozens of times that of the preceding year.

But what is more important is that people were not satisfied with this remarkable progress — they did not halt there. Peasants who realized the superiority of co-operation over individual farming from personal experience had no difficulty in understanding that, if the scale and the scope of co-operation was extended, production would rise with even greater speed and the life of the people would more quickly become richer. The broad mass of the people correctly called the transition of the co-op to the people's commune as a "one grade promotion."

New elements for the "promotion" had emerged in various aspects prior to the establishment of people's communes. Co-operation in the spirit of communism, for example, was carried out in the construction of water-conservancy projects and anti-drought struggle; 1,300,000 small factories were set up by the co-ops throughout the province, with close to a million peasants taking part in industrial production; community dining rooms, nurseries, sewing groups were set up universally so that people took to a collective life and got organized in production along military lines; owing to common needs, some co-ops voluntarily joined together or even merged; entrusted by the township people's council, the co-ops were virtually functioning as the basic political power.

In such circumstances, the people's communes were born, just as "an irrigation canal forms as the water comes" or "a melon drops from its stalk when it ripens." The movement quickly swept the whole province. When the leading organs of certain counties did not have a sufficient estimate of the development of the situation, the co-ops of themselves formed up communes, and, beating gongs and drums, went to them to report the good news.
Some comrades were of opinion that it might prove unfavourable to production if people's communes were established before the autumn harvest. Facts, however, proved their worry baseless. Because forming the people's communes corresponded to their wish, the mass of the peasantry took up field work with greater fervour. Because the people's communes met the demand for the expansion of production, the people felt more confident of fulfilling the task of deep cultivation, wheat planting and iron smelting in this autumn. Whether it would prove unfavourable to production depended not so much on whether the communes would get organized quickly or slowly, on whether they would be set up before or after the autumn harvest, as on what steps and methods were adopted for their establishment, and whether such steps and methods were sound or not.

We adopted the following methods and steps in establishing the people's communes:

By inspiring the enthusiasm of the masses by giving the lead to politics, by carrying out extensive propaganda work and by airing of views and organizing debates;

By organizing discussions at all levels to achieve unanimity of ideology and by mapping out an all-round plan for the merging of townships and co-ops;

By setting up the “frame” of the commune first, and deciding that production be the primary task;

By deciding to deal later with the question of means of production and distribution.

The adoption of the above-mentioned methods and steps enabled the movement for people's communes to move forward spontaneously and not under compulsion, and pushed production effectively without creating any unfavourable factors.

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What is a people's commune? This is an important question which cropped up when the movement was under way in Hopei. Two incorrect views were evident among members when comparison of the people's commune with the co-op was made. Some thought that the commune differed from the co-op only in that it was bigger. Some considered that the commune had advanced from collective ownership to ownership by the whole people, or even that it was completely communist in character. One failed to see the new features of the commune—being much bigger and more socialist in nature, with comprehensive management and integrating the local government with the commune; the other failed to observe the degree to which the new features had matured, mistaking the budding things as things already matured. If one were to give guidance to work according to these two views, he would not be able to deal correctly with these new elements and consequently would not be able to consolidate and push the commune to a higher level.

As it now stands, the ownership of the people's commune is, in the main, a collective one, but it already contains certain elements of ownership by the whole people. There is no need at present to hurry the change into complete ownership by the whole people. But the question of how, with the development of production and the increased political consciousness of the masses, to advance to complete ownership by the whole people is now on the agenda. It is necessary to give some consideration to this question here.
In certain counties, in order to further economic development, funds are now being drawn, in an appropriate proportion, from the reserve funds of various communes in the county for use in large-scale capital construction projects in industry, communication, water conservancy and forestry. Similar measures might, in the future, be applied in area exceeding the scope of a county. The funds drawn were actually beyond the limit of collective ownership, and, approached, or were of the nature of, ownership by the whole people.

Readjustment of land — the most important means of production — had been made for the purpose of constructing river systems, digging irrigation canals, building reservoirs, roads and factories and afforestation. There would be further readjustment in the future. No price was paid for the readjustment. The unified planning and utilization of land has actually given it the nature of ownership by the whole people. When Hsushui County announced that land belonged to the people as a whole, the masses did not consider it as something unexpected but regarded it as an important condition favourable to the carrying out of a unified planning for the production of the whole county.

The operation of the wage system in distribution, or a semi-supply, semi-wage system by the commune, creates an important condition for the transition from collective ownership to ownership by the people as a whole. In so doing, the practice of the co-op in distributing remuneration to the members is changed, so that the part meant for the consumption of the members which was unstable becomes comparatively stable, and the part of common funds can further expand with the advance of production. The standards of supply and wages drawn up by the commune and the plans for the accumulation and use of funds have been put in force only after being approved by the upper leading organizations. In other words, the commune has put not only its plan of production, but also its plan for distribution within the orbit of the plan of the state. Thus, while the income of members of all the communes will increase properly and gradually, it will be possible step by step to minimize the disparity between the incomes of members of various communes. It will make it possible for the state, according to the need for the expansion of social production and common interests, to give guidance to the communes in the use of common funds according to state planning, and, if necessary, appropriately rearrange the taxes due the communes. This is an important mark of the transition of the people's commune to the ownership by the whole people.

Life itself would provide other methods and forms for the transition from collective ownership to ownership by the whole people. In view of the leap in production and the rising of the political consciousness of the masses, the transition will take place before long. In some counties it may come very quickly; in others, a little slowly, perhaps a few years later.

The matter of housing is worthy of mention here. It will be of great significance — politically, economically and culturally — for the countryside to change its excessively backward condition and scattered character of housing. This task now confronts us, following the establishment of the communes and the growth of production. When possible, the communes should increase the production of necessary building material, and assign a part of the labour force to the job of building accord-
ing to plan. The new buildings should be better in quality, more convenient and of better appearance. At the same time, with the communist consciousness of members further raised to a higher level, the question of changing the ownership of houses could be resolved smoothly through consultation with the people. But immediately after the establishment of people’s communes it is not necessary to put at once the houses in the countryside under collective ownership or ownership by the whole people.

III

It is a matter of course that the movement of the people’s communes will speed up the building of socialism, and create conditions for the gradual transition to communism. However, at present, the commune is still socialist in nature, for, although it contains the communist element, it has not reached as yet the stage of “from each according to his ability, to each according to his needs.”

The total value of output of agricultural and side-occupations in Hopei this year will be about double last year’s. The total output of grain is sufficient to entitle every person to about one thousand catties. Community canteens have been set up. It is therefore possible for the people’s communes in Hopei to carry out the semi-supply, semi-wage system of distribution. By semi-supply is meant that grain is supplied gratis to members according to the standard stipulated by the state, or, a step further, that members can eat in the community canteen free of charge. Of course, the principle, “if any would not work, neither should he eat” is still applied while this supply system—either supply of grain or supply of meals—is being carried out. By semi-wage is meant that, apart from grain or meals, other living expenses are paid to the members in the form of money according to the principle “he who does more work shall receive more pay.” To inspire the labour enthusiasm of members, a part shall be drawn from the wages fund to distribute as rewards to members who distinguish themselves at work.

The adoption of the combined system of grain or meals supply and wage payment marks the beginning of the gradual transition to the stage of “from each according to his ability, to each according to his needs.” It ensures that everyone in the commune can equally eat his or her fill—a great liberation, no doubt, to all, which would help cultivate the communist ideology of “each for all, and all for each.” However, in view of the fact that the present level of production is not high enough, and that the communist ideological level of the peasants has yet to be raised, the system of distribution of “to each according to his work” is retained.

With the leap in production, the products of society will grow abundantly. And following the advance of technical and cultural revolutions, the people’s communes will grow and become units combining cities with the countryside. Differences between town and country, between worker and peasant, and between mental and physical labour will gradually disappear. The communist awakening of the people, the new high morality, consciousness in the observation of discipline will increase and strengthen. When that time comes, the people’s commune can pass from the socialist principle of “from
each according to his ability, to each according to his work,” to the communist principle of “from each according to his ability, to each according to his needs.”

Speaking from the experience gathered so far, the road of development for the countryside may be like the following:

Co-op, advanced co-op, people’s commune, advanced people’s commune (entirely communist in character).

We have traversed the first half of the road in the revolution; the second half would appear as we expect.

It can be seen, taking the Shangchuang People’s Commune of Hsusui County, Hopei, as an example, that the transition to communist society is not a thing too far distant. It is combined of 40 small co-ops, with a population of 56,000. Their output of grain this year is estimated sufficient to provide every member with an average of more than 2,000 catties. Next year they plan to reach the target of 3,000 catties per capita. The area to be sown to grain crop next year will drop from 80,000 to 60,000 mou, so that more industrial crops, vegetables, fruits and timber can be produced. By 1962, the area sown to grain crop will be only 25,000 mou, and the acreage under industrial crops will increase from the 10,000 at present to 60,000 mou, and the area planted to trees for timber and fruit shall be 20,000 mou. At present, the commune has a telephone exchange station, a postal and telegraphic office, a department store, a bank, a hospital and a university. Some of the villages are now lit by electricity. A machine repairing shop has also been set up, complete with a variety of skilled workers. Funds accumulated are enough to buy ten lathes. It is planned that three branches will be set up and operation will be mechanized next year. The commune has also

an iron smelting plant manned by two hundred workers; next year four cement works with an annual output of 300,000 tons each, and three brick and tile factories with an annual output of 200,000 tons each will be built. The construction of a small chemical works is now under way, which will make alcohol and rubber from sweet potatoes. We have good reasons to believe that it will not be many years before the economy and culture of the people’s commune will become prosperous and thriving, thus preparing the necessary conditions for the transition to communism.

IV

Following the establishment of the people’s communes, our most urgent political task in the countryside at present is to consolidate them and to take up many new construction jobs.

First of all, the enthusiasm of all the members must be brought into full play to make a success of the present industrial and agricultural production, especially the autumn harvest, deep cultivation, the sowing of wheat, ore mining and iron smelting. The people’s commune will map out an all-round plan of politics, economy, culture and education, embracing industry, agriculture, forestry, fishery, animal husbandry and side-occupations. It should provide concrete tasks for production and for jobs in various other fields for next year and present a picture of what the commune will be like in 1962. The draft plan should be discussed by the masses, and after being approved by the leading organization, put into practice by mobilizing the masses to “fight hard for three years.”
Secondly, socialist and communist education should be carried out more thoroughly in connection with a drive for the expansion of production and the trial operation of the semi-supply, semi-wage system. Efforts should be made to propagate the achievements of production and construction and the experience with which these achievements have been made; the victory of the Party's General Line in building socialism; and the victory in the correct handling of contradictions among the people. In this movement of propaganda and education, it is necessary to give full play to the communist style of "pulling down the white bourgeois flag and setting up the red communist flag," strengthen the determination and confidence of the members to follow the road of socialism, criticize the remnant capitalist spontaneous tendency of certain rich peasants, destroy individualism and departmentalism and foster communism. The masses should be encouraged to air their views and take part in the debate so that the communist awakening of the members might be raised through the correct tackling of the economic questions within the commune. Socialist activists who emerge during the "big leap" movement should be publicly commended and the outstanding among them should be promoted to leading positions. Those who have fulfilled the conditions necessary for membership of the Party should be absorbed to refreshen the Party.

Thirdly, the organizations of the commune should be strengthened, its administrative system set up and labour organization readjusted. Efforts should be made to put the members' representative meeting on a sound basis, and adhere to the principle of running the commune in a democratic way. The system of collective leadership, the planning and financial systems should be quickly set up. Centralized leadership and administration by various levels should be exercised. Production contingents should be formed as basic units for administering production, organizing labour, and checking up work done. Under each contingent a number of production brigades for various fields of operation should be set up to do the practical work. Steps should be taken to reorganize the industrial and commercial establishments and schools set up originally by the co-ops, and the basic militia units.

To co-ordinate the work of the leading organs with the situation of people's communes which is now under way in the countryside, a committee for the federation of people's communes should be set up at county level so as to strengthen the leadership over the communes. In Hsushui and other counties, a general county people's commune, combining the county people's government and the general people's commune, has been set up. Organizations subordinate to the county people's council are merged with the corresponding organizations of the people's commune. This is a bold reform and experiment from which we hope to draw experience. At present, it is better to organize the federations of people's communes in the general area.

In view of the new situation wherein people's communes are being set up in the countryside, it is necessary to expand the scope of the county. We are planning to combine the 147 counties in the province into 70 to 80, with populations varying from 300,000 or 500,000 to 800,000 according to the conditions prevailing in mountainous, hilly or plain regions. This would facilitate large-scale construction in a better planned way.

The great theory of Comrade Mao Tse-tung of the correct handling of the contradictions among the people,
and of incessant revolution, which is a creative development of Marxism-Leninism, teaches that we must learn actively and continuously to readjust relations between men on the question of the ownership of the means of production, at work and in distribution, so as to enable the productive force of society to advance at the highest speed. The appearance of the people's commune signifies the victory of this theory, under the guidance of which we shall march towards greater victories.

TENTATIVE REGULATIONS (Draft) OF THE WEIHSING (Sputnik) PEOPLE'S COMMUNE

(August 7, 1958)

Renmin Ribao Editor's Note: The Weihsing (Sputnik) People's Commune in Suiping County, Honan Province, was established in April this year by the merger of 27 agricultural producers' co-operatives of four townships. It has 9,300 households comprising 43,000 people.

These draft regulations stipulate ownership of the means of production in the commune, its economic, cultural, military and political tasks, its system of distribution, organizational structure, system of management and service amenities. They are published in full as reference material for all other parts of the country.

Article 1 The people's commune is a basic unit of society in which the working people unite of their own free will under the leadership of the Communist Party and the People's Government. Its task is to manage all industrial and agricultural production, trade, cultural and educational work and political affairs within its own sphere.

Article 2 The intent and purpose of the people's commune is to consolidate the socialist system and energetically create the conditions for the gradual transition to the communist system.

To this end, we must exert our utmost effort, and press ahead consistently to achieve greater, faster, better and
more economical results in developing industry, agriculture and cultural and educational work, to carry through the technical and cultural revolutions, to gradually reduce the differences between town and country and between mental and manual labour.

As the social product becomes abundant and the people have high political consciousness, so will the transition from the principle of “from each according to his ability, to each according to his work” to the principle of “from each according to his ability, to each according to his needs” be gradually effected.

**Article 3** Citizens who are over 16 years old are admitted as full members. Former landlords, rich peasants, counter-revolutionaries and other people deprived of political rights may be accepted as unofficial members and, when granted political rights according to law, may be accepted as full members.

All members have the duty to carry out the commune’s regulations and resolutions, observe labour discipline and cherish and protect public property. Excepting mental defectives, full members have the right to elect, to be elected, to vote and to supervise the commune’s affairs. Unofficial members have not the right to elect, to be elected or to vote in the commune, but they may enjoy the same economic treatment as full members.

**Article 4** When the agricultural producers’ co-operatives merge into the people’s commune, they must, regardless of excess or deficiency, turn over all their collectively-owned property to the commune in the communist spirit of wide-scale co-ordination. Their former debts shall be paid off by the commune, excluding those for use in that year’s production expenses, which should be settled by the co-operatives themselves. The share funds contributed by the co-operative members remain registered under their respective names, and bear no interest. Investments made by the co-operative members will be repaid by the commune.

Those who are accepted as commune members as having reached the age of 16, or after moving in from other parts of the country, need not make good the contribution of share funds. When a commune member moves away or dies, his share funds shall not be withdrawn.

**Article 5** In changing over to the commune, the members of the co-operatives must turn over to the common ownership of the commune all privately-owned plots of farmland and house sites and other means of production such as livestock, tree holdings, etc., on the basis that common ownership of the means of production is in the main in effect. However, the co-operative members may keep a small number of domestic animals and fowls as private property. Privately-owned livestock and tree holdings when turned over to the common ownership of the commune should be evaluated and counted as the private investment of the co-operative members.

In applying for membership, the peasant households who work on their own should turn over to the common ownership of the commune all their means of production such as land, livestock, tree holdings, large farm tools, etc., with the exception of a small number of domestic animals and fowls. These means of production should be evaluated as share fund payments in accordance with the provisions of the former co-operatives, and the
balance will then be regarded as investment by the owners concerned.

Article 6 To ensure a continuously expanding agricultural output the commune must continue to build irrigation works, apply more manure, improve the soil, use good strains of seed over large areas, breed draught animals, prevent and control insect pests and plant diseases, apply rational close-planting and practise deep ploughing and careful cultivation. It must make vigorous efforts to improve farm implements and carry into effect the mechanization of agriculture and the electrification of the countryside in the shortest possible time.

The commune must develop industry as rapidly as possible. The first things to be done in this field are to set up mines, iron and steel plants and factories for manufacturing ball-bearings, farm tools, fertilizer and building materials and for processing farm produce, repairing machinery, building hydro-electric power projects, installations for utilizing methane, and other enterprises.

The commune must, in a planned manner, build roads, dredge water-ways, improve the means of communications, install a telephone service and gradually build up a network of modern communications. Each production contingent must have one or two postmen to serve the commune members. The postmen shall be paid by the commune.

Article 7 The commune shall establish a supply and marketing department. The supply and marketing department is a basic organ of state trade. It receives funds from the higher state trading organs; its staff shall be paid by the commune. It shall deliver profits to the higher state trading organs, but the commune may retain a certain proportion of the profits. The commune must ensure that the supply and marketing department fulfil the tasks of state purchase and unified purchase\(^1\) and implement the plan and system of the higher state trading organs, while at the same time it has the right to give concrete leadership over the business of the supply and marketing department.

The supply and marketing department should set up its branches in all production contingents, and retail departments in the community canteens of the production brigades which, so as fully to convenience the masses, are to render services at the dining hours. The supply and marketing branches shall keep their own accounts, while their gains and losses shall be managed by the supply and marketing department under a unified system. The funds of the supply and marketing branches shall be provided with the share funds contributed to the former supply and marketing co-operative by the members. The deficit shall be made up by the supply and marketing department. No dividends shall be given on the shares.

The supply and marketing department joins the county supply and marketing co-operative as a member organization.

Article 8 The commune shall establish a credit department. The credit department is an agency of the

\(^1\) Grain, edible oil, mineral oil products, cotton and cotton piece-goods are five items earmarked exclusively for state purchase. Other commodities may also be purchased by the state in a unified way as determined by the condition of supply and demand on the home market.
People's Bank. It receives funds from the People's Bank; its staff shall be paid by the commune. It shall deliver profits to the People's Bank, but the commune may retain a certain proportion of the profits. The commune must ensure that the credit department implement the plan and system of the People's Bank, while at the same time it has the right to give concrete leadership over the business of the credit department.

For the convenience of the people, the credit department should set up its branches in all production contingents and service centres in all production brigades. The credit branches shall keep their own accounts, while their gains and losses shall be managed by the credit department under a unified system. The funds of the credit branches shall be provided with the share funds contributed to the former credit co-operative by the members. The deficit shall be made up by the credit department.

As a cash treasury of the commune and the different production contingents, the credit department and its branches shall undertake the receipts and disbursement of cash in bulk. The credit department shall undertake book settlement between the commune and other financial departments, and between the various departments in the commune which keep their own accounts. Book settlement is not to be practised among the commune members.

**Article 9** The commune should, step by step, train its members to be cultured working people with professional skill and all-round qualifications.

The commune should institute a system of universal, compulsory education combined closely with labour.

Primary schools and spare-time continuation schools should be set up on a wide scale so that by degrees all school-age children may attend school and all young people and the middle-aged may reach the educational level of senior primary school. Measures should be taken to ensure that step by step each production contingent will have a spare-time agricultural middle school to enable all young people and the middle-aged to attain the educational level of senior middle school. Conditions permitting, colleges or universities will be set up to meet the requirements of the commune. The working hours of the members may be duly reduced and their time for study increased when production reaches a higher level.

The commune should encourage and help its members to engage in scientific studies on a wide scale, first of all, studies and experiments in good-seed cultivation, soil improvement, tree planting, livestock breeding, elimination of insect pests and plant diseases, and the improvement of farming technique and tools.

**Article 10** A system of citizen soldiery shall operate throughout the commune. The age-groups of young and middle-aged men as well as demobilized servicemen, should be organized into militia units that will undertake regular military training and fulfil tasks assigned by the state. The militiamen will be paid the usual wages when they undergo training and carry out tasks.

The commune should undertake responsibility for compulsory military service and assign work to demobilized servicemen. Families of revolutionary martyrs, of disabled armymen and of armymen in active service that lack manpower should, to an appropriate extent, be given special consideration by the commune.
Article 11 As the commune has the same confines as a township, that is, one commune to a township, the township should be merged with the commune for the convenience of work. The deputies of the township people’s congress will be concurrently representatives of the congress of the commune, members of the township people’s council will be concurrently members of the management committee of the commune, the township head will be concurrently the head of the commune, the deputy heads of the township will be concurrently deputy heads of the commune, and the departments under the commune management committee will be concurrently the departments under the township people’s council.

Article 12 The highest organization of management in the commune is the congress of the commune which will discuss and reach decisions on all important matters of the commune. The congress of the commune shall include representatives of all production brigades and all sections of the people, such as the women, youth, old people, cultural and educational workers, medical workers, scientific and technical workers, the personnel of industrial enterprises, traders and minority people.

The management committee shall be elected by the congress of the commune to take charge of the commune’s affairs. It shall be composed of the head and deputy heads of the commune and committee members. Under it there shall be departments and commissions in charge of different jobs, such as agriculture, water conservancy, forestry, animal husbandry, industry and communications, finance and food supply, trade, cultural and educational work, armed defence, planning and scientific research, etc. The staffing of the departments and commissions shall be nominated by the management committee and be subject to the approval of the congress of the commune. The management committee may elect a group of standing members to handle its routine work.

A supervisory committee shall be elected by the commune congress to supervise the commune’s affairs. It shall be composed of the chairman and vice-chairmen of the committee and committee members, and operates under the leadership of the state supervisory organs.

The term of office for the members of the commune’s congress, its management committee and its supervisory committee shall be two years. Anyone seriously neglecting his duties may be dismissed by the electorate before the term of office expires.

Article 13 The commune shall institute a system of centralized leadership; with management organs at various levels, in order to operate a responsibility system in production. In accordance with the principle of facilitating production and leadership the commune shall organize its members into a number of production contingents which will divide up into a number of production brigades. The production contingent is a unit responsible for production and business accounting while its profits and losses are managed by the commune under a unified system. The production brigade is a basic unit for organizing labour. While ensuring the fulfillment of the general plan of the commune, the production contingent has, to a limited degree, the discretion of organizing production, undertaking capital construction, handling production expenses and distributing awards. The commune and production contingents should give an appropriate amount of award to those production contingents or
brigades that have overfulfilled the planned production targets or economized production expenses. When agricultural mechanization is introduced, tractor teams should be organized with the production contingent as a unit. Bigger factories, mines, timber yards and livestock farms shall be run directly by the commune while the smaller ones may be left under the care of the contingents. Small machines and equipment such as sewing machines, methane pools and equipment for making granular fertilizer may be entrusted to the production brigades.

The production contingent shall have a representative conference, composed of the contingent's deputies to the commune congress. The conference shall elect a contingent leader, deputy leaders and a number of members to form the management committee of the contingent, and a chairman, vice-chairmen and a number of members to form a supervisory committee. The term of office for the members of these bodies shall be one year.

The general meeting of the members of the production brigade shall elect a brigade leader and deputy leaders to form a committee to lead the brigade's work.

Article 14 The commune shall operate a wage system when it acquires stability of income and adequate funds and when the members are able voluntarily to consolidate labour discipline. Wages of members will be fixed by the masses through discussion, taking into account the intensity and complexity of the work, physical conditions, technique and attitude towards work. Wages will be paid monthly. Technical allowances may be paid to those who have special skill. One month's wage may differ from another. In months when the commune gets more income and the members need more, the members may get more pay; in other months they may get less. In case of a serious natural calamity the commune may, according to circumstances, pay less to its members.

After the institution of the wage system, there must be periodic reviews and comparisons of work done by the various units and individuals. Those who work energetically and do well should be rewarded, while those who work in a slovenly way and failed to carry out their assignments may be penalized through deductions from their wages. Awards distributed in the commune in a year may amount to a maximum of one-fourth of the total basic wages. The awards are divided into three parts, respectively in charge of the commune, the production contingents and brigades. Assignment of work and reviews and comparisons of work done should be on the basis of the average advanced quota.

With the introduction of the wage system, deduction from his wage should be effected when a member absents himself from work. Every member may have two days' paid leave each month and women members three day's paid leave. Women members may have a month's maternity leave during which time they will be paid half wages. Anyone injured in the course of work will be paid full wages during the period of treatment and recovery. Subsidies will be given out of the public welfare funds to anyone whose livelihood is affected by disability due to chronic disease.

Until conditions are mature for the institution of the wage system, the system of piece-work wages may be introduced, with a fixed value calculated per workday. The members may be monthly, in part or in full, paid according to the number of workdays done.
The commune should take energetic measures to trim and simplify its administrative departments. The total wages of its administrative personnel should not exceed one per cent of the total wages of the members. Meetings should be short and fewer; they should take a minimum of work hours.

**Article 15** A grain supply system should be operated when grain production reaches a higher level and all the members of the commune agree to it. All members as well as each person of their families will then be supplied with grain gratis in accordance with standards laid down by the state, irrespective of how many of the family can work. The institution of the grain supply system should ensure that families with more labour power get more income than before.

To reform those who work in a slovenly way and, despite repeated persuasion, persist in their mistakes, the commune may, with the discussion and approval of its members, exercise supervision over them in work.

**Article 16** The principle “from each according to his ability” constitutes the basis for instituting the wage system and the grain supply system. All members shall voluntarily abide by the following disciplinary rules: (1) take an active part in labour; (2) cherish and protect public property; (3) ensure the quality of work; (4) obey orders and transference; and (5) voluntarily co-ordinate with one another.

The commune must strengthen political work and education in communist ideas and, relying on the activists among the poor and lower-middle peasants, initiate communist labour emulation campaigns and reviews and comparisons so that the principle “from each according to his ability” will gradually be executed by members of their own accord.

**Article 17** The commune shall set up community canteens, nurseries and sewing teams to free women from household labour. To facilitate management, these canteens and nurseries shall in general be set up under each production brigade. Members need not use the canteen or nursery services if they do not want to. Those who use the canteen services may have dishes prepared by themselves. The staff of the canteens, nurseries and sewing teams shall be paid wages and supplied by the commune. The charges for the services they render to the members shall be paid in accordance with the principle of “no losses and no profits.” The community canteens should keep kitchen gardens and raise pigs and chickens so as to consistently improve their food supply.

**Article 18** The commune will gradually set up and improve the work of medical establishments so that step by step the commune will have a central hospital with in-patient wards for serious cases. Every contingent will have its own clinic for out-patients and every production brigade its own health officer and midwife for the prevention of illness and the care of patients, and a midwifery service. Sanatoria will be set up when conditions permit.

Medical care shall be given in the commune on a cooperative basis. Members will pay a yearly amount in accordance with the number in the family. No other fees will be charged for any benefits they get from the medical establishments. In exceptionally serious cases beyond the capacity of the central hospital, patients will be sent to the appropriate hospitals for cure, and travel-
ling and medical expenses shall be paid by the central hospital. But this shall not apply, for the time being, to the cases arising from chronic diseases or diseases due to old age. The commune shall provide free medical care when the economic situation allows.

**Article 19** The commune shall make necessary arrangements concerning production and living conditions for the aged, the bereft, the disabled members and people in bad health who have less or no ability to work and nobody to depend on, so that they can be ensured the means of living. It shall set up “happy homes for the aged” who have no children, help them take part in work within the limit of their physical strength and provide them with necessary supplies so that they can have a happy old age.

Public cemeteries shall be established by the commune. The graves may be removed, with the approval of the family concerned, as required by production and construction.

**Article 20** To gradually improve the housing conditions of its members, the commune shall draw up and gradually carry out comprehensive, long-term plans for the lay-out of residential quarters and the building of housing estates. In accordance with the principle of facilitating production and leadership, smaller residential quarters may, gradually and in a proper way, be merged into bigger ones.

Material and manpower needed for the building of new houses under the plan shall be supplied by the commune. Existing houses of the members of the commune shall gradually be dismantled and the bricks, tiles and timber used by the commune as needed. Newly-built houses will belong to the commune. Their occupants shall pay rents equivalent to the cost of maintenance and repair.

**Article 21** The commune shall encourage cultural, recreational and sports activities among the masses so as to bring forward communist people healthy in body and in mind. Steps should be taken to ensure that each commune has its own library, theatre and film projector teams; that each production contingent has its own club room, amateur theatrical troupe, choir and sports team; and that each production brigade has a small reading room and radio sets.

**Article 22** The yearly income of the commune shall be distributed under the following heads:
- (1) Production costs incurred for the current year;
- (2) Depreciation of public property;
- (3) State taxes;
- (4) Grain supply for members of the commune;
- (5) Basic wages and awards for members of the commune;
- (6) Public welfare funds, in general not exceeding five per cent of the total income, to be spent on education, health facilities, culture and other welfare services; and
- (7) Reserve funds, comprising all the remainder of the income, to be used for stockpiling and expanded reproduction (including the construction of transport facilities). The commune should gradually build up grain stocks sufficient for one to two years, and necessary wages funds.

The distribution of income shall be based on the principle of ensuring high speed in expanded reproduction. With the development of production, wages shall be increased every year, but the rate of increase must
be slower than the rate of increase in production. When the average wages (including grain supply) of members of the commune rise to a level that guarantees a living standard equivalent to that of the well-to-do middle peasant, the rate of increase in wages should be reduced to ensure the rapid growth of industry, the mechanization of farming and electrification of the rural areas in the shortest possible time.

**Article 23** The commune shall be managed according to plan. It shall work out long-term programmes and yearly plans of construction in accordance with the economic plan of the state and the specific conditions of the commune. So as to introduce a strict responsibility system in production and carry through the award and demerit system in a rational way, the commune should work out concrete plans for output, technical measures, production expenses and the use of labour power of the contingents, factories, mines, livestock farms and timber yards. The contingents should also work out similar plans for the different production brigades.

The commune's plans for production, capital construction, sales of products, circulation of commodities, purchase of machinery and equipment, financial affairs and wages must be submitted to the state planning organizations and other departments concerned for examination and balancing before being put into practice.

**Article 24** Democratic management shall be exercised throughout the commune. A vigorous, regular democratic life must be ensured in the commune, and in all its production contingents, production brigades, factories, mines, timber yards, livestock farms, tractor teams, schools, hospitals, shops, banks, canteens and militia units. All organizations, which keep their own accounts, must publish their balance sheets and the accounts of awards distributed, regularly and in good time. All administrative staff must take part in productive labour as far as possible. The masses must be encouraged to carry out criticism and self-criticism, commend those who render meritorious service or put forward suggestions by way of tatsepa, so that defects in work can be overcome.

**Article 25** The commune must carry out the policy of running the commune in the spirit of industry and thrift, encourage its members to work hard, make full use of its own potential to overcome difficulties, practise economy, lower production costs, oppose waste and extravagance, and, as far as possible, trim and simplify all buildings and equipment not connected with production.

**Article 26** The commune must establish a strict system governing financial management. All organizations which keep their own accounts must work out income and expenditure budgets in good time, abide by the system and formalities governing the use of cash, and settle their accounts regularly.

Special persons should be appointed to take charge of all public property. Anyone causing loss to public property by negligence must be criticized, or dealt with by disciplinary measures by the commune. Cases of corruption, theft or destruction of public property must be handled in a serious manner; those involved in serious cases should be referred to the higher judicial departments to be punished according to law.
ANNEX

Alternative Articles Concerning the Supply and Marketing Department and of the Credit Department

(Published by Renmin Ribao on September 4, 1958)

Article 7 The commune will establish a supply and marketing department. The supply and marketing department will handle the sales of products and the supply of necessities of the commune under the guidance of state trading organs. The basic form of business of the supply and marketing department is to purchase and sell on behalf of state trading organs. In the purchase or sales of products it should stick to the price fixed by the state trading organs. The service charges for the supply and marketing department in purchasing and selling for state trading organs shall be fixed by the state trading organs in accordance with the principle that “the expenditure incurred plus a small amount of profits” be an allowable deduction. The supply and marketing department may sell in the commune the products left over after the commune has fulfilled the tasks of state purchase and unified purchase. The price and quantity of products sold shall be examined and approved by the state trading organs. The supply and marketing department may, with the approval of the state trading organs, sell to other quarters or buy in certain commodities that the state cannot purchase or supply.

The supply and marketing department shall keep its own accounts, while its profits and losses shall be managed by the commune under a unified system. Its funds shall be provided with the share funds contributed to the former supply and marketing co-operative by the members. The deficit shall be made up by the commune. No dividends shall be given on the shares.

For the convenience of the people, the supply and marketing department should set up its branches in all contingents and retail departments in the fairly distant and out-of-the-way areas. State trading organs should set up wholesale departments in appropriate places and gradually dismiss the retail departments.

The supply and marketing department joins the county supply and marketing co-operative as a member organization.

Article 8 The commune shall set up a credit department. The credit department shall handle the members' deposits, loans and the utilization of funds of the commune under the guidance of the state banks. The credit department is also an agency of the People’s Bank, handling deposits and making loans on its behalf, and charges the latter for the service according to stipulations.

The credit department shall keep its own accounts, while its profits and losses shall be managed by the commune under a unified system. Its funds shall be provided with the share funds contributed to the former credit co-operative by the members. The deficit shall be made up by the commune.

For the convenience of the people, the credit department should set up its branches in all contingents and service centres in the fairly distant and out-of-the-way areas.

As a cash treasury of the commune and the different contingents, the credit department and its branches shall
undertake the receipts and disbursement of cash in bulk. Under the leadership of the state banks the credit department shall undertake book settlement between the commune and other financial departments, and between the various departments in the commune which keep their own accounts. Book settlement is not to be practised among the members.

HOW TO RUN A PEOPLE'S COMMUNE
(With Reference to the Regulations of the Weihsing People's Commune)

(Renmin Ribao Editorial, September 4, 1958)

We have carried in our paper today the Tentative Regulations (Draft) of the Weihsing People's Commune of Suiping County, Honan Province. Making a comprehensive study of these regulations we can see that this commune has the following characteristics as compared with the agricultural producers' co-operative:

1. The people's commune differs from the agricultural producers' co-operative in that it is an organization not solely engaged in agricultural production, nor is it an organization dealing with agriculture, forestry, animal husbandry, side-occupations and fishery alone. Like the cities and industrial and mining areas the people's commune also builds industry, aiming at the gradual elimination of the difference between town and country and between industry and agriculture.

Apart from production the people's commune engages in trade (exchange) and credit (banking).

Apart from economic activities the people's commune undertakes culture and education (running primary, secondary, and technical schools, carrying out scientific research, etc.) so as to make its members people with a
high educational level and eliminate gradually the difference between mental and manual labour.

The people's commune also carries out the system of citizen soldiery. All young men of the right age and retired servicemen are organized into militia. They undergo regular training and carry out the tasks entrusted to them by the government.

In other words the people's commune combines industry (workers), agriculture (peasants), exchange (traders), culture and education (students), and military affairs (militia) into one and takes charge of political, economic, cultural, and military affairs at the same time.

2. Having the same area as a township, the people's commune is much bigger than the agricultural producers' co-operative. The Weiens People's Commune, for instance, is a merger of 27 co-operatives, with a total membership of over 9,000 households. The pooling together and unified control of manpower and material and financial resources greatly facilitates and accelerates agricultural capital construction and industrial construction, develops multiple economy as well as other undertakings, and pushes ahead rural electrification and mechanization at a much greater speed. Without the people's commune of such a size many kinds of construction work will be handicapped.

3. The people's commune and the township are merged. As there is a people's commune to a township, the separate existence of the township and the people's commune is unnecessary. Thus deputies to the township people's congress are concurrently representatives of the congress of the people's commune; members of the township people's council are concurrently members of the management committee of the people's commune; the head and deputy heads of the township are concurrently the head and deputy heads of the people's commune; and the departments under the management committee of the people's commune are concurrently the departments under the township people's council. This shows that the people's commune is really the basic unit of socialist society.

4. The people's commune has gone a step further than the agricultural producers' co-operative towards the development of common ownership. All land reserved for private use, private house sites, livestock and tree holdings owned by individuals are gradually turned over to common ownership. The small number of domestic animals and fowls temporarily kept by individuals will also be gradually turned over to common ownership. In this way the remnants of individual economy are further removed. Further development of the relations of production will be more conducive to the development of the social productive forces as well as that of the entire national economy.

5. In the distribution of income and remuneration of labour the people's commune will gradually, with the development of production, substitute the wage system (including awards) for the workday bonus system. Grain supply system will be put into practice when grain production is highly developed and when the members of the commune unanimously agree to it. This system provides additional guarantees for the income and livelihood of commune members, facilitates expanded reproduction and does more good to the development of industry, transport and communications, education, science, culture, and welfare services.
6. Life is further collectivized, and welfare services for the members of the people's commune are speedily developed. These services include organizations which facilitate production and liberate the women's labour power, such as community canteens, nurseries, sewing teams, etc. To ensure the health of members, medical service organizations and sanatoria are set up. Welfare institutes are established for orphans, widows, old people, and the disabled, who need to be taken care of. New housing quarters with associated gardens are built. The socialization of household affairs, great improvement of the living and housing conditions of members, the development of culture, recreation, physical culture, and sport—all this will radically change the appearance of the countryside.

All these things contribute greatly to socialist construction and to the development of the productive forces. They are therefore revolutionary and progressive, and are heartily welcomed by the people.

The Weihsing People's Commune, we may say, is in many ways representative of the more advanced people's communes so far established. There are many people's communes in Honan and other provinces of the country which are comparable to it. There are even communes which are, in certain aspects, still more advanced. Be that as it may, one gets a general idea of the people's commune after reading the regulations of the Weihsing People's Commune, which is therefore worthy of recommendation. But in establishing people's communes various kinds of problems should be tackled from the standpoint of local conditions, especially the wish and will of the local masses. Things should not be arbitrarily copied or slavishly imitated; the people should not be forced to emulate the Weihsing People's Commune or other advanced communes. This is a principle of great importance to be carefully considered in the course of the present people's commune movement.

The following are our opinions with regard to the scope, method of establishing the commune, and the economic policy of the commune. They are offered here for reference.

1. Size. As things stand, it seems appropriate for the people's commune to have the same boundaries as the township with a membership of 10,000 people or households. In places where the area of the township is big and the population thin several communes may be established in one township and the membership of each commune may be less than 10,000 people. Several townships may also be combined into one township and organized into a single commune with a membership of 10,000 households, if topographical conditions and the development of production so require. Communes with a membership of 20,000 households each are known to have been established in some places. Although such experiments may be made if conditions permit, they are not to be popularized for the time being.

There is a tendency in the further development of the people's communes for them to get organized into federations with the county as a unit. It is therefore necessary to make plans and rational arrangement with regard to the distribution of the people's communes with the county as a unit. "Federation of communes" is a proper term for the communes so combined though it is also known as "general commune" or "county commune" which, however, we need not oppose.
With the expansion of the commune, owing to the integrated development of agriculture, forestry, animal husbandry, side-occupations, and fishery, as well as industry, agriculture, trade, education and culture, and military affairs, there should be a proper division of labour with regard to the management organizations of the commune. A number of departments with different responsibilities should be set up on the principle that the organizations should be simplified while maintaining efficiency and that the cadres should take part in production. Meanwhile, the local government and the people's commune should be merged, with members of the people's council of the township concurrently as members of the management committee of the people's commune, and members of the Party committee of the township concurrently as members of the Party committee of the people's commune.

2. **Methods and steps to merge small co-operatives into big ones and to merge co-operatives into people's communes.** The merger of small co-operatives and the establishment of people's communes is now the common demand of the people. The poor peasants and the lower-middle peasants strongly support it and most of the upper-middle peasants approve of it. We must rely on the poor and lower-middle peasants to fully arouse the masses, give free rein to the airing of views and debates, unite with the major portion of the upper-middle peasants who are in favour of the merger of co-operatives and the establishment of people's communes, and prevent the other portion of the upper-middle peasants from wavering in their views. We must expose and smash the rumours and destructive activities of the landlords and rich peasants, and make the broad mass of peasants merge their co-operatives or establish people's communes on the basis of mental emancipation and voluntariness without subjecting them to any force or compulsion. In procedure, if the merger of co-operatives and the establishment of people's communes can be done in one step, so much the better. Otherwise, they may be done in two steps; there should be no impetuosity, no compulsion. Generally speaking, it is easier to do it in two steps. Doing it in two steps seems to be the longer road but as a matter of fact it is the shorter one. For it is easy to establish, first of all, a framework. Once it is established, the harvesting and cultivation in autumn as well as the agricultural capital construction in winter can all be done on the scale of the people's commune. When these works are undertaken it is much easier to tackle other problems of the people's commune. All the counties should first carry out experiments in key places and then popularize the results step by step. If urgently demanded by the masses, experimentation and popularization may be carried out at the same time so as not to frustrate the initiative of the people.

The merger of co-operatives and the establishment of people's communes should be closely co-ordinated with the work of production. Instead of affecting production adversely, the movement should be a great force in pushing production to a "bigger leap forward." During the early stage of the merger of co-operatives the policy of "change at the upper levels but no change at the lower levels" may be adopted. In the first place, a management committee may be jointly elected by the small co-operatives meant for the merger. A general framework is then set up and all planning and arrangements are done under a unified leadership. The original small co-operatives may be changed into farming zones or production bri-
gades. The original production organizations and management systems remain unchanged for the time being and go on operating as usual. All the things that should be combined or readjusted and all the concrete problems that should be solved in the course of the merger may be step by step dealt with later so that production will not be affected. These are the concrete measures to be taken if the two-step method is adopted. There is another method which may also be adopted: that is to merge the small co-operatives into medium co-operatives with several hundred households each and then merge the latter into a big co-operative with 10,000 people or households.

The size of the co-operative, the speed of merging the co-operatives and changing them into the people's commune, and the methods and steps to be taken should all be determined by local conditions. But no matter whether the merger is to take place before or after the autumn, in the coming winter or in next spring, the small co-operatives, beginning from now, should establish contact with each other, hold discussions, work out in a unified way plans for capital construction in the fields, and make preparations, also in a unified way, so as to struggle for greater harvests in the coming year.

3. Some problems concerning economic policy and economic system which may arise in the course of merging the co-operatives. In the course of the merger, education must be strengthened so as to prevent the small number of co-operatives controlled by elements deeply imbued with capitalist ideology from developing departmentalism on such occasions, that is, from dividing, before the merger, most or all of the reserve funds so that only a little amount or nothing at all remains.

But in merging the small co-operatives into big ones, it must be understood that, owing to the fact that the co-operatives have different backgrounds, the amounts of their common properties and the amounts of their debts, both internal and external, cannot all be the same. In the course of the merger, education in the communist spirit should be given to the cadres and masses. They should accept these differences with an easy conscience; they should not try to settle every small item of accounts, or try to square everything, and they should not haggle over minor matters.

When the people's commune is being established, the questions of land reserved for private use, small fruit-tree holding and share funds need not be immediately settled; nor is it necessary to make any stipulation about them. Generally speaking, land reserved for private use may be put under public management in the co-operative while small fruit-tree holding may remain under their original ownership and may be dealt with later. With regard to the share funds, they may be dealt with one or two years later. By that time, with the development of production, increase of income, and heightening of the people's political consciousness, they can easily be turned over to common ownership.

After the people's commune has been established there is no need hastily to change collective ownership into ownership by the whole people. Generally speaking, it is better to maintain collective ownership for the present so that many unnecessary troubles which are almost surely to arise in the course of transformation can be avoided. Actually collective ownership in the people's commune already contains certain elements of ownership by the whole people, which will continue to grow in the
course of development and will eventually replace collective ownership. Transition from collective ownership to ownership by the whole people constitutes a process. In some places it is faster, to be completed in three or four years. In other places it is slower and may take five or six years or even a still longer time for its completion. Even when ownership by the whole people has been attained, as in state-owned industry, it is still socialist in nature, being based on the principle “from each according to his ability, to each according to his work.” The transition to communism based on the principle “from each according to his ability, to each according to his needs” will take a much longer time.

After the people’s commune has been established there is no need hastily to change the original system of distribution, thus avoiding adverse effect on production. Things must be done according to concrete conditions. In some places where conditions are mature the wage system may be practised. In places where conditions are not yet mature the following systems may still be used until conditions mature: i.e. systems of payment according to workdays, such as the system of fixed targets for output, workdays, and costs, with a part of the extra output as reward, or the system of calculating workdays on the basis of the output.