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Speeches/Documents

Title: ON THE STRUGGLE AGAINST THE "THREE EVILS" AND THE "FIVE EVILS"

Author: Mao Zedong

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Source: The Writings of Mao Zedong, 1949-1976: September 1945 - December 1954 pp 235- 241

Description: Important directives drafted for the Central Committee of the Chinese Communist Party

The struggle against corruption and waste is a major issue which concerns the whole Party, and we have told you to give it your serious attention. We need to have a good clean-up in the whole Party, which will thoroughly uncover all cases of corruption, whether major, medium or minor, and aim the main blows at the most corrupt, while following the policy of educating and remoulding the medium and minor embezzlers so that they will not relapse. Only thus can we check the grave danger of many Party members being corroded by the bourgeoisie, put an end to a situation already foreseen at the Second Plenary Session of the Seventh Central Committee and carry out the principle of combating corrosion then laid down. Be sure to give all this your attention.

(November 30, 1951)

Particular attention must be paid to the fact that the corrosion of cadres by the bourgeoisie results in serious cases of corruption. Be sure to detect, expose and punish those involved and to take this as a major struggle.

(November 30, 1951)

The struggle against corruption, waste and bureaucracy should be stressed as much as the struggle to suppress counter-revolutionaries. As in the latter, the broad masses, including the democratic parties and also people in all walks of life, should be mobilized, the present struggle should be given wide publicity, the leading cadres should take personal charge and pitch in, and people should be called on to make a clean breast of their own wrongdoing and to report on the guilt of others. In minor cases the guilty should be

criticized and educated; in major ones the guilty should be dismissed from office, punished, or sentenced to prison terms (to be reformed through labour), and the worst among them should be shot. The problem can only be solved in these ways.

(December 8, 1951)

In all cities, and first of all in the big and medium-sized cities, we should rely on the working class and unite with the law-abiding capitalists and other sections of the urban population to wage a large scale, resolute and thoroughgoing struggle against those capitalists who are violating the law by bribery, tax evasion, theft of state property, cheating on government contracts and stealing economic information; we should co-ordinate this struggle with that against corruption, waste and bureaucracy, which is being waged inside the Party, government, army and mass organizations. This is both imperative and very timely. In the struggle, Party organizations in all cities must carefully dispose the forces of the classes and masses and adopt the tactics of utilizing contradictions, effecting splits, uniting with the many and isolating the few so that in the process a united front against the "five evils" will speedily take shape. In a big city, as the struggle against the "five evils" gets into full swing, such a united front may well come into being within about three weeks. Once this united front is formed, those reactionary capitalists guilty of the worst crimes will be isolated, and the state will be in a strong position to mete out due punishment, such as fines, confiscation, arrest, imprisonment or execution, without much opposition. All our big cities (including provincial capitals) should start the struggle against the "five evils" in the first ten days of February. Please make prompt arrangements.

Mao Zedong's instructions on fighting against capitalists

1952.01.00

You must be prepared to deal with capitalists. If you don't prepare well, don't do it. When the preparation conditions of different cities are inconsistent, don't do it at the same time. Steps must be taken to organize a number of

powerful inspection teams to carry out inspections to the most recalcitrant and reliable inspection teams.

If you do not investigate, you must solve the case. In the second batch, several companies were inspected, and all the cases were solved. In this way, we have gained experience, trained cadres, and educated a large number of small and medium capitalists and some large capitalists to urge them to confess. At the same time, employees and clerk are mobilized to report. Then organize the third batch, the fourth batch, the fifth batch and more inspections to solve the case. In this process, we can win over 90% of large, medium and small capitalists to stand on our side, or be conservative and neutral, so that a few percent (6% in Beijing) of reactionary capitalists will be completely isolated, and public opinion will become completely ours. Favorable. At this time, we can punish the most reactionary capitalists (that is, the most heinous capitalists for bribery and theft), who account for about 1% to 2%, after checking and obtaining actual evidence. Such as arrests, shootings (just less number), confiscation, imprisonment, fines, etc. There are 50,000 industrial and commercial households in Beijing, 1% of which are 500. After a month of intense struggle and several inspection steps, the Beijing party organization only arrested nearly a hundred capitalists. We plan to go through several inspection steps in February, and we will arrest about 300 people (less than 1%) one after another, depending on the situation. This is a process of gradual understanding, gradual deepening, gradual differentiation, and gradual unity of the majority to isolate the minority. This task cannot be accomplished without the intense and hard work of urban party organizations. There is a great contradiction between the big, middle and small bourgeoisie. We strike at about 1% of the most reactionary capitalists. We are also focusing on opportunistic businessmen rather than industrial capitalists (some extremely bad factory owners must be attacked), and we may fight for the greatest. Most capitalists support us instead of resenting us. Only a few (percentages) really resent us.

In this way, we can use the method of internal and external attacks to find out all the fortresses that the bourgeoisie has placed within us, that is, the big corrupt elements.

(January 26, 1952)

(1) In the movement against the "five evils" the basic principles in dealing with industrial and commercial units are: leniency for past offenses and severity for new ones (for instance, payment of taxes that have been evaded is generally retroactive only to 1951); leniency towards the many and severity towards the few; leniency towards those owning up to their crimes and severity towards those refusing to do so; leniency for industry and severity for commerce; and leniency for commerce in general and severity for commercial speculation. The Party committees at all levels are asked to adhere to these principles in the movement against the "five evils".

(2) For the purpose of the movement against the "five evils" private industrial and commercial units should be classified into five categories: the law-abiding, the basically law-abiding, those that partly abide by the law and partly break it, those that break the law on a serious scale, and those that completely violate the law. As far as the big cities are concerned, the first three categories make up about 95 per cent and the last two about 5 per cent. The percentages for different big cities are roughly the same, with only small variations. As for medium-sized cities, the percentages differ considerably from these figures.

(3) These five categories apply to the capitalists and the non-capitalist independent handicraftsmen and family traders, but not to the street vendors. In big cities the street vendors may be left alone for the time being, but the independent handicraftsmen and family traders had better be dealt with. In medium-sized cities it would be better to deal with both the independent handicraftsmen and traders and the street vendors in this movement. In our big and medium-sized cities there are large numbers of independent

handicraftsmen and traders who do not employ workers or shop assistants (though some have apprentices). Many of them are law-abiding, many others basically abide by the law but partly break it (*i.e.*, they have minor offenses to account for, such as small-scale evasion of taxes), and a small number partly abide by the law and partly break it and have evaded taxes on a larger scale. In the current movement against the "five evils" we must deal with a considerable number of small capitalists and pass judgment on them, and as far as possible do likewise with the independent handicraftsmen and traders, who roughly equal the small capitalists in number. This will be to the advantage of the current movement and to economic construction in the days ahead. The small capitalists as well as the independent handicraftsmen and traders are generally innocent of serious offences, and it is not difficult to pass judgment on them. In so acting, we shall win support from the masses. However, if a few cities think it convenient to pass judgment first on industrial and commercial units other than the independent handicraftsmen and traders and defer judgment on the latter, that is in order, too.

(4) In view of the actual situation in the cities we have decided to reclassify industrial and commercial units into five categories instead of four as in the past, *i.e.*, those in the law-abiding category are to be reclassified into law-abiding and basically law-abiding, while the other three categories remain unchanged. Out of the fifty thousand industrial and commercial units in Peking (including the independent handicraftsmen and traders, but not the street vendors), the law abiding ones make up about 10 per cent, the basically law-abiding ones about 60 per cent, those that partly abide by the law and partly break it about 25 per cent, those that break the law on a serious scale about 4 per cent and those that completely violate the law about 1 per cent. To distinguish between the strictly law-abiding ones and the basically law-abiding ones with minor offences and, furthermore, to treat the basically law-abiding units guilty of small-scale tax evasion differently from those guilty on a larger scale may prove to have important educational value.

(5) In some big and medium-sized cities, the city Party committees launched the movement against the "five evils" in a hurry, when they were not at all

acquainted with the situation with respect to the different categories of industrial and commercial units and were not clear about the tactics of differential treatment, and when the work teams (or investigation groups) sent by the trade unions and the government had been organized and trained in a very slipshod way. As a result some confusion has arisen. It is hoped that the city Party committees concerned will pay attention to this situation and see to its correction without delay. Moreover, the investigation of industrial and commercial units which break the law must be made under the strict control of the city Party committee and the city government. No other organization is allowed to send out people to investigate on its own, much less to haul capitalists into its office for interrogation. Whether in the movement against the "three evils" or in that against the "five evils", the use of torture to extort confessions is forbidden and strict precautions must be taken to prevent suicides. Where suicides have occurred, measures for preventing their further occurrence should be worked out immediately to ensure that both movements will develop soundly and on the right track and that complete victory will be won.

(6) The movements against the "three evils" and against the "five evils" are not to be launched at present in counties, districts and townships. Further notice will be given by the Central Committee as to when and how to carry them out. In the few instances where the movement against the "five evils" has been launched at county seats and that against the "three evils" in districts, in both cases experimentally, strict control must be exercised and spring farming and other economic activities must not be hampered. The movement against the "five evils" should not begin in all the medium-sized cities at the same time but should be staggered and strictly controlled.

(March 5, 1952)

During and also after the struggle against the "five evils", we must achieve the following aims:

(1) Get thoroughly clear about the situation in private industry and commerce so as the better to unite with and control the bourgeoisie and develop the country's planned economy. Planned economy is impossible unless we are clear about the situation.

(2) Draw a clear line of distinction between the working class and the bourgeoisie, and in trade unions eliminate corruption and bureaucracy which alienates the masses and weed out the capitalists' hirelings. Such hirelings and the middle elements vacillating between labour and capital are to be found in trade unions everywhere, and in the struggle we must educate and win over the middle elements, whereas those hirelings guilty of serious crimes should be expelled.

(3) Reorganize the trade councils and associations of industry and commerce, remove from their leading bodies persons guilty of all the "five evils" and those who have been totally discredited, and in their stead draw in those who have acquitted themselves fairly well in the struggle against these evils. With the exception of those who have completely violated the law, there should be representation of all categories of industrialists and traders.

(4) Help leaders of the China Democratic National Construction Association to conduct a shake-up, to expel those guilty of all the "five evils" and those who have disgraced themselves in the public eye and to recruit a number of better individuals, so that it can become a political organization capable of representing the legitimate interests of the bourgeoisie, mainly the industrial bourgeoisie, and of educating them in the spirit of the Common Programme and in the principles governing the struggle against the "five evils". Take measures to disband the secret organizations of different groups of capitalists, such as the "Thursday Dinner Club".^[2]

(5) Eradicate the "five evils" and eliminate commercial speculation so that the entire bourgeoisie will obey the laws and decrees of the state and engage in industrial and commercial activities beneficial to the nation's economy and the people's livelihood. Develop private industry within the limits set by the state (provided the capitalists so wish and its operations conform with the Common

Programme), and reduce private commerce step by step. Expand the state's plan to monopolize the sales and contracts of private industry year by year and at the same time extend the coverage of our plan over private industry and commerce. Set new percentages of profit for private capital so that it will be able to make some profits but not exorbitant ones.

(6) Do away with hidden accounts, make the accounts public and gradually establish a system under which the workers and shop assistants supervise production and management.

(7) Recover the greater part of the economic losses to the state and the people through the payment of evaded taxes, restitution, fines and confiscation.

(8) Set up Party branches among workers and shop assistants in all large and medium-sized private enterprises and strengthen Party work.

(March 23, 1952)

NOTES

1. The movement against the "three evils" was the struggle against corruption, waste and bureaucracy launched at the end of 1951 among the personnel of government departments and state enterprises. The movement against the "five evils" was the struggle against bribery, tax evasion, theft of state property, cheating on government contracts and stealing of economic information started at the beginning of 1952 among owners of private industrial and commercial enterprises.

2. The "Thursday Dinner Club" was a secret organization of some capitalists in Chungking, which engaged in surreptitious activities in grave violation of the law. It was exposed and banned in the movement against the "five evils".

On the "Three-Anti's" and "Five-Anti's" Struggles (November 1951-March 1952)

Source: *Xuanji*, V, pp. 53-58. Other Chinese Text: Point (a) of segment 5 here, dated March 5, 1952, also appears in a somewhat abbreviated version in *Wansui* (1969), p. 10, under the date

of Mar. 20, 1952. Available English Translations: *SW*, V, pp. 64-70; *JPRS, Miscellany*, I, p. 11 (passage dated Mar. 20, 1952, only).

According to the Xuanji source, these are directives drafted by Mao on behalf of the Central Committee of the CFC.

The "Three-Anti's" campaign of December 1951 to October 1952 was aimed at "opposing corruption, waste, and bureaucratism inside the Party and the state organs." The "Five-Anti's" campaign of December 1951 to June 1952 was aimed at opposing bribery, tax evasion, theft of state property, cheating on government contracts, and stealing economic information for the purpose of commercial speculation by the owners of private industrial and commercial enterprises. These campaigns had a number of effects. Economically, they contributed to the reduction of inflation and to increasing the government's knowledge of and control over important sectors of the urban economy. The "Five-Anti's" campaign led to the confiscation of some 2 billion rmb (U.S. 800 million) from capitalist elements and was a major step toward the integration of previously individually owned and managed capitalist enterprises with the state-run economy (i.e., the socialist transformation of capitalism.) In addition, as noted in text August 12, 1953, the two campaigns were a severe attack on bourgeois ideology and, hence, on the authority of the bourgeoisie in the urban areas. It should be noted here that in March 1952 the Government Administration Council promulgated two documents: "Several General Regulations Regarding the Treatment of Corruption, Waste, and Overcoming the Errors of Bureaucratism" and "Standards and Methods of Differentiating between Types of Industrial and Commercial Units and Dealing with Them in the Five-Anti's -Movement," and in April, the "Regulations Concerning Government Corruption" were also promulgated.

1. The matter of opposing corruption and opposing waste is a major issue for the whole Party, and we have already told you to pay serious attention to it. We need to have a big clean up throughout the Party in order to expose thoroughly all cases of corruption, whether of major consequence or of mild or even minor significance, and to emphasize dealing heavy blows to those who have committed major offenses of corruption, while adopting a policy of education and reform toward those who have committed medium or minor offenses so as to prevent them from committing those offenses again. Only in this way can we arrest the extremely dangerous phenomenon of having many of our Party members corrupted by the bourgeoisie; only then can we overcome the situation which was foreseen at the Second Plenum of the Seventh Central Committee and carry out the policy, set forth at that Plenum, of preventing further corruption. ¹ You must all be sure to give this your attention. (November 30, 1951)

2. We must seriously note the fact that cadres have been corrupted by the bourgeoisie and that seriously corrupted behaviour has occurred. We must pay attention to discovering, exposing, and punishing [such activity] and should deal with this matter as a major struggle.

(November 30, 1951)

3. We should look on the struggle against corruption, waste, and bureaucratism as equal in importance to that of suppressing counterrevolutionaries. We should carry it out in a similar fashion, that is, by mobilizing the broad masses, including the democratic parties ² and people from all walks of life in society, by giving it wide publicity and fanfare, by having the leading cadres take responsibility for it and take action personally, by calling on people to confess [their own wrongdoings] and to report [the wrongdoings of others], by criticizing and educating minor offenders, by removing from office the major offenders and punishing them

or sentencing them to prison terms (reforming them through labor),³ and lastly, by shooting a group of those who have committed the most serious offenses of corruption. Only thus can we solve the problem.

(December 8, 1951)

4. It is extremely necessary and extremely timely for us now to rely on the working class and unite with the law-abiding [members of the] bourgeoisie and other urban residents to launch in all cities throughout the country, and first of all in the large and medium-sized cities, a large-scale and resolute [campaign] against [members of] the bourgeoisie who violate the law—a struggle to oppose bribery, tax fraud and tax evasion, the theft of state property, cheating on labor and skimping on material [on government contracts], and the theft of economic intelligence—in order to coordinate with the struggle to oppose corruption, waste, and bureaucratism, which is [concurrently] taking place inside the Party, the government, the military, and among the people. In this struggle, Party organizations in each city must carefully deploy the class forces and the masses and must pay attention to using the strategy of utilizing contradictions, effecting splits, and uniting with the majority and isolating the minority, so as to rapidly form, through struggle, a "Five-Anti's" united front. In a large city, after the "Five-Anti's" campaign] has been launched with intensity, such a United front can be formed in about three weeks. As soon as this united front is formed, those reactionary capitalists guilty of the most heinous crimes will be isolated and the state will be in a position to mete out to them, very reasonably and without opposition, different kinds of necessary punishment—such as arrest, imprisonment, execution by firing squad, confiscation [of their property], fines, etc. All large cities in the country (including provincial capitals) should enter the battle of the "Five-Anti's" in the first ten days of February. Please make prompt preparation for this.

(January 26, 1952)

5. (a) The basic principles in dealing with industrial and commercial units in the "Five-Anti's" movement are: leniency for past offenses and severity for offenses committed from now on (for example, payments for evaded taxes are retroactive only to 1951); leniency for the majority and severity for the minority; leniency for those who make a clean breast of their wrongdoings and severity for those who resist; leniency for those in the industrial sector and severity for those in the commercial sector; leniency for those in general areas of the commercial sector and severity for those in the speculating areas of commerce. I hope that Party committees at all levels will maintain a firm grasp on these principles in the "Five-Anti's" [movement].

(b) In connection with the objective of the "Five-Anti's" movement, private industrial and commercial units are to be divided up into the following five types, namely, those that are law-abiding, those that are basically law-abiding, those that partly abide by the law and partly break the law, those that seriously violate the law, and those that are in complete violation of the law. For big cities, the first three types make up approximately ninety-five per cent, while the latter two types make up about five per cent. There are slight discrepancies among the large cities, but in general they do not differ greatly from one another. [The corresponding ratio] in the medium-sized cities, however, differs rather more significantly from these percentages.

(c) These five types include bourgeois and non-bourgeois independent handicraft units and family trading units, but they do not include vendors. In the large cities, it is permissible not to deal with the vendors for the time being; it is better to deal with the independent handicraft units and the family trading units. In the medium-sized cities, it is best that the independent industrial and commercial units and the vendors be dealt with in the "Five-Anti's" movement.

There is a very large number of independent industrial and commercial units which do not hire workers or shop personnel (although some take in apprentices) in the large and medium-sized cities in our country. Many of them are law-abiding, but there are also many which are basically law-abiding but partially breaking the law (meaning that they cheat on or evade taxes in small amounts or, in other words, they have so-called minor problems), and a small number of them belong to the type that partly abides by the law and partly breaks the law or, in other words, cheats on or evades relatively larger amounts of taxes. In the current "Five-Anti's" movement, we aim to deal with a large group of small capitalists and to pass judgment on their cases, but we also ought to do our best to deal with the independent industrial and commercial units, which are more or less equal in number to the small capitalists, and to pass judgment on them. This will be beneficial not only to the present "Five-Anti's" movement but also to the economic construction of the future. There are no major problems within either of these two types of industrial and commercial units, and it will not be difficult to pass judgment on them. When this is done, we will receive the support of the broad masses. Still, if in individual cities it is believed that it is more convenient to pass judgment on other industrial and commercial units and put off for later passing judgment on the independent industrial and commercial units, it is also permissible to do so.

(d) In accordance with the actual conditions in the cities, we have decided to change the division of the industrial and commercial units from the four types of the past into five types; that is, we are changing the category of the law-abiding units into two categories--the law-abiding units and the basically law-abiding units. The other three types remain unchanged. Among the fifty thousand industrial and commercial units in Beijing (including independent industrial and commercial units, but not including vendors), law-abiding units make up about ten per cent, basically law-abiding units make up about sixty per cent, those units that partly abide by the law and partly break the law make up about twenty-five per cent, those that violate the law seriously make up about four per cent, and those that are in complete violation of the law make up about one per cent. To differentiate between the units that are completely law-abiding and those that have minor problems and are basically law-abiding, and, furthermore, to treat those among the basically law-abiding units who evade taxes in relatively small amounts differently from those who evade taxes in rather larger amounts can have a very great educational effect on them.

(e) In the large and medium-sized cities there are some municipal [Party] committees that are not at all acquainted with the situation that exists in the various types of industrial and commercial units and are very uncertain about the strategic viewpoint of differential treatment for these industrial and commercial units. In these places the organization and training of the trade union and government work teams (or investigation groups) have been done shoddily, and yet they have hastily launched the "Five-Anti's" movement; therefore some confusion has arisen. It is hoped that these municipal [Party] committees will pay attention [to this situation] and overcome it rapidly. Beyond this, the investigation of lawbreaking industrial and commercial units must be done under the strict control of the municipal [Party] committees and the municipal governments. The [other] organs are not to be allowed to send people out to make investigations on their own, much less to haul capitalists into their offices for

interrogation. Furthermore, whether in the "Three-Anti's" movement or in the "Five-Anti's" movement, the method of using corporal punishment to extort confessions is not to be allowed, and strict precautions must be taken to prevent suicides. Where there have already been suicides, methods to prevent any further cases from occurring must be formulated immediately to ensure that both the "Three-Anti's" movement and the "Five-Anti's" movement will develop soundly and on the right track, and to strive for the achievement of total victory.

(f) The "Three-Anti's" and "Five-Anti's" are not to be carried out in xian, districts, and xiang at the moment. As for when and how they will be carried out in the future, the Central Committee will issue a further notice to that effect. In individual cases, where there has already been experimentation on the "Five-Anti's" in the xian capitals or experimentation on the "Three-Anti's" in the districts, strict control must be exercised, and the spring farming and economic activities must not be hampered. Even in the medium sized cities, they must not carry out the "Five-Anti's" all at the same time, but must do it in groups and only under strict control. (March 5, 1952)

6. During and after this "Five-Anti's" struggle, we must achieve the following goals:

- a) Investigate thoroughly the situation of private industry and commerce so as to be able to unite with and control the bourgeoisie better and to carry out the country's planned economy. A planned economy cannot be carried out without a clear understanding of the situation.
- b) Draw a distinct line between the working class and the bourgeoisie, purge the trade unions of the phenomena of corruption and of bureaucratism, which alienate the masses, and weed out the running dogs of the bourgeoisie in the trade unions. Such running dogs and middle-of-the-road elements that vacillate between the workers and the capitalists can be found in trade unions everywhere. We must educate and win over the middle-of-the-road elements through struggle and expel those of the capitalist running dogs who have committed serious crimes.
- c) Reorganize the trade councils 4 and the association of industry and commerce, 5 remove from the leadership organs of these associations the people who are infected with all the "five poisons" 6 and others who have already lost all their credibility, and absorb into [these organizations] people who have departed themselves relatively well in the "Five-Anti's" movement. Except for those that are in complete violation of the law, all types of people engaged in industry and commerce ought to be represented in these associations.
- d) Help the people in responsible positions in the China Democratic National Construction Association 7 shake up that association and expel those people who are infected by all the "five poisons" and who have become seriously discredited among the people. Bring in a group of better people so that that association can become a political organization which is capable of representing the legitimate interests of the bourgeoisie, primarily the industrial bourgeoisie, and capable of educating the bourgeoisie with the principles of the Common Program 8 and the "Five-Anti's." As for the various secret organizations of different groups of capitalists, such as the "Thursday Dining Club," 9 we ought to take steps to disband them.
- e) Eliminate the "five poisons" and wipe out commercial speculation, so that the entire bourgeoisie will obey the laws and decrees of the state and engage in industrial and commercial enterprises that are beneficial to the national economy and the livelihood of the people. Within the limits set by the state we should develop private industry (as long as the capitalists are willing and [their operation] conforms with the Common

Program), and reduce the scope of private commerce gradually. The state should expand its plan to take over the sale of the products of privately owned [industry] and to contract the production of these goods 10 on a yearly basis, and to increase year by year the degree to which private industry and commerce are covered by [state] planning. We should re-establish [the limits on] the percentage of profit for private capital, so that while private capitalists will feel that they are making a profit, they will be prohibited from extracting exorbitant profits.

- f) Eliminate hidden accounts, make the economic [picture of enterprises] public, and gradually establish the system in which workers and shop personnel supervise production and management. Recover the greater part of the economic losses to the state and the people through payment of evaded taxes, restitution, fines, and confiscation. Set up Party branches among workers and shop personnel in all large and medium-sized privately owned enterprises so as to strengthen the work of the Party. (March 23, 1952)

Notes

1. See text June 6, 1950(2), note 1.
2. See text Sept. 21, 1949, note 1.
3. The fundamental policy of dealing with civil and political criminals in the PRC involves, in many cases, not outright incarceration, but removal to labor camps where the offenders are forced to take part in labor, undergo mutual and self-criticism and political education. This practice was officially incorporated into the law of the PRC in 1954 by means of the Regulations Regarding Labor Reform in the Criminal Code promulgated that year.
4. The trade councils are guild-like labor organizations that had existed since before Liberation and that retain certain feudal characteristics. They are often exploitative vis-à-vis small capitalists.
5. This refers to the All- China Federation of Industry and Commerce which at this time was still in the planning stage and which was officially formed in 1953. See text Dec. 8, 1956, note 1.
6. The "five poisons" refer to the five targeted activities of the "Five-Anti's" campaign.
7. The China Democratic National Construction Association was formed in December 1945 in Chongqing, with capitalists in industrial and commercial enterprises as its main component. It was one of the "people's organizations" in the CPPCC. (See text Oct. 1, 1949, note 3.)
8. See text Sept. 21, 1949, note 3.
9. "The ' Thursday Dining Club' was a clandestine organization of capitalists in Chongqing which engaged in a series of serious illegal underground activities. It was exposed and disbanded during the 'Five-Anti's' movement." (Xuanji, V, p. 58, note 2.)
10. This plan, known as bao xiao ding huo (contracted marketing and contracted production, involves the establishment of contracts between the government and the privately run capitalists enterprises to have the latter's products sold to state-run

enterprises according to fixed specifications, quantities, and prices, on the one hand, and for the individual enterprises to deliver such products on time according to the contracts, on the other.