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Speeches/Documents

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**Description:**

The objective of the current meeting on urban work convened by the Southwest Bureau is to call on our leading bodies to pay more attention to strengthening leadership over urban work for the future and solving such major problems as factory management, work in trade unions and Party building among the ranks of the working class, which are the crucial and weakest aspects of urban work. Comrade Dun Junyi, Cai Shufan, Zhang Linzhi and Yu Jiangzhen have made reports respectively on those problems. I fully agree with them.

I should like to talk about the general problems in urban work.

## I. THE SITUATION IN URBAN WORK

Over the past year we have scored success in our work in southwest China. According to the laws of development in the new liberated areas, as we take over cities, with regard to the method of work we should concentrate our focal point of work on rural areas. This is absolutely correct. This does not violate the principle of "The period of 'from the city to the village' and of the city leading the village has now begun" adopted at the Second Plenary Session of the Seventh Central Committee of the Party<sup>140</sup>. Next year, after initiating the movement for reduction of land rents and the return of security money to the leaseholder we shall carry out reform in the distribution of land<sup>122</sup>. Therefore, our leading bodies at all levels should continue to provide guidance mainly to work in rural areas and at the same time, they must pay more attention to strengthening their leadership over urban work.

Since our leading bodies have been focusing their efforts on rural areas, over the past year we have not had so marked success in urban work as we have had in the rural work, but we do have some results.

The early takeover of cities has proceeded smoothly and satisfactorily. We have accomplished considerable results and gained some experience in establishing revolutionary order, fulfilling taxation tasks, stabilizing currency and commodity prices, restoring or maintaining industrial production, providing relief to unemployed workers and intellectuals, remoulding personnel left over from the old regime, conducting study campaigns for current affairs, restoring or maintaining school education, organizing workers and students, convening representative conferences of the people from all circles and developing the united front. It is true that our comrades who work in the cities have been working hard.

However, we only have gained fragmentary and unsystematic experience in solving many major problems arising from urban management and construction. From the bureau of the Central Committee, we have not systematically studies the experience in urban work and

spread and improved it. In particular, we have very little experience in the two most important aspects of our endeavor, that is, factory management and school education. This state of affairs must be changed.

The cities and big towns in southwest China have a population of nearly 10 million. After the rural areas have undergone reduction of land rents, return of security money to leaseholders and agrarian reform, there is a greater need for the cities to lead them. If we do not strengthen urban work, "to link closely urban and rural work, workers and peasants, industry and agriculture" and if urban work progresses more slowly than rural work, we may risk divorcing urban areas from rural areas and make gross mistakes.

## II. WHAT IS URBAN WORK? ON WHOM SHOULD WE RELY?

At the Second Plenary Session of the Seventh Party Central Committee, Chairman Mao said, "On whom shall we rely in our struggle in the cities? Some muddle-headed comrades think we should rely not on the working class but on the masses of the poor. Some comrades who are even more muddle-headed think we should rely on the bourgeoisie. As for the direction of industrial development, some muddle-headed comrades maintain that we should chiefly help the development of private enterprise and not state enterprise, whereas others hold the opposite view that it suffices to pay attention to state enterprise and that private enterprise is of little importance. We must criticize these muddled views. We must wholeheartedly rely on the working class, unite with the rest of the laboring masses, win over the intellectuals and win over to our side as many as possible of the national bourgeois elements and their representatives who can cooperate with us-or neutralize them-so that we can wage a determined struggle against the imperialists, the Kuomintang and the bureaucrat-capitalist class and defeat these enemies step by step. Meanwhile we shall set about our task of construction and learn, step by step, how to administer cities and restore and develop their production." Our comrades must do their utmost to learn the techniques of production and the methods of managing production as well as other closely related work such as commerce and banking."

According to this directive, the tasks for comrades doing urban work are to learn, step by step, how to administer cities, restore and develop production undertakings in cities, do their utmost to learn the techniques of production and the methods of managing production as well as other closely related work as commerce and banking. At present, the weakest but most crucial link in the chain of our urban work is precisely the management of production. We must work hard in this regard. If we do not do well in production, particularly factory management, it will be impossible to turn consumer-cities into producer-cities, the agricultural country into an industrial country and New Democracy into socialism.

The urban work breaks down roughly into five aspects:

1. To organize and educate the working class, restore and develop production and learn how to manage modern industries such as factories, mines, transportation and municipal engineering.
2. To organize and educate young students, unite with people from cultural and educational circles, do a good job in school education and mobilize intellectuals to participate in the fight against imperialists and the remnant Kuomintang forces. The cities are the centers of culture

and education, and petty bourgeois intellectuals are an important force in urban revolutionary struggles.

3. To do a good job in trade, banking and finance on the economic front. We should strengthen market management, accomplish taxation tasks, stabilize currency and commodity prices and facilitate the flow of goods between the urban and rural areas.

4. To strengthen public security, intensify the struggle against imperialists and the remnant Kuomintang bandits and secret agents and consolidate revolutionary order. Meanwhile, we should strengthen the ideological struggle to eliminate the influence exerted by the imperialists and remnant Kuomintang forces and support the anti-feudal struggle in the rural areas.

5. To strengthen the united front work among people from all circles. We should do more work among the bourgeoisie, the main object of our united front in the cities. We should organize, unite with and educate the city dwellers through representative conferences, enabling them to participate in urban management and construction.

All these aspects of work should be done according to Chairman Mao's directive: "Other work in the cities, for example, in Party organization, in organs of political power, in trade unions and other people's organizations, in culture and education, in the suppression of counter-revolutionaries, in news agencies, newspapers and broadcasting stations-all this work revolves around and serves the central task."

On whom should we rely to do all this work well? Chairman Mao has instructed us to wholeheartedly rely on the working class. How to do so?

First, ideologically we must have a full understanding of the role of the working class. If we do not rely on workers, we cannot do well in industrial production and our country cannot develop into socialism. Therefore, we should oppose the bourgeois and petty bourgeois ideas among Party members and cadres that neglect the importance of the working class and the wrong views of those people who argue that workers make no contributions to the revolution, the workers' life is too good, workers are backward and workers are hard to rule.

Second, we must organize the overwhelming majority of workers into trade unions and rely on trade unions to educate them, arouse their class consciousness and give play to their initiative for production. If we neglect the work in trade unions, relying on the working class will be out of the question.

Third, we should show the warmest care for the working class in various aspects, such as political and cultural matters, their livelihood and their material benefits. We should not neglect "minor matters" beneficial to workers. We should oppose some comrades' wrong view of making use of workers. In times of stress, they rely on workers. But when things go smoothly, they do not rely on them. When they need workers, they rely on them. When they don't need workers, they refuse to rely on them. They rely on workers only orally but not ideologically. They set high requirements for workers, but give little to them. Worse still, in certain places workers are being maltreated. Therefore, some workers complain that "under the rule of the Kuomintang we were oxen and horses, and now we are horses and oxen." These mistakes must be resolutely corrected.

Fourth, relying on the working class must become the Party's guiding concept to be carried out in all departments. This cannot be taken as a matter of trade unions and factories alone. Our Youth League organizations, women's federations, cooperatives and cultural organizations must ensure an important place for work among workers.

### III. FACTORY MANAGEMENT

In this report, Comrade Dun Junyi has dwelt on the management of state-owned factories and mines.

Long ago we put forward the slogan of "relying on workers and uniting with staff to do well in production". This is the key to effective factory management. So far, many of our military representatives, work teams and even trade union cadres have not understood this slogan. They do not arouse the enthusiasm of workers and staff. They even do not trust workers and staff. Some comrades like to "have the final say" on matters of technology and management they do not understand. Although the maladies of bureaucracy and commandism have been slightly rectified after the rectification campaign, they remain the major problem among our cadres. If we do not continue to combat bureaucracy and commandism, it will be impossible for us to rely on workers and unite with staff to do well in production.

Experience has proved that if we do not rely on the workers, it is impossible for us to united with the staff. The latter do not come close to us and wholeheartedly display their initiative until the workers' enthusiasm has been aroused and the workers have gained some success in production.

The Central Committee has instructed us that to successfully manage factories and mines, we must exercise democratic management and conduct enterprise operation. Democratic management must be specifically reflected in "relying on workers and uniting with staff, especially in the three forms of organization-trade unions, factory management committees and workers' representative conferences. Otherwise, there will be no democracy or democratic contents to speak of. At present, many factory management committees are nominal. Trade unions either fail to perform their function or are called by workers as "the shadows of military representatives". Workers representative conferences are usually held only in times of stress and at irregular intervals. At these conferences, such problems as production tasks and the welfare of workers and staff are seldom discussed. Even if such a conference is held, it is the usual practice for a military representative or others to simply lecture them. This state of affairs must be changed.

Enterprise operation can be conducted only on the basis of democratic management. It is right for the Department of Industry to decide to start from the two things-rationalization proposals and collective contracts. These steps will arouse the wisdom and initiative of the masses and make cost accounting possible. If a factory cannot calculate its production cost, normal production and enterprise operation will be out of the question.

It is necessary to organize labor emulations, but they can only be organized in factories where such conditions as production plans, raw materials and markets permit and the masses have been mobilized to some extent. In southwest China, most of these conditions are lacking. Therefore, emulations should not be held extensively for the time being.

To successfully manage existing factories and mines, we must also do the three things:

First, we should try our best to choose some capable cadres from government departments and dispatch them to factories and mines. Second, our leaders should pay attention to selecting some factories or mines to make typical experiments and accumulate experience so as to guide the work of other factories and mines. Since there are only 192 major public-owned or private factories and mines in southwest China, we shall certainly gain some success by using this method. Third, since prefectural and county Party committees are preoccupied with struggles in the countryside and are not capable of doing other things, they cannot be entrusted to manage major factories and mines. Instead, the Party committees of provinces, administrative regions and cities should directly manage these factories and mines. Therefore, Party committees of provinces, administrative regions and cities should each establish a department of industry or designate a leading comrade to take charge of industry. Meanwhile, Party committees and trade union offices should be set up in factories and mines (for example, in Qijiang-Jiangjin area) and three cadres will be enough to handle affairs. If people are put in charge of industry, things will go well.

Besides successfully managing state enterprises, each province, administrative region and city must give more effective guidance to local industry. Owing to the limitation of national financial resources at the moment, we cannot build many large factories. But we can expand small industrial enterprises. We should take a positive attitude in this regard. In the light of local conditions (such as raw materials and markets), local authorities may set up some small industrial enterprises as much as possible by appropriating funds, pooling private capital, or organizing government departments to conduct production and successfully manage them. As for those existing small factories with neither raw materials nor markets, we should change their line of production or consider having them close down.

Some of our factories maintain their status quo. They must try to find a way out and make proper use of their productive forces.

As for private enterprises, our policy of the past was correct. In the days to come, we should further promote their reform through consultation between workers and employers and by relying on workers and uniting with staff to do well in production.

#### IV. TRADE UNION WORK

Comrade Cai Shufan has talked about this in his report.

It is estimated that the workers in southwest China, including handicraftsmen, total 1.6 million. About 300,000 of them have become members of trade unions, and accounting for 19 to 20 per cent of the total. Trade unions are well organized in various industrial enterprises, and 65 to 70 per cent of their workers have joined trade unions. But only a few trade unions perform their function well and really maintain ties with the masses of workers.

Serious tendencies of closed-doorism and formalism can be found in trade unions. The root cause of closed-doorism is a lack of trust in workers. Formalism manifests itself in the fact that trade unions practice no democracy in their activities, fail to gear their activities to production and attach no importance to workers' welfare. That is why they do not enjoy the workers' trust. Of course, there are a very small number of trade unions that function well.

At present, the trade unions' tasks are as follows:

First, they must further admit workers. First of all, they should focus on recruiting new members in factories, mines, transport departments, municipal engineering department and shops.

Second, they must resolutely admit the worker activists from the locality and their own factories into their leading organs at all levels to cement their ties with the masses of the workers so that they are no longer divorced from the masses. In addition, the leading organs of certain trade unions should reduce the excessively large percentage of staff.

Third, they should practice democracy in their activities and rectify their bureaucratic style of work. Once trade unions are preliminarily consolidated, they should convene representative conferences or membership meetings to elect their leading organs. Trade unions must fully heed the workers' opinions and suggestions and handle them conscientiously and properly.

Fourth, they must strengthen cultural and educational work among workers. From a long-term point of view, workers should receive education mainly in cultural and technical knowledge. For the time being, they should still focus on political education and at the same time, they should receive cultural and technical education.

Fifth, they must attach importance to workers' labor protection and welfare. In the days to come, they should still avoid setting excessive requirements, but what is more important, they should straighten out some comrades' wrong ideas of neglecting workers' welfare and of giving them benefits as a form of charity (without discussion in trade unions and among workers).

## V. PARTY BUILDING IN THE CITIES

At present, a common tendency in various localities is to neglect Party building in the cities and pay no attention to expanding Party organizations on the pretext of prudently expanding them.

We recruit new Party members mainly from workers in the cities. But quite a few comrades within the Party look down upon workers (because they are born in peasant or petty bourgeois families). Some time ago, more than a hundred workers in Chongqing applied to join the Party. After two to three months of examination, only six of them were admitted into the Party. Later, some more workers were recruited directly by the Department of Organization of the Municipal Party Committee.

The plan put forward by Comrade Yu Jiangzhen in his report is appropriate. It is both necessary and possible to admit into the Party seven per cent or about 20,000 from among 300,000 workers in major factories and mines with the next six months. We should recruit a few new Party members from schools, government organizations and other departments aside from factories and mines, but set stricter requirements on them.

An open Party building policy must be carried out all over southwest China without exception. Secret Party organizations should immediately begin conducting activities openly. Party building should be carried out first slowly and then quickly and new Party members admitted prudently one by one. We must oppose both the tendency of closed-doorism and the tendency of pressing people into the Party. We must consolidate Party organizations from the very beginning and conduct strict Party activities.

We must attach importance to expanding Youth League organizations and rectify the tendency of closed-doorism as well.

## VI. ON THE BOURGEOISIE

### The Characteristics of the Chinese Bourgeoisie

Our attitude towards the bourgeoisie is to unite with them while struggling against them. The aim of struggle is to achieve unity. At the present stage we must "win over to our side as many as possible of the national bourgeois elements and their representatives who can cooperate with us-or neutralize them-so that we can wage a determined struggle against the imperialists, the Kuomintang and the bureaucrat-capitalist class and defeat these enemies step by step". It is a wrong and dangerous idea to kick away the bourgeoisie either politically or economically. Shortly after southwest China was liberated, "Left" deviation like this did exist. But after we began to readjust industry and commerce in May, there emerged the right deviation of having no daring to wage the necessary struggles against the bourgeoisie.

We have relations with the bourgeoisie mainly in tax collection, labor and capital, and the public and the private interests. Meanwhile, reduction of land rents, returning of security money to leaseholders and land distribution in the countryside also involve them. Generally speaking, the bourgeoisie care only about capital in the labor-capital relations, give no consideration to both public and private interests and complain that taxes are too heavy. But we must conscientiously carry out the policies of taking into consideration both labor and capital and both the public and the private interests and of collecting neither more nor less than the right amount of taxes.

Between April and May, private enterprises were really in dire straits. Therefore, we firmly carried out the policy of industrial and commercial adjustment. If we had not done that, a great many of factories would have closed down. This would be extremely harmful to the working class, the national economy and the people's livelihood. Therefore, this policy (the policy defined by the Central Committee) is correct. It is incorrect to maintain that the policy is wrong.

We should continue to implement this policy in future. As for taxation, we should follow the policy of collecting neither more nor less than the right amount of taxes. We should take the initiative to readjust irrational taxes, but must collect rational taxes without hesitation and combat tax evasion so as to ensure the fulfillment of taxation tasks. We must pursue the policy of taking into consideration both public and private interests and urge the capitalists to further reform their decadent setups in placing state orders with private enterprises for processing materials and market pricing. Meanwhile, in southwest China we should appropriately expand the state-owned industry and commerce so as to enable the state-owned sector of the economy to play a greater leading role. As for the labor-capital relations, it was necessary for us in the past to persuade the workers to lower their wages to an appropriate extent so as to tide over the difficulties. After July, the situation of industrial and commercial enterprises began to improve. Therefore, we should not lower the workers' living standards, but should achieve a balance of revenue and expenditure in factories by reforming the decadent setups of private enterprises and by trying to develop production. In factories and mines where capitalists are not making profits, we should still persuade workers not to demand too much. But in factories and mines where capitalists are making profits, we should restore some wages or welfare appropriately.

While carrying out correct policies in all fields of endeavor, we must do more work of persuasion and education among the bourgeoisie. Experience has proved that more work produces more results. We should correct the erroneous tendency of being unwilling to contact the bourgeoisie and their representatives. We should also improve work in federations of industry and commerce.

We should prudently consider returning security money by the industrialists and businessmen. Generally speaking, we can adopt the principle of returning security money in instalments within six months.

## VII. STRENGTHENING PUBLIC SECURITY WORK

At present, public order is stable. But the enemy has not been completely eliminated. They often employ new ploys and take us by surprise, inflicting great damage on us. For instance, a pack of dynamite exploded at a warehouse in Nan'an (a district in Chongqing), causing a great loss of our assets. Therefore, we can never slacken our vigilance.

As for urban public security work, we should focus on protecting economic departments, in particular, major factories and mines, workshops and warehouses. The armed personnel guarding the important departments must be reliable.

We are too lenient in suppressing counter-revolutionaries in urban areas. For a long time we did not dare to arrest the counter-revolutionaries in factories and schools and often released those who were caught without punishing them. This greatly dampened the masses' enthusiasm in the struggle against secret agents. Shortly after Chongqing was liberated, the workers dared to inform against secret agents, but later they did not do so because they found that we did not punish those secret agents. Recently their enthusiasm has risen again because we arrested more than 100 counter-revolutionaries at one stroke. This shows that we shall be divorced from the masses if we do not suppress counter-revolutionaries.

We should intensify the ideological struggle against American imperialists and the education against secret agents. We should promptly make known to the public the crimes of secret agents and expose their rumors so that the masses can heighten their vigilance. This is the basis for our fight against secret agents.

## VIII. OTHER ASPECTS OF WORK

Urban work involves many aspects and I cannot talk about all of them.

We must strengthen school education. Our propaganda department should study and discuss it at the meeting that will soon be held. Although the problem cannot be solved in a short time, we must start to tackle it.

We should do a good job in implementing the system of the representative conferences of people from all circles. Practice over the past year shows that the system is the best way to maintain ties with the masses, solve problems and consolidate the united front. Local authorities should review experience, hold those conferences with better results and make them play an even greater role.

## IX. UNIFIED LEADERSHIP

Since urban problems are complicated and need to be solved promptly and more often than not one problem involves many departments, urban work should be done under the unified leadership of municipal Party committees. Some of our departments are placed under dual or triple leadership. They should solve general problems, except some special ones, under the leadership of municipal Party committees. Otherwise, a problem usually cannot be solved for a very long time, because it involves many things to attend to and no organ and persons are put in charge of tackling it. This malady of bureaucracy emerges just because there is no unified leadership and no persons specially assigned to solve problems. Therefore, in the days to come when a problem involves several departments, we must call personnel from those departments to meet together to decide on the principles and measures through consultation and carry them out with concerted efforts. For major problems, we must form a special group or committee and designate persons mainly responsible for solving them. Facts indicate that it is a good method.

The method of leadership-concentrating our efforts on setting typical examples, accumulating experience and spreading it-is effective in all aspects of urban work. Many of our comrades often forget this method of leadership and take a roundabout course in their new work. This should draw their attention.

#### X. THE PROBLEM OF CADRES

We should not hope that the higher authorities will send us cadres and that cadres will be transferred from other regions. We should be determined to promote cadres from among the rank and file. After one year of work, many activists have emerged, so it is possible to select a number of cadres from among them. Only in this way can we further our ties with the masses and lay a firm foundation for our work. We should pay special attention to selecting cadres from among workers. If we do well in the work of trade unions, it will be a little easier to find new sources of cadres.

#### XI. THE REPORT SYSTEM

To study urban work and strengthen the leadership over it, we have stipulated that in 1951, the Party committees of cities directly under the provincial (regional) governments and of key enterprises, shall write bi-monthly comprehensive reports on their work and at the same time submit their copies to the Southwest Bureau of the CPC Central Committee.