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Report on financial and economic issues

(April 19, 1952)

What I want to report to the Central People's Government Committee meeting today is about the financial situation and the economic situation.

1. Financial situation

(1) The country's fiscal policy in 1952.

In 1952, it is not certain whether the Korean War is a peace or a war. This is the environment our country is in. It has been almost a year since the peace talks, and now it seems that it may still be delayed. In this case, where should our financial focus be? Our financial resources must be able to continue to cope with the war. This is our country's fiscal policy in 1952.

(2) The general state of revenue and expenditure in 1952.

In 1952, the country's revenue and expenditure budget were about 120 billion catties of grain (120 trillion yuan), which was a bit larger than the 110 billion catties of revenue and expenditure last year.

The proportion of the income of the 20 billion catties of grain is roughly: city taxes account for 50%, state-owned enterprise profits account for 30%, public food account for 15%, and other odds and ends (such as Borrowing from the Soviet Union, etc.) together accounted for 5%. In terms of expenditure, in addition to the military expenditure ratio this year should be lower than last year (because the total income this year is more than last year, so although the military expenditure ratio is a little lower than last year, the money has not decreased), other administrative expenses, cultural and educational expenses, and economic investment The ratio is generally the same. Why is it still? For two reasons:

First, the situation of the Korean War is still undecided. If it is a war, there must be a lot of warfare; if it is a peace, part of the warfare can be transferred to economic construction and cultural construction, or it can be transferred to administrative expenses.

Second, the "three evils" and "five evils" have a lot to do with finances. In other words, because of the "three evils" and "five evils", on the one hand, some waste and leakage will be reduced; on the other hand, some money can be saved. On April 1, we received a report from the Northwest Finance Committee that they had set up a spinning mill, which was run before the "three antis". Their first budget was 320 billion yuan, and their second budget was 350 billion yuan, which was later increased to 380 billion yuan. But after the "three evils", their budget dropped to 315 billion yuan. This is just an example. It is estimated that the amount of money used by various departments based on the experience of the "three evils" and "five evils" will be

Save 20% compared to before. In other words, if you save 20% of the money, you can still do the same work; on the other hand, with the same money, you can do 20% more work. And the comrades in various departments think that it can save a little bit more. The money used by various departments has not yet been finalized, and it will take half a year to be finalized. In doing so, there are only advantages and no disadvantages. Why is there no harm? Because what can be done can still be done, it does not hinder it, and it is also advantageous. Why is it advantageous? Because it has

to wait half a year, the savings that should be saved are saved, and then the money saved can be used reasonably. This is very beneficial.

This year, our country's financial situation is generally balanced. This is how I estimate: the Korean war continues as it is now, and it is possible to strive for financial balance. It may be that by the end of the year, because this aspect has been used more and that aspect has been used a little more, there is a slight deficit, but this deficit is a deficit after the bank's debt has been paid off. Moreover, we still have some surplus, even if there is a deficit, the amount will not be large.

Third The effects of the "three antis" and "five antis" have already been seen in terms of finances.

The "Three Evils" and "Five Evils" have positive effects in terms of finances. In terms of revenue, there may be some increase, but the amount is not large, and the revenue in the first quarter was 49,900 billion yuan. In addition, in the "three evils" and "five evils", it was found that the amount of cutting corners and theft of state assets was probably more than 10 trillion to 20 trillion yuan. Some comrades asked me if I received what I found out? I said that I have not received it at all, and it is estimated that it is still difficult to recover all of it. Moreover, in the first quarter, the revenue was nearly 5 trillion yuan. Of course, because the "three evils" and "five evils" were all engaged in the first quarter, it was too late to do business. However, the business will be active in the future, after a few months of trading

You can make up part of it. The expenditures have changed a lot: waste, theft and that kind of inappropriate expenditures have been greatly reduced, thereby reducing financial expenditure items and lowering unit prices. For example, building a house used to cost 800,000 yuan per square meter, but now it only costs 600,000 yuan. This means that the unit price per square meter has been reduced. In addition, unit prices such as tea cups and cigarettes have also been reduced. Our spinning mills run by the Northwest Finance Committee are in the "Three Antis"

This problem can be clearly seen in the budgets of the past and the future of the "three evils". Even combat costs have also been reduced. In the past, the number of car losses was very large. As soon as we engaged in the "three reverses", everyone discussed and came up with many ways to greatly reduce the number of car losses. For example, oil barrels, one oil barrel costs 600,000 yuan. In the past, if the oil was brought to the front line, the oil barrels were not brought back, and the loss was 600,000 yuan. Now everyone has a meeting and thinks that the oil drums can be brought back. As a result, a lot of money has been saved. Also, like a train, one wagon can hold 30 tons, but because of the lack of packing and loose packing, one wagon can't hold that much. Now everybody has a meeting to study and improve the packing method. The packing is tightly packed so that one wagon can hold 35 tons. The utilization rate of wagons has increased, which can also save a lot of money. One is the reduction of expenditure items, and the other is the reduction of unit price. As a result, we can either do more work or save money.

Now let's talk about a specific result: In the first quarter, revenue was reduced by nearly 5 trillion yuan. Then, is there a lot of expenditure? no. In the first quarter, the Ministry of Finance, in addition to repaying the bank's 3,100 billion yuan in old debt, still left 7 trillion yuan, an increase of 10 trillion yuan in total. This is a great thing. Since the establishment of the Central People's Government for more than two years, the Ministry of Finance has always borrowed money everywhere. Last year we spent too much money. The Central Finance Committee reported this situation to Chairman Mao and Premier Zhou, saying that if we continue like this, our prices will not be stable until March of this year. Now March has passed, but the situation is very good. If you ask me to sleep well, can I sleep well? I can tell everyone that I slept well because the Ministry of Finance still has seven trillion yuan in it. Therefore, the fiscal effects of the "three evils" and "five evils" are great. Some people say:

What kind of "three evils" and "five evils" are the people's governments doing? Does it have an idea for the industrial and commercial sector? Do you want to grasp the business sector? It now appears that none of them have been caught, but the Ministry of Finance has lost five trillion yuan in revenue. The problem is not to make any ideas to the business community, but to prevent the people's money from being wasted or stolen, and the righteous wealth must be used properly. Our country is a country of the people, and the people's property must be used properly.

Fourth Achievements and shortcomings of financial work.

Have there been any achievements in financial work in the past year? Have. In summary, there are two sentences: one is to support the resistance to US aggression and aid to Korea, and the other is to stabilize the domestic market. Financial work also has shortcomings. To sum up, there is serious corruption, waste, and bureaucracy. If there are achievements in financial work, then this achievement is the result of the efforts of various government departments, and the financial department is only an important link. However, the financial work itself has many shortcomings. This shortcoming can be said from two aspects: one is income, and the other is expenditure.

The disadvantage of income is that in cities, a lot of taxes are stolen and missed. Much has been exposed in this "five evil" confession campaign, and the business community has more or less leaked. The total stolen money accounts for about 30% of the city's tax revenue. The total budget is 120 billion catties, and taxes account for 50%, which is 60 billion catties. Missing 30% are 18 billion catties. In addition, the city's business tax rate is light, and all localities should raise the tax rate of business a little bit.

In the countryside, there is a phenomenon of apportionment and overcharge. Originally, the state stipulated that it was 25 billion catties of public grain, but as a result, it was collected seven times, and an extra 2.7 billion catties were collected. This phenomenon of apportionment and overcharge now appears to occur everywhere, and there are more in new districts. What is the number of national apportionments? It has not been calculated yet. There are two reasons for the apportionment:

First, the funding of the township government is not enough. Now the central government has to manage the districts, and the central government does not care about the funding of the governments below the districts, and it has to rely on a 20% surcharge of public food to solve the problem. However, this 20% of the public grain surcharge is not enough for expenditure, what should we do if it is not enough? Regardless of the above, the way is to apportion. This is an important reason for apportionment. The 20% of the public grain surcharge is not enough for expenditure. Will it be enough in the future? It will not be enough in the future. At present, half or 40% of school-age children have not entered school. In the future, there will be many elementary schools. The number of elementary school teachers will be increased, and the increase of teachers will cost money. Therefore, only a 20% public food supplement will not work. Even normal conditions are not enough. Moreover, we are now in a revolutionary period. Land reform and suppression of counter-revolutions are carried out vigorously in the countryside. Convening meetings, dancing yangko, people coming and going, everyone eats, spends a lot of money, just relying on 20% of the public food supplement is not enough.

Second, is there corruption and waste in the countryside? There must be, and the new district is even more serious.

In addition, it's over-levying. The state stipulated that the public food was 25 billion catties, but as a result, it received 3.4 billion catties, of which 700 million catties were returned, and 2.7 billion catties were collected. Where did this 2.7 billion catties of overexpression come from? There are probably three sources:

1. As a result of land inspection and fixed production, a lot of public land and black land were squeezed out, about 68.9 million mu. Furthermore, if the output of land increases, and then tax is levied at the tax rate, there will naturally be more public grain.

2. Last year's tax rate increased by one percent over the previous year. Our public food was 23.2 billion catties the year before last year. Last year it increased by 10% to 25.6 billion catties. It is now estimated that due to the detection of black land and increased production, the task of 25.6 billion catties can be completed even at the tax rate of the previous year, without further tax increase. Some comrades estimate that if there is an increase of 2.3 billion jin without an increase in the tax rate, I am afraid that it will not reach 25.6 billion jin.

But it is now proved that if the tax rate in November is used, the task can be completed without an increase of 10%.

3. Because last year's taxation was assessed in the winter of the previous year, due to underestimation of the city's tax revenue at that time, only 27 billion catties were estimated. As a result, 52 billion catties were received, which was more than 20 billion catties. At that time, it was stipulated that if it exceeds 27 billion catties, the central and local governments shall divide it. Last year, the local government was divided too much, so the central government proposed to the local government to pay back 50%. The locals have all been paid back, and the amount is quite large. This year's taxation has accepted the experience of the previous year. It is to estimate adequately and raise the figure of 52 billion catties. If you improve, do you still have to overcharge? If you can't overcharge, you can't be divided. However, you can make a little idea elsewhere. For example, several provinces in Central and South China have made some ideas in the public food because they have fewer ingredients.

Is the central government responsible for the issue of apportionment and overcharge? The Central Finance Committee and the Ministry of Finance are responsible, and the main responsibility is still above. Why do they apportion it? Because they did not have money and did not spend enough, the central government did not coordinate the finances of the township government. Why is it still overcharged? Because the output is underestimated. If the estimate is correct, the one percent need not be added. If the expropriation exceeds two billion catties, the people will lose more than two billion catties, which is very bad for the people. These problems must now be resolved. In the second half of this year, the Finance Committee and the Ministry of Finance will work out some methods to try to get tax revenue on track next year. What is the method?

First of all, the central government used to manage all levels of government funds—large administrative regions, provincial governments, municipal governments, county governments, and district governments. All are coordinated and managed by the central government. How to coordinate the law? In the future, the public grains and surcharges will be combined and paid to the state, which is 25 billion catties plus 20% of the surcharge, for a total of 30 billion catties, one expropriation, other than that, no apportionment is allowed. In this way, the chaos of rural finances can be resolved.

Secondly, implement the methods of checking land and determining production, calculating levies according to the rate[2], and reducing or exempting them according to law. But does this mean that

there will be no apportionment in the future? some. For example, when people see that the water conservancy in this place is not good, they are willing to contribute some strength to the government to lead the repairs. This is good for everyone. For another example, in order to enable children to go to school, they are willing to spend a little money and labor to build houses and run schools. Will there be an apportionment like this? It may be. However, such matters must be strictly controlled, and the district and township governments cannot randomly apportion them.

How to guarantee the rural financial expenditure? It is to investigate how many people there are in each village, how many elementary schools there are, how many elementary school teachers there are, and how much does each elementary school teacher cost, and all things are accounted for and the state pays for it. In order to study how much the rural expenditures are, the central government has set up two groups to conduct field trips to the villages. After the inspections, they will discuss them and work out a method.

If the village's expenditure is coordinated by the central government, should the central government post the money? To be posted. How much do you post? The specific figures have not been calculated yet, and it is about three trillion catties for the lesser ones and 4 trillion catties for the more ones. Why post?

Because the wool comes out of the sheep, if the central government does not post money, the village finances will still be in chaos.

After overall planning, the methods of checking land and determining production, calculating levy according to the rate, and reducing or exempting according to the law shall be implemented. Now, where in the country have this approach been implemented? It has been implemented in East China, it has been implemented in North China, and it has been implemented in most parts of Northeast, Northwest and Southwest, especially Sichuan. Central and southern Hunan, Hubei, Jiangxi, Guangdong, and Guangxi have not yet implemented this method. This method is required to be implemented in all this winter.

How much tax will be levied in the future? On the one hand, farmers' ability to pay must be considered, and they must have a sum of money invested in production each year; on the other hand, they must also estimate the country's need for food. The country cannot collect less food. Both aspects must be settled.

In the future, will rural taxation be based on apportionment or based on rate? In the future, it will be collected according to the tax rate, just like the city. At the beginning of 1950 and 1951, the city's tax revenue was also apportioned. Later, when I felt that it was not enough, I still adopted a rate-based method. A tax meeting was held in June last year, and the tax rate was generally unified. It is levied according to the tax rate. If there is more or less, the following are irresponsible, so the local government will be bolder. For example, give it a figure for how much grain can be collected in the agricultural tax in the central and southern regions for its reference, and ask it to levy it at a rate. Will there be a problem of reduction (for example, reduction by half or by how much)? will not occur. Why? Because the area of arable land is fixed and the output is estimated by everyone, it will not suddenly decrease to an unfavorable level. Therefore, taxation in rural areas should be levied at the same rate as in cities. It will be easier to do things after levying according to the rate, and it will be fairer. And according to this tax rate, the number of agricultural taxes for next year can also be estimated. Of course, this estimated figure may be a little higher or lower than the original tax rate, but there will be no big discrepancies. Therefore, rural taxes should also be completely levied on a rate basis.

The shortcomings in fiscal expenditures are mainly manifested in some too tight and some too loose. What kind of tightness, what kind of looseness? That is, funds without quotas and standards are often too loose now. What does it mean that there is no standard and no quota? For example, a person's living standard, a few catties, a few meters, a few dollars of salt, and a few dollars of oil, are fixed, but there are many that are not fixed or standard. Taking combat expenses as an example, it is difficult to have a fixed amount, but can some fixed amount be proposed for combat expenses? It is also possible to propose a quota. For example, how many cars are needed when, how much gasoline does a car need for a few kilometers, etc., can come up with a quota. However, we have no experience with such a quota. We have experience in donkeys and dogs, but not in cars.

Can a quota be set for construction? OK. For example, to build such a house, how much does it cost per square meter, how much wood, how much cement and steel bars are required; how much does it cost per square meter, and how much materials are used to build such a house; how much does it cost to build a school house, how much material. Some are 1.8 million yuan per square meter, some are 1.2 million yuan per square meter, some are 800,000 yuan per square meter, and some are 500,000 yuan per square meter. It depends on what it looks like. House of. After such a quota is established, it will have a great effect. In the future, every financial staff member will have a booklet like the "Common Program" and turn it over when using it. According to the current situation in China, there should be such a quota. Business expenses, cultural and educational expenses, construction expenses, combat expenses, and staffing can all be set at a fixed amount. With a fixed amount, it is much more convenient.

At present, the establishment of financial and corporate departments is still very wide. Will there be a quota for the establishment of corporate departments in the future? There must be a quota. Before the construction of some factories in the Soviet Union, they calculated the required personnel, including the number of workers, technical personnel, clerical personnel, coal used, and water used. The calculations were very clear and specific. Today, we also need to have quotas and standards. Because there is no standard and no quota, it is too loose and a bit wasteful. In the past, there were standards and quotas, but many quotas were too small, the ratio was too low, and the expenditure was not enough, which is unrealistic. Therefore, phenomena such as "do not take the big road, there are small roads", "turn the big duke into the little duke", and engage in agency production. Now it seems that it is not good to turn the prince into a small prince and engage in organ production. Now, we will open the door, let everyone go to Tiananmen Square, not the small alleys, the roads, not the small roads.

What is the source of the shortcomings in both income and expenditure? There are two: one is due to financial difficulties. For more than two years, the finances have been in a difficult state, and they have not escaped from the wartime environment. There was no war in 1950 when the central government proposed to unify the national finances and stabilize prices. As a result, we resisted US aggression and aid to Korea on October 25, 1950. We resisted for a year last year, and we are still resisting this year, so we did not take care of the following. The other is the lack of experience in the supervisors of the financial department. Therefore, this chaotic phenomenon is a transitional phenomenon.

(5) Several key points for improving financial work.

First, establish a system based on the experience gained in the "three evils" and "five evils". The "three evils" have exposed serious corruption, waste, and bureaucracy, and the "five evils" have exposed great losses from leakage. Divide these experiences into categories, such as trade, banking, railways, etc., sum them up from top to bottom, and write them down. This is all new knowledge. It

can be said to be an encyclopedia of finance and economics, which is not available in the Department of Economics of Peking University and Tsinghua University.

Secondly, we will organize local finances and establish a four-level fiscal system next year. In 1950, it was only at the central level. Last year, large administrative regions established a local fiscal system, but the province has not yet fully established it. In the second half of this year, the province's fiscal system will be fully established, and the county's fiscal system will be prepared next year. The overall management of fiscal revenue and expenditure at these four levels is still divided into four levels. In order to establish local finances, a meeting will be held in the second half of this year.

Third, unified management of the production regulations of the agency. The income and expenditures produced by all agencies are counted in the fiscal revenue and expenditure at the same level. The city is counted at the municipal level, and the province is counted at the provincial level. It cannot be counted as the revenue of an agency. This method has now been followed. Organ production needs to be sorted out. In the past, it was managed by many organs individually, but now it is managed by one organ, and some need to be cancelled, and some need to be preserved.

Fourth, establish a fiscal inspection system. Income must be checked, and expenditure must also be checked. Spend a little more manpower in this area, specialize in tens of thousands of people, set up a department, and give them a little authority. Regardless of other things, just check and resume the inspection business.

In fiscal work, there are still several issues that need to be addressed.

1. The treatment and welfare of public servants. Now, the subsidy system has been piloted for supply personnel for two months, and it will be piloted for another month in May. During the trial period, if the salary system is lower than the supply system, the salary system will be increased; if the salary system is higher than the supply system, will it be lowered? Does not come down. In short, all lower-level personnel (including the military), regardless of the salary system or the supply system, their salaries must be adjusted

Let's just add a little bit.

The current difficulties of public servants are mainly medical problems and children's difficulties. Regarding medical difficulties, it can be resolved in two ways: one is above the province and city, and the other is below the province and city, such as counties and districts.

The solution at the provincial and municipal levels is to increase some hospital beds (calculated at five thousandths of the civil servants) and set up some outpatient clinics, so that in general, it will cost them nothing to see a doctor. At the same time, we must find a way to prevent waste of medicine. At present, the waste of traditional Chinese medicine in the supply system is huge, and we must find a way to overcome it. What about counties and districts? The method is to run a hospital if you can run a hospital, and run an outpatient department if you can't run a hospital. If you can't do either of these

If they do, they will be given money and asked to find a local doctor. This is a transitional method, and we will talk about it when there are more doctors in the future and so many hospitals can be run. In addition, such as the personnel of the import company and department store of the Ministry of Trade, how can the difficulties of the civil servants of these government enterprises be solved? They want to implement social insurance. In the future, whether banks or trading companies do not implement social insurance, they must implement social insurance like factories. In this way, the difficulties of public servants in the corporate sector can be resolved. There are also some civil

servants who have many children, but the salary increase is small, and there are difficulties; there are also some civil servants who have special difficulties at home, and these should be provided in accordance with the actual situation. Of course, we are not rewarding childbirth and giving certain subsidies today. This is just a transitional method.

2. The issue of subsidies for college and middle school students. The number of college students nationwide is about 150,000. Each college student now subsidizes 65,000 yuan, but a college student only needs to spend 8 to 900,000 yuan for meals. Therefore, the 65,000 yuan subsidy is not much and will be increased in the future. A little bursary. This is probably the rule now. Regardless of whether his family is a staff member or a business person, whether his family is a landlord, a worker, or a peasant, all subsidies will be provided together. The amount of the subsidy is basically to enable them to have a little bit of allowance in addition to being able to eat. money. These college students will all be technical talents in our country's construction in the near future. In five years, it is estimated that 200,000 people should graduate to join our economic and cultural construction teams. At present, the quota for a university faculty member to manage students is three (a primary school faculty member has to manage 30 to 40 primary school students). College students also need houses. On average, a college student needs to build a one-square-meter house, and the university's house cannot be like the countryside. It costs at least 800,000 to 1 million yuan per square meter. In short, it takes a lot of money to train college students, including the salary of the faculty, the money used to build a house in the new university, and the money used by the staff. Qianjin). It is good for us to spend such a lot of money, in order to run the university well, so that these college students can study at ease and participate in various constructions of our country after graduation. Therefore, sixty-five thousand yuan is not enough. How much do you want to improve? Please calculate by the Ministry of Education.

There are 1.8 million middle school students nationwide, including various middle schools. The current situation of secondary school grants is: some are 20%, some are 30%, some are 40%, and some are 10%. An average of sixty-five catties of grain per person. What should we do in the future? In the future, high schools and junior high schools should be distinguished and a standard should be stipulated. Can the country enroll all middle school students? No way. Because if you do that, all high school students will have to go to middle school, which is terrible. The current situation of elementary school students is: there are 78 million school-age children nationwide, and only 38 million go to elementary school, and many elementary school students cannot even reach the fifth grade. We also have to take care of this problem. We have to build some houses for them and hire some teachers, no matter it doesn't work. Elementary schools must be managed, middle schools must be managed, and universities must be managed. So how much does it cost? In total, it will cost six billion catties of grain. If this is the case, a question arises: Should education save the country, or production save the country? Of course, we want to save the country through production, and education can only be expanded if more money is produced. The same is true in the Soviet Union. The focus of our current education should first be on the elimination of illiteracy. Therefore, the current middle school can only be a way to implement people's scholarships, and this is also a transitional method.

3. In some industrial cities, there is a problem of too few workshops, such as Tianjin, Beijing, and Shanghai. Some workshops need to be added, which also costs a lot of money.

4. There are some cities where many factories and schools will be built in the future. For example, Beijing will have many factories and schools in the future, and many houses will be built outside the city. Then the municipal construction there will start earlier.

We can't say that the houses are all built and the underground waterways are still not open. At that time, if the ground is turned up to repair the underground waterways, too much money will be spent. To do a good job in urban construction on the ground, we must first do a good job in the construction of the underground city, and this sum of money must be spent.

To sum up, how much does it cost to pay for the treatment and welfare of public servants, subsidies for college and high school students, workshops, and underground waterways? We calculate that it is roughly 6 billion catties of grain, which is 6 trillion yuan. Is this a big number?

Of course, it is a large number, but if it were not for war, the money would have been spent long ago. Some of the money mentioned above will be spent immediately, and some will be spent only a few months later.

Two economic situations

agricultural production. The drought has alleviated. There used to be too much rain in the south, but this situation has passed. Last year, it rained in the south from March and stopped until April 29. At that time, I was busy calling every day to ask if the rain stopped. The situation in the South this year is: stop and stop, stop and stop. What about the north? It also rains and cotton can be planted. This year's cotton was planted more timely than last year. Last year, I just planted some cotton. It hadn't rained until Lixia, but "Xiaoman's flowers won't go home", so I only planted some cotton. This year's cotton has been planted, and Akita can be planted too. The so-called drought has alleviated, which includes Sichuan, Yunnan, and Guizhou. The harvest of rapeseed and broad beans in the south failed because there was too much rain at that time. How about wheat? Judging from the rain, the wheat harvests this year is better than last year, because it did not rain at this time last year. However, there is a problem with wheat, called wheat aphids. This insect is thinner than cotton aphids, and there are many on one leaf. The country's wheat fields are 360 million mu, and about 15 to 20 million mu of wheat aphids have been found. Are there no wheat fields in other areas?

What happened? Don't know yet. Now I have sent a telegram to inquire, and maybe some will be discovered after the notice goes down. In important wheat-producing areas, such as Kaifeng, Chenliu, Henan [3], Zhengzhou, Luoyang, southern Shanxi and Pingyuan province [4], there are also some areas in Shandong. In some places, the situation is very serious, so what can be done to cure it? Is it okay to kill the insects by plane? The medicine carried by an airplane can only spread 300 acres of land. The current wheat field with wheat aphids is 15 million acres and nearly 20 million acres. The airplane can't keep up. The medicine can't keep up, and the six-six-six can't keep up. The self-prepared and imported ones can't keep up. What then? We still use our old method to mobilize everyone to clean it up. One million people were mobilized in Henan, and the wheat aphids in that place were basically wiped out. There are so many Chinese people that they rely on this one for food. Will wheat aphids develop into cotton and become cotton aphids?

According to scientists, these are two kinds of insects. If the river water does not interfere with the well water, we will feel at ease. We need to have a sufficient estimate of this year's insect disaster, and we must prepare that this year's insects will be worse than last year. There are two reasons for this: one is that there were many insects last year and many eggs were laid; the other is that there was less snow last winter and the eggs did not freeze to death. We have to prepare sprayers, BHC, DDT, and so on. However, relying only on foreign medicine is unreliable, and we still have to rely on the old methods. According to last year's experience, cotton oil soap is reliable. Therefore, it was decided to ask the cooperatives of the provinces to be responsible for preparing more than 100 billion yuan of cotton oil soap in these dozens of days. If the insects do not come and let them go for two years, it will not be bad. If you are unprepared and the bug comes, it will not work. We made

one hundred thousand sprayers last year, and this year we made four hundred thousand sprayers three times more than last year. Although this number is not large, it is much more than that of the Beiyang warlord rule, the Kuomintang rule, and the Japanese imperialist aggression before liberation. During the period of Japanese imperialist aggression, there were only 20,000. This year we have 500,000 sprayers to deal with insects.

Will there be a big panic in our grain and cotton markets this year? I don't think it will. There are various kinds of food, some in variety, some lacking, and some in quantity. Our country's grain output is still not much for the entire year. If it is underestimated, problems will occur. What is underestimation? It means how much to supply the market every month, and there must be a plan. If the plan is not good, it is underestimated. Has this plan been reached now? Let us estimate that it has now reached 80%. If this estimate is good, there will be no surplus of our food for the year. But, in terms of connecting old grains with new grains, is there any shortage in the middle? There is no shortage, and there are still two million tons of grain in our hands. Two million tons is also a big number. In history, China imported 2 million tons of grain every year. Now, instead of importing it, there is still so much surplus. What's the situation with cotton? By the end of April, 12 million quintals can be received. As long as we receive 13 million pails, factories across the country will not stop working; if we receive twelve and hundreds of thousands of pails, we can generally handle them. It is estimated that the worst will not be like the situation in June last year. If it is reduced, the work will not stop for long, and work may start earlier.

U.S. imperialism is engaged in germ warfare and spread germs everywhere, and no major problems have occurred yet. If the weather gets warmer, will major problems occur, like in 1949, when transportation stops? Regardless of whether it is like this or not, we must be prepared for this situation. Therefore, the State Council issued an order on March 20[5] to transport the three-month-old main materials needed by the big cities, such as grain, cotton, and coal, to the cities. According to the report, most of it has now been completed. It is estimated that even if that happens, there will be no problems in the market.

What was the production of large industries and mines (including private factories and mines across the country) during this period? Because of the "tiger" [6], some factories and mines reduced their production in January and February, but this part was made up in March and reached an increase in production. From a national perspective, after the "three evils" and "five evils", the production increase and conservation plan scheduled last year can be completed. The reduction in production in the first January and February of the "tiger" campaign is a prerequisite to welcome the climax of an increase in production.

In the industry and commerce, among the "five evils", there are many "five poisons"[7]. There are also the "five poisons", and there are also the first, second, and third poisons of the "five poisons", so the "five evils" Education is very necessary. Precisely because this is an education and criticism, it is necessary to refund the country's money according to the situation of the enterprise during the "five evils". Refunds that can be refunded at once, refunds in batches for refunds in batches, refunds for cash refunds are refundable, and processing orders for countries that cannot be refunded, or the refund is counted as an investment in the country. In short, to enable industry and commerce to continue, we must encourage production of all industries and some businesses that are beneficial to the national economy and the people's livelihood. Some of the bad and incurable ones must be eliminated, such as banks, money houses, and private cotton warehouses, construction, and car repairs, all of which must be managed by the state. There will also be certain increases in national commerce, such as western medicine. People who buy western medicine in public department stores are now very prosperous, because people don't believe in private businesses and don't know what

medicine he sells in that gourd. In addition, in order to stabilize the market, the country needs to increase the grain industry.

The government has vigorously maintained production among the "five evils". Now Shanghai has started the "Five Antis". Before the start of the "Five Antis", processing orders and purchases have been completed. Tianjin did the same. This ensures that production does not stop.

The main indigenous products in the countryside, such as pig bristles, tung oil, eggs, and tea, have not been said to be unsellable. There are also fragments of local products, such as Chinese medicinal materials such as hawthorn, walnut and angelica. I named them "Jifei Suanpi". On April 25th, a local product conference of all major regions will be convened in Beijing to enable the local products of all major regions to be exchanged. In the second half of the year, a local product exhibition and an industrial product exhibition will be held, which will have a great effect on the country's industry and make everyone aware of this.

In the past, the standards for whether we can manufacture industrial products, where to manufacture them, and order processing have been set high or low in the past. In short, if you can set new standards, you will set new standards. If you can't set new standards, you will continue to do the same. In the future, you must refund more and less supplements, and cut corners and materials must be opposed, but the reasonable profit of processing orders must be guaranteed.

Is the market in our country prosperous now? It is not yet fully prosperous. Will it prosper after the "three evils" and "five evils"? I think it will prosper. Because there are still some industrial and commercial people who will adopt a wait-and-see attitude after the "five evils". I don't think this situation is strange. It's okay to wait and see and think about how to do business in the future. So, are some industries worse than before? There is. I think this is temporary. The nature of Chinese society is not like this. This was proved in the second half of 1950. Last year, the productivity and purchasing power of our country was not in short supply, but in short supply. This situation is after the "Three Antis" and "Five Antis"

Hasn't it changed? No change. Our country is independent, foreign goods cannot come, and the customs gate is closed. After the rural land reform, the purchasing power of farmers has increased, and this is also guaranteed. Third, our country has so much money invested in industry. The purchasing power of farmers will increase, and state investment will increase. These basic conditions ensure the development of productive forces. In addition, this year's war situation is different from last year. Military supplies are not processed as much as before, and consumption needs to be reduced. However, if Zhang San did not come to Li Silai, the military processing was reduced and economic investment increased. The agencies bought less things, but their stocks were limited. After a few months, the stocks were used up, so they still have to buy them. Coupled with the implementation of the subsidy system (3 billion catties) of the supply system, after the money is issued, everyone will not take it with it, and will take it out for something. Some people reflect that no one eats at the restaurant now, and I think someone will eat it in a few months. Therefore, the purchasing power has not been reduced, and prosperity is bound to come. The responsibility of the government and industrial and commercial enterprises is to work hard to produce and prevent the "five poisons."

At the Moscow International Economic Conference [8], we have signed trade agreements with nine countries, and the total trade volume is equivalent to US\$209 million. The trade agreements with us are over 56 million U.S. dollars in the United Kingdom, 22 million U.S. dollars in France, 20 million U.S. dollars in West Germany, Ceylon [9] 12 million U.S. dollars, and Belgium 20 million U.S. dollars. The Netherlands 16 million US dollars, Finland 3 million US dollars, and so on.

What does this incident prove? It proves that all countries do business and that the restrictions imposed by US imperialism and some reactionary governments are unpopular. Foreigners want to do business; can this business be done? It depends on foreign governments. If they do not prohibit those merchants from doing export business, it will definitely be done. What about the Korean War? If the war is the same, if the peace is the same. However, no matter what, some businesses will be done. Some people say that we do business as propaganda work, but we are not doing propaganda work. We have signed a contract to implement it. Do we have the strength to enforce the contract? Our country's trade power is hundreds of times greater than this power, and we are fully capable of carrying out these contracts.

Someone asked: Why buy some gauze from the UK? The value of gauze imports and egg exports are roughly the same. Are these gauzes shipped? Then we must first ask: Are our eggs good if we go out? We think it is good to change the gauze for exporting eggs. Because of the large population of our country, an old woman in the countryside feeds an old hen, sells a few eggs, and buys a few feet of gauze to wear. Will the coming of gauze affect our market? This problem does not occur. Now all gauze in the country is purchased by the state, and foreign goods are also purchased by the state. Will it compete in the market? will not. The country is willing to put it there, just put it there. Gauze is better than eggs. Gauze can be placed, but eggs cannot be placed. It is said that the gauze factory in the UK is going to stop, and the British still ration one egg per person a week. The exchange of gauze with eggs is also very suitable for Britain.

Forty-nine countries participated in the Moscow International Economic Conference. After the conference, more than 40 foreigners wanted to come to China. Most of these people are businessmen, a small number are journalists, and some are union workers. They want to come to China to take a look, and we agreed. These people include Dutch, Indian, American, British, Japanese, Ceylon, Australia, Indonesia, Canada, Brazil, Argentina, Venezuela, France, Chile, Vietnam, Burmese. It is okay for them to come to Beijing to discuss business, and we will also talk to them. The economic situation is probably like this.

In a nutshell, the "three evils" and "five evils" have created favorable conditions for our country's economic development and have already received great results in terms of finances. The country's finances are stable and the situation is getting better and better. The drought has alleviated. The problem now is that agriculture must prevent pests. Industry and commerce are definitely going to prosper, and the prosperity after the "five evils" is indeed a sound prosperity. Financial work and economic work have shortcomings and need to be corrected.

Note

[1] This is Chen Yun's report at the 15th meeting of the Central People's Government Committee.

[2] According to the rate, refers to the taxation in accordance with the tax rate stipulated by the law.

[3] Chen Liu, the old county name, now belongs to Kaifeng City, Henan Province.

[4] Plain Province, abolished in 1952, when the jurisdiction was divided into Shandong and Henan provinces.

[5] The order refers to a telegram sent by Chen Yun to Zeng Shan, Bo Yibo, etc. on March 20, 1952, about speeding up the transportation of materials and preparing for epidemic prevention, and to Zhou Enlai.

[6] "Tiger" is a metaphor for cadres who have committed serious corruption in the "Three Evils" movement. Exposing and clarifying their problems is called "fighting the tiger."

[7] The "five poisons" refer to five illegal acts of capitalists such as bribery, tax evasion, theft of state property, cutting corners, and theft of economic intelligence.

[8] The Moscow International Economic Conference was held in Moscow, the Soviet Union from April 3 to 12, 1952, with the aim of restoring normal economic relations between countries and developing international trade. The conference was attended by Austria, Argentina,

Representatives from 49 countries including the United Kingdom, China, Brazil, India, Italy, the Soviet Union, and France. The meeting passed the decision on the establishment of the International Trade Promotion Committee and other documents.

[9] Ceylon, now Sri Lanka.