

PROBLEMS CONCERNING THE CHINESE NATIONAL BOURGEOISIE

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Over the past three years we have carried out three large-scale movements: the movement to resist U.S. aggression and aid Korea,²⁸ the agrarian reform movement¹⁰ and the movement to suppress counter-revolutionaries.⁶⁴ As a result, we have by and large eliminated the forces of imperialism, feudalism and bureaucrat-capitalism throughout the country. Under these circumstances, the class struggle in the country is most clearly manifested in the people's democratic united front. Now there is a new problem facing us, that is, how to deal correctly with the national bourgeoisie.

One of the characteristics of the Chinese national bourgeoisie is that from the period of New Democracy to the period of socialism it is both our friend and a class that will be abolished. We Communists must understand this dialectical relation. In his article "On the People's Democratic Dictatorship", Comrade Mao Zedong gave a very clear explanation, which combined principle with flexibility. At the beginning of the article, he said that the Communist Party of China would finally abolish itself and that all the Communist Parties in the world would eventually disappear. He also said that although now, in building New Democracy, we were co-operating with the bourgeoisie, we would abolish it in the end. Some people believe that the bourgeoisie as a class can enter into the socialist society along with us. That is wrong. Not long ago, Wang Yunsheng⁶⁵ published an article in *Da Gong Bao* in Shanghai. The whole article was excellent and very moving, except for its last sentence, which was not correct. He wrote: "The 'four friends' of our people's democratic political

Excerpt from a speech delivered at a national conference of directors of departments of united front work, held by the Department of United Front Work of the Central Committee of the Chinese Communist Party.

power [the working class, the peasantry, the petty bourgeoisie and the national bourgeoisie — Tr.] will unite more closely and advance triumphantly towards socialism!" Chairman Mao deleted this sentence before the article was reprinted in *People's Daily*. When carrying out ideological education in the Party, we should explain clearly that the national bourgeoisie is both our friend and a class that will be abolished. If we stress only one aspect to the neglect of the other, we may cause a misunderstanding that will bring about a "Left" or Right deviation.

As there are two aspects to the bourgeoisie politically and economically, there are also two aspects to it ideologically. Bourgeois ideology is backward and reactionary as compared with that of the proletariat. However, when the bourgeoisie was opposing feudal forces, particularly in the early stage of capitalism, its ideology played a positive and progressive role. In the period of the European Renaissance, bourgeois ideology was advanced as compared with the feudal ideology of the Dark Ages. In the periods of the American War of Independence, the French Revolution and the American Civil War, it was still advanced in comparison with feudal ideology. Old China was a semi-feudal and semi-colonial country in which bourgeois ideology also played a positive and progressive role when the Chinese people were fighting their three enemies: imperialism, feudalism and bureaucrat-capitalism. Nevertheless, the Chinese revolution failed — it was doomed to failure — under the guidance of bourgeois ideology, because the powerful imperialist and feudal forces and the reactionary rule of the Kuomintang prevented the bourgeoisie from expanding. At different times the bourgeoisie took part in the revolution, withdrew from it to remain neutral or made a compromise with the reactionary forces. The bourgeoisie has repeatedly changed its position.

The Chinese bourgeoisie has had a dual character for a long time. When leading the Revolution of 1911,⁶⁶ it compromised with the reactionary forces; as a consequence, the revolution failed, and the bourgeoisie itself was squeezed out of the ruling position. After the Revolution of 1911, the bourgeoisie continued to play a positive role for a time, and the capitalist economy expanded. But it was not long before the capitalist economy was suppressed by comprador-capitalism and imperialism. Then, the bourgeoisie took part in the Great Revolution (1924-27), but at the later stage of that revolution it again made a compromise with the reactionary forces, and in the end it was again

pushed out from the ruling position. Afterwards, it participated in the War of Resistance Against Japan (1937-45). During the War of Liberation (1946-49), the majority of the bourgeoisie remained neutral or sympathetic to the revolution; a few of its members even joined in the struggle against the U.S. imperialists and Chiang Kai-shek. Since the founding of the People's Republic, the bourgeoisie has taken part in construction. So we say that the Chinese bourgeoisie is playing a positive role. It is one of the members of the people's democratic united front led by the proletariat, and it is therefore our friend.

The people's democracies of Eastern Europe have chosen to advance towards socialism by confiscating the enterprises of the capitalists and abolishing the capitalist class. We will not do it that way in China. The Chinese revolution took a long time — almost 30 years, from the birth of the Communist Party to its seizure of state power — in which it went through four stages. In these four stages, the national bourgeoisie sometimes took part in the revolution, sometimes remained neutral and sometimes joined the reactionaries. The period during which it joined the reactionaries was very short, but the period during which it remained neutral or vacillated was very long. During all periods there were always a number of members of the bourgeois who joined the revolutionary ranks or showed sympathy for the revolution.

When the revolution succeeded, some of the members of the bourgeois went to Taiwan, but most of them remained behind to take part in the construction of New China. An important reason for this is that they feel they have good prospects for gain, because since the founding of New China, the capitalist sector has expanded and they have made more profits than they did during the last years of the Qing Dynasty, in the northern warlords period⁶ or under the Kuomintang. Under those regimes the strong feudal forces colluded with the comprador class, and the reactionaries relied on the imperialists. Under those circumstances, the development of the Chinese bourgeoisie was restricted, which it greatly resented. The majority of the bourgeoisie are therefore in favour of the new regime, or at least do not actively oppose it. They attend national or local political consultative conferences, participate in the people's conferences at different levels²² and become our friends. This is an inevitable outcome of the historical development.

China is a vast country with a huge supply of manpower that can quicken the pace of development, but it has a backward economy, so

it will take a long time and the concerted efforts of all sectors of society to nationalize industry and collectivize agriculture. To accelerate the growth of our economy, we should bring into play the initiative of the bourgeoisie and allow it to develop economic undertakings that are beneficial to the national economy and will help to raise the people's standard of living. Thus, it is not only politically possible for us to unite with the bourgeoisie but economically necessary.

Of course, it is very clear that we are trying to achieve socialism. If we fail to keep this in mind, we will make political mistakes, become assimilated with the bourgeoisie and never reach the goal for which we are striving. It would be very dangerous to lose sight of our goal, to depart from the proletarian stand and be confused in our ideology. If we Communists do not recognize this danger, if we fail to understand problems and implement policies and tactics in accordance with basic principles, and if we fail to make friends with the bourgeois by suitable means so as to develop the economy of New Democracy, it will be very difficult to unite with them and remould them. Only if we keep clearly in mind that we are striving for socialism can we deal appropriately with the bourgeoisie. This is a very important domestic issue at present.

In the countryside — now that the feudal system has been eliminated — the principal contradiction becomes the one between the peasant masses and the capitalist forces. In the cities — now that the Kuomintang has been overthrown, the reactionaries have been eliminated and the imperialist forces have been driven out — the principal contradiction becomes the one between the proletariat and the bourgeoisie. This is a Marxist analysis. When we were fighting the three formidable enemies, it was right to say that the national bourgeoisie and the upper petty bourgeoisie were an intermediate force, but we can't say that now.

In our Party we must explain clearly the two opposing sides that exist in the countryside and in the cities. If we only mention one aspect of our relations with the bourgeois, we won't give the complete picture. If we just stress making friends with them, the movement to combat the "five evils"⁶⁷ will fizzle out, they will again become serious and we will again have to struggle against them. On the other hand, if we only emphasize class conflict, ideological contradiction, antithesis and the need to restrict the bourgeois or overthrow them immediately, "Left" deviation may result. We should therefore stress

both aspects of our relations with them. Our present policy is to oppose the "five evils" perpetrated by the bourgeois and at the same time to unite with them and remould them. Our purpose is to change our society peacefully into a socialist one and to create conditions for abolishing the bourgeoisie in the future. This is very dialectical. The comrades who are engaged in united front work must have a firm grasp of these principles and policies.

This is a matter of ideology and understanding. Unless we clearly understand our policy with regard to the bourgeoisie, we are liable to make two mistakes in our work. One mistake would be to regard our ultimate goal as the task we must achieve today. That sort of impatience would cause us to overstep the bounds of the present stage and would lead to "Left" adventurism. The other mistake would be to lose sight of our goal and principles and to concentrate blindly on immediate interests only. Then we would be assimilated by the bourgeois, or commit Right opportunist errors when they shoot at us with "sugar-coated bullets". We must avoid these two mistakes.

In the movement against the "five evils", some comrades have wavered on the question of the dual character of the bourgeoisie. That is dangerous. I have just analysed that dual character and described its historical roots. In the speech I made on January 5, which has been published in summary form in *People's Daily*,⁶⁸ there is a passage about the self-remoulding of the members of the bourgeois that is related to this question.

We have to point out not only the dual character of the bourgeoisie but also its intrinsic nature. The intrinsic nature of the bourgeoisie is to seek nothing but profits, in other words, to exploit workers in order to extort surplus value. Looking at this nature from the socialist point of view, we should obviously reject it. Particularly in the movements against the "three evils"⁶⁹ and the "five evils", we must expose it clearly. Unless we expose the nature of the bourgeoisie and its dual character, we will take a wrong direction in united front work. It is the decadent and negative aspect of the bourgeoisie that we oppose. If the "five evils" are not eradicated, that aspect will not only expand within the bourgeoisie but invade the state functionaries and the Communist Party, corrode the entire society and poison the people's democratic united front and the people's democratic power.

The "five evils" were specifically selected by Comrade Mao Zedong when he proposed a movement to combat economic crime. It would be to our disadvantage to include too many bad practices

among the targets of the movement. Take the restrictions to be imposed on the bourgeoisie for example. On the one hand, according to the principles of New Democracy, there should not be a free capitalist sector; rather, capital should be regulated. Both public and private interests should be taken into consideration, but only under the leadership of the state, and both labour and capital should benefit, but only under the leadership of the working class. Production should be planned and guided and not be allowed to develop haphazardly. A limit should be set for legitimate profits, and no one should be permitted to exceed it. These principles must be adhered to. But what are legitimate profits? And what are exorbitant profits? These terms will gradually be defined after we have reorganized the economy and developed industry and commerce. At the preparatory conference of the Federation of Industry and Commerce, Comrade Chen Yun⁷⁰ may give a rough idea about the limit set for legitimate profits, but it will not be final. The limit will be determined after we have gained some experience. Since it has not yet been fixed, we can't define exorbitant profits. That's why we do not include the making of exorbitant profits among the targets of the movement against the "five evils". If we did, it would create chaos in the economy. And that's why although we disapprove of the attempt to make such profits, we do not define it as an evil in this movement. If we did that, we would have to be very severe when it came to squaring accounts with the bourgeoisie. Another example is the sale of houses. The government needed many houses, so we tried to persuade people to sell their houses to us. Being reluctant to sell, they forced up the price. As a result, we had to pay them a great deal of money. Now that the movement against the "five evils" has been launched, should we settle accounts with them for having made exorbitant profits in this way? No, we can't do that, because at present we adopt a policy of free trade, and we can't force them to do business with us. After all, it is we who asked them to sell their houses, and it is we who decided to buy them at a high price. The problem of high interest rates on bank loans and low profits in industry also shows that our economy remains in disorder and needs to be reorganized. We shall work out a limit for profits, in order to lower interest rates and gradually increase industrial profits. But it will take some time to bring about these changes.

There is a positive, progressive side to the bourgeoisie, and we should make full use of it. With regard to the economy, our state

sector cannot completely replace the capitalist sector yet. When China industrializes and the state sector of the economy replaces the capitalist sector, there will be less private business. The extent of private business at present shows that the state sector accounts for only a small part of the national economy and that it cannot replace the private sector. So it is essential for us to take advantage of the positive factors in the private sector. When playing its role in developing the economy, however, the bourgeoisie must act in accordance with the Common Programme;¹ in other words, it should abide by the principles of New Democracy. But the bourgeoisie is by its very nature unwilling to do that. As soon as it reaches a certain stage of growth, it will break away from New Democracy and demand the right to develop freely in pursuit of profits. Actually, no bourgeois will follow our rules docilely and do whatever we want him to do. It is the nature of the bourgeoisie to secure its own benefit at the expense of others, to seek nothing but profit and to seize every opportunity to gain advantage by trickery. That is the direction in which it will develop. And that is why we must wage a long-term struggle against it.

That struggle means remoulding the members of the bourgeois, and its purpose is to eliminate the "five evils". Comrade Mao Zedong said that if these crimes appeared again, we would eliminate them again by waging a long-term struggle to remould the members of the bourgeois. That is just what we are doing.

The reason we are able to stress remoulding now is that today we are supported by the people's democratic power, which is led by the Communist Party and based on the broad alliance of workers and peasants. The bourgeois are few in number. In cities, all the industrialists and businessmen, plus their family members, number only a little more than two million. Besides, changes have been taking place in bourgeois families: many members of them have joined the Communist Party or the Youth League. There are a number of self-employed businessmen among the half a million people engaged in industry and commerce. If we can remould the landlords, why can't we remould the bourgeois? Furthermore, the bourgeois have joined us in building the country, while the feudal landlords, with the exception of some enlightened gentry, have not done so.

Some foreign friends shook their heads when they heard we were trying to remould landlords. Could landlords be remoulded? This doubt was reasonable. The feudal lords in their countries were different from the landlords in China, because most of them were

great aristocrats and great feudal landholders. And because there were only a few of them, they could be driven out of their own countries. But in China there are nearly 10 million landlords, so many that they equal the population of a medium-sized country, and they are scattered everywhere. Where could we drive them? So all we can do is remould them. But is it possible for us to do that? The peasants make up over 90 per cent of the rural population. If the rural population is 400 million, then the number of peasants is more than 360 million; that is, they constitute the overwhelming majority. Moreover, the peasants have been educated politically through the long years of revolution. With such a strong base, why can't we supervise and remould the landlords? The landlord class was a target of the revolution, and we waged a life-and-death struggle against it for nearly 30 years. As for the bourgeois, generally speaking, they remained neutral in the Chinese revolution. Some of them were in sympathy with the revolution, and some even joined our ranks. As the capitalist sector is one of the five sectors⁶¹ of the national economy of New China, the capitalists can still make profits. Furthermore, we are in power, we have an army, courts and the strong proletariat as the leading force, so if we can remould the landlords, why can't we remould the bourgeois? Of course, during the remoulding, a few of them will turn into reactionaries or even collude with enemies abroad in an attempt at counter-revolution. We can definitely say, however, that those people are only a handful. If we do a good job, the majority of the bourgeois will follow us even if world war breaks out, or at worst they will vacillate or simply stand aside and await the outcome. Of course, there will be a few people who make little or no progress in the remoulding. This means that we will have to intensify our efforts to educate them.

What kind of people should the members of the bourgeois be remoulded into? The kind of people who will act according to the Common Programme and thus meet the needs of the economy, politics and culture of New Democracy. The economic aspect of the remoulding process is that we shall restrict the growth of their economy, while allowing them to develop it to a certain extent and to make profits; the political aspect is that we shall draw their representatives into the government and seek to influence them; and the cultural aspect is that we shall educate them ideologically and try to gradually change their thinking and that of their family members. If we do

this successfully, they will be led to the course charted by the Common Programme.

We should show them that their own future is bright. And we should also tell them about the prospect of socialism. The reason there is no mention of that prospect in the Common Programme is that when the document was drawn up, New China had only just been founded. If we had spoken of a socialist future, they would have accepted it, but we would have felt we were forcing them to do so. We therefore decided to wait and not to mention socialism in the Common Programme. However, socialism is our definite goal. We should explain to them that when we reach that goal, they, as individual persons, will find their own bright future, but the class they belong to will no longer exist. In the speech I made on January 5, taking up an idea expressed by Comrade Liu Shaoqi last year, I said that after remoulding, every one of them could look forward to a fine future and they would all be allowed to retain their means of livelihood. Some people say that in that case, the capitalists will use all their money for consumption instead of investing it in undertakings. That's a one-sided way of looking at things. If they know that tomorrow there will be a good place for them in the socialist society, they will work hard at their business today and develop managerial skills, which will also be useful in the socialist society of tomorrow. In short, it is possible to remould the bourgeois.

As I have said, the ideological essence of the bourgeois is to seek nothing but profit, to seize every chance to gain advantage by trickery and to secure their own benefit at the expense of others. This is bad of course. However, a certain portion of the profits they have made will go to the state. In the speech he will deliver at the National Conference of the Federation of Industry and Commerce, Mr. Huang Yanpei⁷¹ may pass on some words said to him by Comrade Mao Zedong. At a Party meeting, Comrade Mao described our policy on the distribution of profits as "giving each of the four horses a share of the fodder". He meant that the profits should be divided into four parts: the first part would go to the state in the form of taxes; the second part would go to the workers as welfare funds; the third part would be set aside as an accumulation fund to be used for reproduction; and the last part would be the net profit of the individual capitalist. Actually, the capitalist would get more than that, because the profits derived from the accumulation fund through future reproduction would also be divided into four parts,

of which the capitalist would again get one. If the capitalists obtain profits in this manner, those profits are legitimate. We should encourage them to make profits this way.

Of course, it would be false to say that the bourgeois are striving for lofty aims. After they have been remoulded, many bourgeois can move towards socialism. Nevertheless, for the time being, they are still seeking profits. Otherwise, they would not be capitalists. Legitimate profits should be recognized, and capitalists should be encouraged to obtain them. In the past we haven't made our policy on this matter clear. Huang Yanpei was very happy when Comrade Mao explained it to him. We should explain it to all the bourgeois.

I have read a speech by one comrade who seems to think that when you do united front work with the bourgeois you should be "diplomatic", just going through the motions and making empty talk. That's wrong. Did Comrade Mao Zedong invite Huang Yanpei to chat with him just because he had too much time on his hands? Everybody knows that Comrade Mao is busy all the time. So when he invites someone to talk with him, he certainly has some purpose in mind. After he was received by Comrade Mao, Huang Yanpei wrote to other bourgeois, first of all, to some in Shanghai, to relay Comrade Mao's directives in his own words. Wasn't that a good thing for us? Of course, we have to maintain contact with the members of the bourgeoisie sometimes. But when we engage in social activities with them, we should be guided by certain principles and policies and have certain purposes. Otherwise, it is wrong just to attend a dinner or a dance with them, lumping ourselves together with them. Activities that give us an opportunity to be together with the bourgeois and unite with them are necessary, because through the persons we meet in this way, we can impart the Party's policies to the people they represent.

Some people don't understand why we say that Huang Yanpei is a progressive member of the bourgeoisie. The reason is that he has established friendly relations with others of his class: he can tell us what is on their minds and let them know our views. Of course, there might be something missing when he reports our words. But that is only natural, because he is not a Communist. At meetings of our Government Administration Council there are representatives of the bourgeoisie who often make known what they are thinking about. When they speak their minds openly, we criticize the points we think are wrong, and they listen to our views and accept them.

So they are progressive people. Why is an Administration Council meeting held every week? Is it because I have nothing to do and want to pass the time by holding meetings? No. These meetings are useful, because they are different from Party meetings. At our own meetings, people's opinions about certain problems are almost the same, and after someone makes a speech, there are only a few words to be added. At a Council meeting, however, many different opinions — both correct and incorrect — are expressed by the representatives of the bourgeoisie or the enlightened gentry or the petty bourgeoisie. It is good for us to listen to these opinions because they can be illuminating. That's why Comrade Mao Zedong often says, "Listen to both sides and you will be enlightened; heed only one and you will be benighted".⁷² Administering a country as huge as ours, we must pay attention to all kinds of opinions. As Communists, we must make clear which views are correct and which are wrong. Listening to other people and evaluating what they say is an opportunity for us to test ourselves, to educate ourselves and to learn. So it is wrong not to take the bourgeois seriously.

Some comrades are reluctant to meet non-Party people. As Comrade Mao Zedong says, they are a little shy. That is not good. Since we always work with our own comrades, what we say is almost the same as what we hear. So we are a little out of touch with matters outside the Party. When we have contact with non-Party people, we can hear different opinions from all sectors of society. Of course, that presents us with a test: If we fail to take a firm stand or are confused in ideology and think whatever they say is right, we will be influenced by the bourgeois and may even succumb to their "sugar-coated bullets". In doing united front work we must learn, test ourselves and develop Party policies. All this can help us to make progress. We can't say, of course, that we will make no mistakes in our work, but we needn't be afraid of making mistakes. We should learn from experience. Since our policy towards the members of the bourgeoisie is to unite with them and remould them, we should be firm, careful and responsible about our work instead of being timid, slipshod and perfunctory.