

**Dates of Meeting:**

29-06-1954 – 01-07-1954

**Type of Meeting:**

Enlarged PB

**Place of Meeting:**

Beijing

**Attendance:**

Liu Shaoqi presided

**Major Agenda Items:**

the preparation of the first five-year plan for the national economy.

**Speeches/Reports:**

**Chen Yun** on the 29th and 30th, reported to the meeting on the plan's formulation, emphasizing the need for proportional development in the Five-Year Plan. He explicitly proposed for the first time the concept of "four proportions and three balances": proportional development between agriculture and industry, light and heavy industry, among different sectors of heavy industry, and between industrial development and railway transportation; and a balance between fiscal revenue and expenditure, purchasing power and commodity supply, and the supply and demand of major materials. Furthermore, a balance must also be established between the supply and demand of technical capabilities. The report pointed out that while the principle of proportional development must be followed, the specific proportions between different sectors will not be the same in different countries, or even in different periods within a single country. The only way to determine this is to assess whether the balance is achieved. Proportionality equates to balance; balance generally equates to proportionality. Because of my country's economic backwardness, the goal is to catch up in the short term; therefore, the balance in the plan can only be a tense balance, but this tension must never reach the point of breaking the balance.

[Explanatory remarks on the 5 year plan.](#)

**Other Decisions and/or Actions:**

After the meeting, Chen Yun organized personnel to discuss and revise the draft chapter by chapter and section by section, making it more mature

**Remarks:**