

REVOLUTION

**Mao
More
Than Ever**

Spring 1992

A Socialist Economy To Serve Revolution & Human Emancipation

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Breaking ALL Tradition's Chains
An Interview with Mary Lou Greenberg
On Revolutionary Communism and Women's Liberation

On Today's Strategically Favorable Situation
by Bob Avakian, Chairman of the RCP, USA

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Contents

On Today's Strategically Favorable Situation,
by Bob Avakian 5

**The Theory and Practice of Maoist Planning:
In Defense of a Viable and Visionary Socialism**
by Raymond Lotta 9

Talk on the Third Five-Year Plan
by Mao Tse-tung 40

**After the Revolution: "The Proletariat, upon
seizing power, will immediately take up the
transformation of society"**
from The New Programme of the RCP, USA 43

**Breaking ALL Tradition's Chains:
On Revolutionary Communism and
Women's Liberation**
An Interview with Mary Lou Greenberg 53

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. . . In This Issue

The August coup and counter-coup in the Soviet Union marked a watershed in what the RCP, USA has called the collapse of phony communism. We say *phony* communism because we, with the Maoist movement internationally, contend that new bourgeoisies actually seized power back from the proletariat in both the Soviet Union and China long ago.

In each case, power was seized by revisionist headquarters within the Communist Party. By revisionism, we mean an ideological strain which pirates certain Marxist trappings and phrases and continues to situate itself in the Marxist tradition, while it actually acts as a detachment of the bourgeoisie within the revolutionary movement. When within a socialist country these revisionist factions rise to power, and then systematically repress genuine revolutionaries and dismantle institutions of proletarian power, this means, as Mao Tse-tung stated, the "rise to power of the bourgeoisie."

This occurred in the Soviet Union in the mid-1950's following the death of Stalin. Revisionists headed by Nikita Krushchev seized power and reversed socialism; this is when the real restoration of capitalism began there. The same process took a more dramatic form, with a clearer rupture in the forms of class rule, in China. There, in October 1976, the revisionist-controlled security and military forces arrested Mao's closest comrades, including his widow Chiang Ching (who recently died in jail in the hands of enemies). In the year following this coup they fully restored to power those who had been targetted during the Cultural Revolution as champions of capitalist restoration.

Nonetheless, particularly in the Soviet Union, the new bourgeois rulers did attempt for some 30-odd years to pursue their rule through a revisionist political and ideological cover. Given the imperialist character of Soviet society in the last generation, this spread great confusion as to what was, and what was not, genuine communism. However, over the last five years or so, the Soviet rulers have found it increasingly necessary to cast off those revisionist forms and more openly adopt classical bourgeois forms. This whole process reached a climax with the August events, which has ended in the formal dissolution of the Soviet Union and the removal from official power of the Communist Party of the Soviet Union.

Because the Soviet Union (and China) have been identified in the popular mind with communism, this process — which has taken place through great upheavals — has created a certain amount of short-run confusion among many. Moreover, the Western bourgeoisies, with their massive propaganda machines, have seized on this to go on an ideological offensive denying the very viability of communism; they claim that the domination of the market and bourgeois democracy constitute not only the best of all possible worlds, but ultimately the only possible one. And in this they are aided by many social-democrats and recently repentant revisionists.

But for us Maoists, great questioning on a mass scale means great strategic opportunities. As Bob Avakian has remarked, the demise of revisionism — of phony communism — “does not constitute a crisis for genuine communism and is not a bad thing for us, for the international proletariat and the international communist movement, as represented specifically by the RIM [Revolutionary Internationalist Movement] and the parties and organizations affiliated with it. Strategically it is a fine thing for us.”

This crisis, for all its short-term tactical difficulties, does provide special opportunities for revolutionary communism to actually strengthen its pole of attraction and influence among the masses. Questions of ideology and the future shape of society are now the order of the day—excellent! These are opportunities which we intend to seize through our ideological counter-offensive and to address further in this issue.

We open this issue with an excerpt from a talk on “Radical Ruptures, or Yes, Mao More Than Ever,” by Bob Avakian, Chairman of the Central Committee of the RCP, USA. Though delivered before the Soviet coup, Comrade Avakian’s talk frames the current world situation and sets a revolutionary general orientation for it.

The bourgeois glorification of the market and its indictment of socialist planning is answered in a major theoretical work by Raymond Lotta. Lotta sums up the pathbreaking and little-understood Maoist approach to and experience with planning. China under Mao, it should be remembered, began as a country that had been plundered and kept in a state of extreme backwardness with periodic mass starvation; the revolutionary leadership successfully mobilized the masses to stand up, break with imperialism, and build a new life. And they did this in a way that advanced towards real communism: socialist construction and planning under Mao was not a lifeless process commanded by bureaucrats, but something driven by class struggle in which the people extended their mastery into every sphere, raised their consciousness and broke down the divisions and backward ideas and institutions inherited from capitalism and feudalism.

Along with Lotta’s article we run two related pieces. The first is a little-known speech by Mao delivered in 1964 marking out in broad strokes some of the differences with the approach to planning pioneered in the Soviet Union. The second is an excerpt from the RCP, USA *New Programme* that concretely lays out how proletarian power will run the economy in the US after the revolution.

Finally, we also feature in this issue the first part of a very exciting interview with Mary Lou Greenberg of the RCP, USA, focusing on the struggle for the emancipation of women. Greenberg ranges widely in this interview, including a substantial recounting and analysis of what was accomplished on this question in Maoist China. She also outlines her thinking on a host of other strategic questions related to what Bob Avakian has called a “touchstone question” of the proletarian revolution.

—the Editors

On Today's Strategically Favorable Situation

from "Mao More Than Ever,"
by Bob Avakian

"On Today's Strategically Favorable Situation" is excerpted from "Radical Ruptures, or Yes, Mao More Than Ever," by Bob Avakian that originally appeared in Revolution magazine, #60. We are reprinting it here because Comrade Avakian's talk frames the current world situation and sets a revolutionary general orientation for it.

Bob Avakian is Chairman of the Revolutionary Communist Party, USA. A major voice on the revolutionary left since the 1960s, he was active in the Free Speech and antiwar movements in Berkeley, worked closely with the Black Panther Party, figured prominently in debates within the Students for a Democratic Society, and founded the Revolutionary Union in 1968. Avakian quickly emerged as the leading Maoist thinker in the United States, and has over the last twenty-one years written numerous analyses of the world situation and problems of revolutionary strategy. In 1980, under threat of more than a lifetime in jail—as a result of trumped-up charges stemming from a demonstration against Deng Xiaoping in 1979—Bob Avakian was forced into exile in France. His writings often appear in Revolution magazine.

"The so-called demise of communism is really just revisionism becoming more *openly* bourgeois. This does not constitute a crisis for genuine communism and is not a bad thing for us, for the international proletariat and the international communist movement, as represented specifically by the RIM and the parties and organizations affiliated with it. Strategically, it is a fine thing for us."

I think this is a very important point of basic orientation — that this is really a fine thing for us strategically.

Of course it does create a number of problems for us in the short run. In the tactical sense it creates a certain amount of confusion among many people — it creates a certain amount of disorientation — because there is this whole constant barrage of bourgeois propaganda about how what this represents is people rising up against "communist tyranny" that finally, after having it imposed on them for many years, they are now throwing off.

Just as an aside, besides everything else, this is again just a gross distortion and basic nonsense — it is an extremely simplistic view, to say the least. These revisionist regimes and their ruling parties obviously did have a social base, they obviously had a base of support among sections of the population for a certain period of time. Even many revisionist parties in countries where they weren't in power had a social base for a fairly long time — for example in France the (counterfeit) Communist Party had a mass base for quite a period of time.

Now there have been changes in the societies in Western Europe — and also, more recently, in Eastern

Europe — which have undermined and eroded this social base. This has to do with heightened parasitism in these bourgeois societies in Eastern as well as Western Europe and a lot of other changes in the class formations in these countries — in the “configuration of classes,” if you want to use that kind of a phrase.

The social relations of society have changed in various ways, especially having to do with this heightened parasitism. In other words, the old pattern of Eastern European societies, in which they were weighted toward heavy industrial production and there was a certain “social compact” (a stated or unstated agreement) whereby the revisionist regime ruled in the name of the working class and paid particular attention to “social welfare benefits” for especially the more skilled industrial workers — this is giving way to an attempt to shift away from such an emphasis on heavy industry and such a “social compact” and to move toward more “high-tech” economic patterns in these countries, hand-in-hand with an attempt to get a bigger “cut” of the exploitation of working people internationally and particularly in the Third World. This is a major factor in undermining the basis, the traditional basis, of these regimes in Eastern Europe — and some similar changes have undermined the popular basis of the revisionist parties in Western Europe and other places as well.

This is obviously giving rise to a great deal of turmoil and upheaval along with other things happening in these parts of the world and in world relations and struggles more broadly. Still, it is extremely simplistic and nonsense to talk as if these revisionist regimes and parties never had any base of support. And although it has been undermined and eroded significantly over several decades, they still have some base of support among sections of the population.

But anyway, from our standpoint, these changes, and in particular the fact that these revisionist regimes and parties are becoming more openly bourgeois, is very fine. It’s changing the terms of things in a way that strategically is good for us. We have to know how to handle the short-run and tactical difficulties in light of and being guided by the strategically favorable factors that are involved here.

Strategically favorable polarization

One of the things that is involved here is a significant political and ideological shift. It’s ironic, if we think back to almost ten years ago, near the beginning of the eighties, I made this deliberately provocative state-

ment about how in a certain sense, and only in a certain sense, we should let these revisionist parties have the name communist — we should make the point of saying we are revolutionary communist/proletarian internationalist. But they have said, in effect: no thank you, we don’t want it, we no longer want even to be *called* communist. They want to let go of it as fast as they can now. But we’re very glad to loudly declare ourselves communists, while making clear this means the same thing we’ve always meant by revolutionary communism/proletarian internationalism. And in particular, as we have achieved a higher synthesis in our understanding of this, we have grasped firmly that today communism means and can only mean Marxism-Leninism-Maoism.

One of the most important results of the fact that you have these revisionist governments and parties becoming more openly bourgeois is that more clearly, in ideological terms, you have a pole made up of increasingly closely identified, closely akin, forms of bourgeois rule and bourgeois politics and ideology. Whether in Eastern Europe or Western Europe, the forms of government and the politics and ideology being promoted are more and more alike. And on the other hand, you have, most fundamentally, the howling objective reality that the great majority of people in the world are in miserable conditions, in situations that in actual fact require proletarian revolution to provide any real solution. And there is a very strong objective basis for these people to gravitate towards Marxism-Leninism-Maoism, which is the ideology that represents this solution and that stands directly opposed to all this, increasingly similar, bourgeois ideology and politics coming from the Western and the Eastern powers.

The basis has been strengthened for our ideology to more clearly be recognized as the direct and really only opposite pole, the only real answer to these more and more closely associated forms of the ideology and politics of the bourgeoisie. I’m not saying everything has become crystal clear, that there are no shades of difference, no elements of confusion and no ideologies that come forward claiming to be one thing that are really another, and specifically that claim to speak for the oppressed while really representing the oppressor. Of course all that exists and will continue to exist, but there is, in a very global sense, a certain polarization in terms of basic ideology and politics occurring in the world. And this is a very good thing.

It is a fact that at the present time objectively our pole is weak in relation to the opposite pole and that

in the short run not all of these developments I have been discussing that are strategically favorable for us are necessarily immediately favorable. Nevertheless, there is this fundamental polarization which is occurring which is favorable for us. And there is the underlying objective fact of what is the position and the crying needs of the great majority of people in the world, which is also very favorable for us. In fact, the basic conditions and fundamental needs of the masses of people throughout the world are the basis for proletarian revolution and really the basis for our existence as revolutionary communists.

It is these conditions and needs that are bound to incline people towards the pole of Marxism-Leninism-Maoism, even if right now this pole is still relatively weak and is not a pole of massive attraction in many countries, with some important exceptions, and — speaking in terms of the world as a whole — is not yet drawing the massive number that it has to draw and that it will draw. This is another way of stating the fundamental principle that Marx underlined: the important question is not what the masses of workers are doing at any given time but what they will be compelled to do by the situation and their conditions and objective interests.

The temporary, relative weakness of our pole right now has to do with some very crucial material things in the world such as the defeat of our side in China, the reversal of the revolution there, and the fact that there is right now no such base area for the world revolution as was represented by China. In other words, a real beacon was lost — not the *rigor mortis* fake socialism of the revisionists but a living, vibrant revolutionary socialism that China actually represented particularly through the heights of the Cultural Revolution. This was lost with the triumph of revisionism in China after the death of Mao.

But, while temporarily there are no such revolutionary socialist states in the world, there are inspiring revolutionary struggles — there is the people's war in Peru and other struggles throughout the world. What is of particularly great importance about the people's war in Peru is that it is being led by a party carrying the banner of Marxism-Leninism-Maoism. And in other struggles in the world, in many places in the world, there are many people who are drawn towards our ideology and who in general uphold a genuine revolutionary standard — who represent a genuine revolutionary opposition to the powers-that-be and the established order. So these are also favorable elements, favorable aspects to the situation.

The point is that we have to figure out the ways to strengthen our pole of attraction. First and foremost and fundamentally this means carrying forward the revolutionary struggle, strengthening it in the material sphere. But what is also important is the question of how to carry out work and struggle in the ideological sphere. This includes through literature and art and other ways as well as through the propagation of our ideology and exposure of the ideology and politics of the other side. The question I'm focusing on here is this: how to strengthen our pole in the ideological sphere? How to strengthen the attractive power of Marxism-Leninism-Maoism as the pole directly and clearly opposed to the bourgeois pole to which all these revisionists, as well as of course the "old-line" bourgeois powers, are scurrying to attach themselves? In grappling with this question, we should keep firmly in mind the fundamental, and fundamentally favorable, objective basis for this despite certain real losses we've suffered — in particular the loss of China as a revolutionary base area and beacon — and despite certain real weaknesses in our situation at the present moment.

REVOLUTION

The End of a Stage – The Beginning of a New Stage Mao More Than Ever!

**By Bob Avakian
Chairman of the RCP, USA**

In an explosive Fall 1990 issue of *Revolution Magazine*, Bob Avakian takes up an historic challenge posed by the events of the day. Scorn is heaped on Marxism by its enemies and phony Marxism is in crisis. But at this very same time, the conditions of the world starkly pose the fact that nothing less than REAL communism will do. Bob Avakian's approach: strategic confidence in revolution, combined with (and founded on) an understanding that it is crucial to sum up the lessons and historical experience of communist revolution—exactly in order to advance that process.

And he takes up this problem as Bob Avakian always does it—in new ways, from unexpected and fresh angles, wrangling deeply for answers . . . and always from the stand of revolution, the stand of the oppressed.

This issue discusses:

- The positive role of unresolved contradictions under socialism
- Religion and “human nature”
- The achievements, mistakes and revolutionary legacy of proletarian rule
- Once again on Stalin and “Stalinism”
- Diversity, dissent, and why revolutionary communists must be “wrangling motherfuckers no less when they are in power than when they are not”
- The problem with intellectuals and the positive role of intellectuals in socialist society
- Should socialist states have nuclear weapons?
- More on youth and age in the revolutionary process

and more . . .

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The Theory and Practice Of Maoist Planning: In Defense of a Viable and Visionary Socialism

by Raymond Lotta

Author's Preface

A major component of the ideological offensive against real communism is the accusation that socialist economies do not and cannot work in the real world. But the actual experience and record of genuine socialist planned economy prove something quite different . . . and liberating. "The Theory and Practice of Maoist Planning" examines how socialist planning deals with the challenges of managing a complex economy and promotes the revolutionary transformation of society.

A socialist economy is the opposite of a capitalist economy. Under capitalism private ownership, profit, greed, and all their ugly social consequences are the order of the day. Under socialism the means of production are socially controlled, people work collectively to solve problems, and the economy is guided by a conscious plan to meet the needs of people and to serve the cause of world revolution. But this is something new in the history of human society. The Soviet Union under Stalin made the first attempt to organize a planned socialist economy (Lenin had died shortly after the seizure of power). The experience gained was of great importance to the international working class. But it was only natural that mistakes would be made and that some incorrect approaches would be taken. In 1949, when the workers and peasants in China seized power, new problems and challenges presented themselves.

Under Mao Tsetung's leadership, answers were found to some of the most critical and difficult issues of planning and managing a socialist economy. That is what this article deals with, and the following brief summary of its main themes will hopefully aid the reader in getting in to the article.

First. Politics in command of economics. Is the only way to run an economy by relying on profits, efficiency,

Raymond Lotta is a Marxist-Leninist-Maoist political economist who has written extensively on issues of world politics, world economics and the socialist transition period. His books include America in Decline, The Soviet Union: Socialist or Social-Imperialist? and And Mao Makes Five. He is a frequent contributor to Revolution magazine. "The Latin American Debt Crisis in Perspective: The Political Economy and Strategic Implications of Global Financial Disorder," appeared in Revolution, #59, Spring 1990.

This essay is an expanded version of a paper delivered in December 1990 at the annual meeting of the Union of Radical Political Economists (URPE) in Washington, D.C. The author welcomes comments from readers.

experts, and the promise of individual gain? This is the argument of capitalism. The Maoists in China insisted that a socialist economy has to measure its performance and be run according to different standards, and that this is not only possible but also in accord with people's highest interests. If efficiency becomes the "be-all, end-all," then the old ways and methods, and the old inequalities and oppressiveness, will reassert themselves. A socialist economy must serve the masses of people, contribute towards overcoming the differences and inequalities of class society, that is, contribute towards revolutionizing society and eliminating classes, and serve the world revolution. Socialist economic growth must break with traditional patterns of chaotic urban and industrial growth, and it must not allow profit to determine what gets produced and where. Socialist economic planning must be integrated with issues of population, urban-rural relations, worker health and the environment. Under socialism, the work process and industrial management must be collectivized and revolutionized. And in a socialist society the masses must be politically armed: they must know what is needed and what the problems are, learn from advanced experience, have initiative in their hands, and be engaged in struggle over the goals and nature of planning. The lesson Mao summed up was that by putting politics in command — not experts, not computers, not regulations and production quotas, and certainly not profits — problems of economic development could be solved and the economy could be pushed forward in the interests of the masses.

Second. The relationship between centralization and decentralization. Capitalist apologists argue that socialist economies cannot function well because they are strait-jacketed and bureaucratic. In fact, it is capitalism that requires bureaucratic and hierarchical control over people, while planlessness (anarchy) reigns over economics. Mao emphasized that socialist planning must combine centralized leadership and direction with decentralized initiative and administration. This is what enables a socialist society to bring economic processes under conscious control and to maximize mass participation in running the economy — something that is impossible under capitalism yet something that became a reality in revolutionary China. The proletariat must exercise its state power to defend the revolution and carry it forward. It needs political leadership to concentrate advanced experience and understanding. It needs central planning to coordinate social production. And on this basis, there must be extensive decentralization in order to unleash people and solve problems at the most relevant levels. But you can't have that if there is too much direct control from the top in running a socialist economy. The planning system in the Soviet Union, when it was a socialist society, and in China during the early years of building socialism was

too centralized. Mao summed up that this stifled mass participation and overloaded the central government agencies and personnel with too many tasks. The Maoists in China insisted on giving more responsibility to the local areas in working out the necessary production arrangements and solving problems. But this looser, decentralized approach to planning could only work if there were a unified and shared political understanding — otherwise people would be working at cross-purposes. This called for strong political leadership at all levels and the leading role of the party of the working class to identify and concentrate its highest interests. Planning had to be guided by the spirit of "from the masses, to the masses." Planners had to get out into the field to investigate the situation. Proposed plans had to be discussed and criticized by the masses, and the implementation of a plan had to be the object of mass debate and discussion.

Third. The relationship between balance and imbalance and the importance of flexibility in a planned socialist economy. The ruling class argues that socialist society and socialist economy lack vitality and spontaneity because everything is supposedly so tightly controlled. They equate planning with rigidity and inflexibility. But socialist society is anything but static and stagnant. It is constantly changing. The Maoists saw the socialist transition period as one of great struggle and transformation and experimentation. As for economic development, they saw this proceeding through a wave-like motion of a certain balance of economic factors giving way to imbalance, which in turn led to a new balance. This dynamism is a real source of strength of socialist society — the more so as the masses are unleashed. The Maoists incorporated this understanding into their planning methods. They also learned from the mistakes of the Soviet Union, when it was socialist — where the approach to planning was based on the expectation that there would be a highly harmonious movement of all the parts of the economy and where production targets were treated as though they were laws that could not be violated. In revolutionary China, planning was marked by a high degree of flexibility, with the ability to change and adjust built in to the system, especially at the local level. At the same time, the planning system paid attention to key relationships in society — such as between agriculture and industry and between different regions, so that inequalities and differences could be overcome.

The point of this article is that the Maoists came up with real solutions to the real problems of running an economy to meet social need and serve revolution. And, incredibly, this occurred in a vast and diverse country that contained one-fourth of humanity. It was an exhilarating and emancipating experience for the masses. And it stands as a powerful demonstration that socialism is not only a "better idea" but something that works.

I. Introduction

An ideological victory parade is being staged in the West. It started with the collapse of the Soviet-dominated regimes in Eastern Europe. And it has become an epic celebration with the discrediting and dismantling of the state-capitalist political and economic institutions through which Soviet society has been ruled for the last 35 years. What's being celebrated is Western-style capitalism. There are the tributes to private markets and the magic whip of competition. There are the cheers for the great horn of plenty of Western consumer goods. And there are sermons about the "end of history" — as if by divine will, the West has realized the ideal of all civilized peoples. No other set of economic arrangements, the ruling classes tell us, can perform as efficiently or rationally; no other political system can provide scope for individual development.

Never mind that each day 40,000 children die of malnutrition and preventable disease in the Third World, a Third World dominated by Western economic and political institutions. Never mind the obscenity of the claim that a Western-style market that ravages the inner cities of America is somehow going to solve the housing crisis in the Soviet Union. Never mind three centuries of industrial development that has been as blind as it has been destructive toward the ecobalance of the planet. Ignore all that . . . the market ensures the best of all possible worlds.

If Western capitalism has declared triumph over the bureaucracy and corruption that masqueraded as socialism in the Soviet bloc, it is also using the occasion to declare null and void the possibility that humanity can move beyond exploitation, beyond inequality, beyond fragmentation and a social environment of greed and selfishness to create a very different kind of society. The ruling classes are proclaiming that the verdict of the twentieth century is in: anything that challenges the dominant economic and social relations is at best a pipedream, and at worst an unworkable utopia imposed from above that can only lead to nightmare. The victory parade is, as one historian described it, a "thunderous celebration of dystopia." Which is to say, since you can't have a perfect world, long live greed and oppression and meanness. And all this has not been without political effect. Among many who at one time or another have embraced alternatives to capitalism, the collapse of the Soviet economic and political system, which has been mistakenly identified as socialist, and the ideological assault

against socialism have contributed to deep questioning about the nature and future of socialism.

Many socialist-inclined thinkers have concluded that there is something structurally defective with a planned socialist economy. It is suggested that a modern industrial economy is too complex to be run by a central planning authority; that individual enterprises in a planned socialist economy lack flexibility and initiative, and have little incentive to economize, to innovate, and to satisfy consumer demand; that central planning is by definition bureaucratic and repressive. The market is the only way. Prices tell people what's needed and in what quantity; only the market mechanism, with its rewards and penalties, can provide the discipline and incentive that make an economy efficient and responsive. The people arguing this believe that socialism must be made "workable," it must plant its feet on the earth and shake off its "utopian" ambitions, and redefine its politics.

Now it is this author's view that what is collapsing in the Soviet Union, what has failed, is not socialism but a particular variant of capitalism, a highly centralized state monopoly capitalism.¹ The Soviet Union was once a socialist society. It had a genuine mass revolution in 1917. But power was seized by a bureaucratic bourgeoisie when Khrushchev came to power in 1956. Capitalism was restored and the Soviet Union became an imperialist power. This phony socialist system entered into severe crisis in the late 1970s and early 1980s, and it came unglued by the end of the decade as a structural economic crisis interacted with a crisis of legitimacy (the system lost its ability to deceive and bribe). There was nothing utopian about this class-divided and incredibly corrupt society. It was exploitative and dehumanizing. As for its professed Marxism: this was a counterfeit Marxism that served to coopt and incapacitate the working class through the promotion of a phony "workerist" ideology, and to rationalize the exercise of power and all manner of pragmatic interventions of the ruling class by appealing to a body of thought whose revolutionary and emancipatory heart had been ripped out. But that is another discussion.

What is at issue here is the practicality of revolutionary communism

What is at issue here is the practicality of revolutionary communism. Can human society be organized on the foundation of the voluntary and collective efforts of millions to end all oppression and class

distinctions? Can political leadership and economic substructures serve such ends? And can a socialist economy work?

In raising such questions, Mao and the experience of revolutionary China until his death in 1976 are a fundamental point of departure. The state-bourgeois ideologues of the Soviet bloc peddled an economic pseudo-Marxism that equated socialism with formal and legal state ownership, benevolent welfarism, technocratic efficiency, and political passivity. In contrast to this, Mao reclaimed Marx and Engels' vision of communist society in which men and women would consciously and voluntarily, and through great struggles, change the world and themselves. At the same time, while learning from the positive experiences of the unprecedented efforts to build socialism in the Soviet Union, Mao profoundly rethought and recast the prevailing model of a planned socialist economy that had been institutionalized under Stalin when the Soviet Union was socialist. He critiqued the top-down methods and technological determinism that characterized planning in the Soviet Union. He drew on the Chinese revolution's own early experiments in economic management and mass mobilization and self-reliance in the border region during the anti-Japanese war. He summed up the negative experience of having adopted wholesale much of that Soviet model during China's first five-year plan. The Great Leap Forward, which led to the formation of peasant communes in the Chinese countryside, experiments in new forms of worker management, and the adoption of new planning priorities and techniques, was a crucible through which this new model was forged. The process would deepen through the struggle and experimentation of the Cultural Revolution. This process would come to an end with the seizure of power by the Deng Xiaoping group which turned its back on revolution and attacked Mao, and which restored capitalism and resubordinated China to imperialism.

Mao was theorizing and implementing a set of solutions to the real problem of developing a planned socialist economy that does not rest on bureaucratized regulation, that does not reproduce capitalist relations. His approach meant subjecting

Mao was theorizing and implementing a set of solutions to the real problem of developing a planned socialist economy that does not rest on bureaucratized regulation

growth and development to social and political criteria, linking the question of planning to the question of mass participation, putting emphasis on the ideological and political environment in which decisions are taken at all levels, giving greater scope to local initiative and decentralization within a unified system of planning, and taking a dynamic approach to the problem of planning balances. It was a highly developed, workable, and living approach to socialist economy, even as it was constantly evolving, even as it came under repeated challenge and attack from Mao's opponents.

Against a legacy of semicolonial domination, with its twisting of economic development, this model also represented a complete rejection of the standard approach to "underdevelopment." That view sees underdevelopment as nothing more than delayed development which could only be sped up and put on track through absorption of foreign capital and participation in the international division of labor. Revolutionary China, by contrast, was able to delink from the world imperialist system; it formulated and implemented a totally different developmental strategy based on giving priority to agriculture, utilizing simple and intermediate technologies that could be spread and adopted throughout the economy, promoting self-reliance, and, above all, unleashing people. On such a basis, a poor country was able to achieve sustainable and balanced growth.

The CIA couldn't deny the favorable growth rates. Observer after observer couldn't help but be struck by the forging of new values and attitudes. But as impressive as all this was, these mechanisms and principles were part of a larger solution to a deeper set of problems: how to revolutionize society and people in order to make the stormy passage to classless society. In short, Mao's political economy is what might be called the political economy of visionary and viable socialism.

In this essay, I will focus on the lessons this experience holds for the theory and practice of socialist planning. The discussion makes use of Western studies and Chinese studies, especially the *Shanghai Textbook on Socialist Political Economy*, dating from the Maoist period of 1949-1976. The essay consists of four major sections: Mao's critique of Stalin's approach to planned socialist economy and Mao's view of socialism; the question of politics in command of economics; the relationship between centralization and decentralization; and the nature of economic balance under socialism.

II. Mao on Stalin and Planning and the Socialist Transition

A socialist revolution creates a new form of class rule. The "have-nots" of society, the propertyless producers whose labor had previously served capital, establish under the leadership of their vanguard a proletarian dictatorship. With state power in its hands, the proletariat can attack the sores and social evils transmitted by exploitative society — it can build housing in poor neighborhoods, solve problems of education and health, deal with social inequality. The conversion of privately controlled means of production into public property enables society to collectively control and rationally utilize its economic resources. The process of planning and the practice of socialist management enable society to begin to break down the separation of the producers from the means of production. Through state economic planning, the masses can begin to use and master economic laws in order to consciously transform society and nature. But how should planning be approached and carried out?

Mao on the Soviet Experience

The Bolshevik Revolution of 1917 ushered in the first attempt in human history to construct and manage a socialist economy. The task was formidable. The Soviets had no previous experience to draw on, and mistakes were bound to be made. But not only was something new being tried . . . it was being carried out under very difficult conditions. The international environment was extremely hostile. These circumstances put tremendous pressure on the new socialist regime and greatly influenced the decisions it made, and not just in forcing it to divert resources to build up military industrial capacity to defend itself — for instance, the Soviet strategy of rapid industrialization and how industry itself was organized cannot be separated from imperialist military threats and encirclement.

The experience of planning in the Soviet Union in the years 1917-1956, when the Soviet Union was a socialist society, could not but be highly contradictory. A modern socialist industrial base had been created and collectivization of agriculture carried out. Real elements of

The experience of planning in the Soviet Union in the years 1917-1956, when the Soviet Union was a socialist society, could not but be highly contradictory

mass mobilization and mass involvement were associated with these efforts, and millions were fired with a spirit of "storming the heavens." A new system of production was established that no longer experienced the destructive economic crises of capitalist market forces. Conscious efforts were made to develop the more backward republics and regions. These were real and historic accomplishments. But there were serious problems as well.

The Soviet planning system was able to steer society's economic surplus to key industrial sectors, and this promoted rapid growth. But the system over-emphasized heavy industry. This created serious imbalances as heavy industry absorbed a tremendous share of economic resources at the social and economic expense of peasant agriculture (and, secondarily, at the cost of adequate development of transport and distribution). At the same time, the goal of high-speed industrial development and the preference for large scale investment projects, with many being located in already industrialized areas, contributed to a huge increase in the urban population and unnecessary concentration of industrial activities. This had the effect of reinforcing some of the inequalities between town and country. And while Stalin recognized the need to overcome such differences as that between town and country and between mental and manual labor, this was approached mainly from the standpoint of developing production and not very much in connection with the need to wage political and ideological struggle.

In terms of the institutions and methods of planning, socialist construction and management in the Soviet Union rested on a bureaucratized, overcentralized, and heavy-handed planning apparatus. The Soviet planning system, as it existed by the early 1950s but especially as it was formalized into a model to be adopted by other socialist countries, put a premium on tight control by the top industrial ministries and planning agencies, extending down to details at the enterprise level. And built into this model was a reliance on specialists and hierarchy that cut against the conscious activism of the producers. Its strict lines of authority and forms of one-man management tended to reproduce certain aspects of the traditional social division of labor (and it relied too much on material incentives, on motivating people by offering them higher pay and bonuses). It proved administratively bulky and top-heavy, and overloaded itself with tasks beyond its capabilities. When it came to figuring out material balances (for example, how much steel would

be needed by local enterprises) and allocating materials, the system operated in such a way that everything had to be calculated and balanced at the highest levels. The rigidity of planning and its lack of flexibility at lower levels held back local dynamism and made it harder to adjust to unforeseen circumstances. This led to waste and actually made it more difficult to ensure the plan would be carried through.

Now, one source of confusion in trying to understand what is happening in the Soviet Union today is that many of the *formal* elements of the planning system that existed in the Soviet Union when it was socialist were carried over into the period of Khrushchev, Brezhnev, and Gorbachev. There was still a central plan, state planning agencies and ministries, state ownership of factories, and a high degree of administrative centralization. But there was a big difference. The *content* was no longer the same: social production and social life were now organized around the principles and mechanisms of profit. Today what is happening in the Soviet Union through the so-called reform process is that the institutional forms and mechanisms of state capitalism are undergoing a massive restructuring. State capitalist property is being privatized, state capitalist planning is being replaced by a Western-style system of government controls, and revisionist political structures are being replaced with parliamentary forms of control and deception.

Mao critically learned from the Soviet experience when it was a socialist society, as well as from the lessons of capitalist restoration in 1956. Yes, socialist construction required a state economic plan to represent the *fundamental interests* of the working class. But Mao understood the question of centralized planning in a more dialectical way than had Stalin. That is, he understood the unity and struggle of opposites — between balance and imbalance, agriculture and industry, heavy and light industry, and between the center and localities. At a deeper level, Mao was critical of the view of a plan as a technical instrument of control over the economy; on the contrary, a plan is an expression of ideology, of the goals and outlook of a class.² It is a class-based reflection of social reality that in turn acts on reality, and which, from the standpoint of the working class and its emancipation, seeks to bring about the conscious, social control of production. The formulation of a plan is never merely a question of gathering technical information and anticipating economic developments. It involves class struggle in the ideological realm over the goals and direction of society. (The very means by which information is

gathered and evaluated reflects this struggle.) Planning methods exert *profound effects* on class structure and class relations — on who and what is being controlled. One of Mao's key insights was that bureaucracy in planning was not merely a problem of administrative overgrowth. Bureaucracy is a form of organization through which a new bourgeoisie reproduces itself. And it is a method of control by which a new bourgeoisie seeks to consolidate power.³

Mao on the Nature of Socialist Society

Socialism, Mao emphasized, is not some sort of machinery of institutions that just tick along. It is a momentous struggle to replace production for profit

by production for social use, a struggle to revolutionize all institutions and social relations in society, to forge new values and attitudes, to establish all-round control of society by working people so they can master and transform all aspects of it, and to narrow and ultimately abolish all class distinctions. In short, it is a struggle to uproot the old and build a new world. Western ideologues love to describe the bogus socialism of the present-day Soviet Union as a "supposed workers' paradise." Obviously, it is anything but that. But even *genuine* socialism is not a utopian endpoint. It is a period of revolutionary transformation between capitalism and communism, it is a form of class power that only opens the door to the struggle to transform the material and ideological foundations of class society and continue the revolution to achieve classless society. For Mao, socialism was a contradictory phenomenon. On the one hand, it was a *great leap*. Production is carried out to meet the needs of society according to a plan and is organized on the basis of conscious social initiative and coordination. Yet, as much of a leap as socialism is, it remains a *transitional* society, containing both the scars of capitalism and the seeds of communism.

Socialist society will either move forward to communism or backward to capitalism. Two roads open up: the capitalist road and the socialist road. And what direction society goes in will be determined in the furnace of intense class struggle. This is a struggle between the formerly oppressed who aspire to run and transform society and new bourgeois forces who seek to restructure it according to capitalist principles.

These new bourgeois forces are generated out of the very structure of socialist society, out of the differences in income, positions in production, and roles that people play in administration and leadership and that still exist under socialism. This is a society where commodity and money relations still play an important part in social production (goods are still exchanged through money, enterprises still calculate in monetary terms to compare between the planned cost and the actual cost of producing something). These things cannot be eliminated overnight, but they also nurture new capitalist forces. As a class this new bourgeoisie represents the capitalist aspects *within* socialist relations of production. As a political force, its strength is concentrated in, and organized through, power centers in the governing (party-state) apparatus of socialist society.

The political program of the new bourgeoisie is to seize on and expand the capitalist factors within socialist society in order to transform socialist ownership into a mere shell. When conditions are ripe the capitalist roaders will, as they must, make a bid for power. The Cultural Revolution led by Mao was a means by which to wage struggle and defeat the forces that wanted to restore capitalism. Through mobilizing the masses, bourgeois centers of power within the party and state institutions were bombarded, leading bourgeois elements were struck down, and power was seized back from below through revolution. Most important, society was sprung into the air, and on the basis of mass upheaval, economic, political, social relations, as well as people's thinking, were revolutionized. In this way, by continuing the revolution, the proletariat digs up the material and ideological soil from which classes arise.

The class struggle in socialist society is a struggle over whether a plan will serve socialist development — or serve capitalist development; whether the results of the proletariat's labor will be used to build up the basis to eliminate classes — or be used against the producers; whether the capitalist aspects in society and their manifestations in the realms of ideas and culture will be restricted and overcome — or expanded; whether the scope of participation and initiative of the masses in running society will be widened — or strangled; whether the revolution will continue — or be reversed.

Of course the economy must be developed and the productivity of social labor raised. But Mao went further than any previous Marxist thinker in understanding that technological advance and economic growth are not the fundamental guarantor of socialism

and communism. The productive forces must be developed not as an end in itself, nor even as the means to maximize material welfare, but rather to provide the necessary material basis for carrying forward the social, political, and ideological transformations that are at the heart of the transition and revolutionary struggle to a higher form of society no longer divided by classes. And Mao emphasized that the productive forces have to be developed *on the basis of continually revolutionizing production relations and people's outlook.*

As Mao said, class struggle is the key link; grasp revolution, promote production.

Once political leadership departs from this standpoint, once production is taken as the key link in moving society forward and the "most efficient" methods of production become the all-important yardstick, then what sets in is production for its own sake, the domination of dead labor over living labor . . . and that puts you on the capitalist road. Once planning is treated as an administrative function defined by technical gathering of information and the issuing of detailed orders and the top-down enforcement of their implementation, then the plan begins to dominate the proletariat, rather than the other way around . . . and that puts you on the capitalist road.

And this brings us back to the earlier question: can a socialist economy really work, and work in a way that leads forward and away from the inequalities and division of labor characteristic of class society? Typically, Western and contemporary Soviet-bloc economists present two models of socialist economy: the so-called *bureaucratic command economy*, based on tight party or technocratic and ministerial control, and whose means of enforcement are reward and punishment; or a decentralized *market socialism*, in which central control is reduced and enterprises are free to respond to market signals, and which is driven by monetary incentive and gain and the penalty of failure. But there is not much difference here. Both models assume the efficient allocation of resources and the reduction of costs to be the highest goal. Both treat the masses as objects ruled by productivity quotas and motivated by material reward, like mice chasing after cheese. Both

Mao went further than any previous Marxist thinker in understanding that technological advance and economic growth are not the fundamental guarantor of socialism and communism

take existing social relations as a given, or at least as something that will not change for eons to come.

Maoism constitutes a repudiation of this false posing of the problem and points in an entirely different direction. Under Mao's leadership during the Great Leap Forward and through the Cultural Revolution, a system of planning took hold that was marked on the one hand by administrative decentralization and enterprise flexibility but which, on the other, involved neither the loss of central coordination and social direction nor the expanded role of the market. The Chinese planning system delegated important decision-making power to local political authority; in conjunction with unified political direction and new forms of socialist management, this increased the exercise of collective control by the proletariat. The Chinese revolutionaries demonstrated the possibility of combining regulation with creative experimentation, centralized control with local initiative, balance with breakthrough, and economic coordination with mass political campaigns; they put revolutionary politics in command of economic development. This model represents a qualitative leap in the theory and practice of socialist planning.

III. Politics in Command

Without a correct political approach to the matter the given class will be unable to stay on top, and consequently will be incapable of solving its production problem either.

—Lenin⁴

Grasp revolution, promote production.

—slogan of the Cultural Revolution

What is the fundamental objective of socialist planning — economic growth per se, or moving beyond the framework of commodity production and money and forging a new society? What should be its main criteria of success — efficiency, productivity, and profitability, or the degree to which collective mastery over

The issue boils down to this: what kind of growth, and for what purpose?

As Bob Avakian, Chairman of the Revolutionary Communist Party, has pointed out, "the decisive question is not whether a surplus will be produced, nor its exact size, nor the most 'efficient' means

for producing the greatest surplus but whether the surplus will be produced through means, guided by principles, and utilized in such a way as to make the greatest possible strides at every point toward the revolutionary transformation of society — and the world, above all."⁵ In socialist society, the invisible hand of the market must be replaced by the visible hand of politics. This is not to deny that socialist planning must pay attention to cost and strive to economize on labor power, materials, and funds. But that must be subordinate to revolutionary politics.

For instance, when the Chinese revolutionaries decided to locate industry in the less developed interior regions, this was not undertaken because it was the most efficient way of expanding total industrial production. It served the goal of reducing regional differences and inequalities. But once these factories were established, efforts were made to run them efficiently.

Actually, there is no aspect of economic development, no form of economic organization, no organization of the labor process that exists outside of specific production and class relations. The most basic issues of economic development — what to produce, how, for whom, and for what — cannot be answered, indeed cannot be understood, except in class terms. Capitalist "efficiency" is class-bound: it is based on maximizing worker output and minimizing worker resistance, on shackling the producers and not unleashing their collective creative capacities. Economic "rationality" has no meaning apart from the class relations it embodies and reproduces and the ends it serves. This is an incredibly important component of Maoist thought.

For Mao, socialist development had to be linked with overcoming what the Chinese revolutionaries called the "three major differences": between industry and agriculture, between town and country, and between mental and manual labor. And putting politics in command fundamentally meant making sure that economic strategy promoted the revolutionary transformation of society, relied on social mobilization and the spread of socialist values, and served the cause of world revolution.

Guiding and Measuring Economic Development

It has been observed that Western economists often encountered great difficulty in making sense of the Chinese planning system because so many non-economic objectives were fed into it. Revolutionary

China's standards of economic performance were far broader than the achievement (and over-achievement) of production targets. The revolutionaries weighed the social and long-run economic effects of economic development. In assessing the efficiency of particular production methods, techniques, and factory organization, the revolutionaries widened the very concept of efficiency to include the social benefits and educational side-effects, as well as the contribution to local developmental needs, of such processes and forms of organization.⁶

And the Maoists did not accept, indeed they deliberately struggled against, the supposed "logic" of modern industrialization—the idea that economic development necessarily implies big and concentrated industry, massive urbanization, and regional specialization. In terms of plan fulfillment, quantitative goals were important and had operational significance at the national and enterprise level. But these were secondary to and served qualitative goals (for instance, the important thing for a factory producing agricultural equipment was not simply that it meet its financial targets but that it really understand the needs of agriculture and strive to do a better job in meeting those needs).

In working out and evaluating plans, the insistence on putting politics in command entailed subordinating individual and sectoral (this or that branch of industry's or particular region's) interests to the collective interest and to advancing revolution; relying on the masses; acting in accordance with what was called the "general line" on economic development of "going all out, aiming high and achieving greater, faster, better and more economical results in building socialism"; and implementing a series of principles which included "be prepared against war, be prepared against natural disasters, and do everything for the people" and "taking agriculture as the foundation and industry as the leading factor." All this had very real practical consequences.

First, the Western pattern of industrial investment and urban growth was rejected. China sought to disperse industry and prevent the uncontrolled growth of cities and the clustering of industry around large cities. In fact, for the first time in history a process of industrialization was not simultaneously a process of unrestrained urbanization. Efforts were made to stabilize (or reduce) the size of large cities and

The Western pattern of industrial investment and urban growth was rejected

to promote the growth of small and medium-sized cities, and to shift industry to such cities.⁷ Industrial policy was also aimed, as mentioned earlier, at narrowing regional growth and income differentials.

The planning system facilitated the development of relatively independent and comprehensive industrial systems in each of China's provinces and encouraged self-sufficiency in grain production. New kinds of production complexes in which industry would be more directly integrated with agriculture, and residence with work, were created. China's industry was oriented toward serving agriculture, at the same time that rural industrial and technical networks were promoted as a means of harnessing productive potential in the countryside and reducing the social gaps between town and countryside. By around 1975, rural small-scale industry accounted for about 60 percent of China's cement and fertilizer output, 35 percent of its hydroelectricity generating capacity, and 15 percent of its steel output.⁸

But not only did these policies begin to profoundly break down age-old patterns of economic and social development in which cities ruled over the countryside, and not only did such policies contribute towards narrowing the difference between mental and manual labor. These measures also contributed to a profound break with the imperialist world economy and the dependency that imperialism foists on oppressed nations. There was an important strategic dimension here. The self-reliant, self-generating, and decentralized development that China embarked on would enable it to better stand up to imperialism's economic pressure, to resist possible attack and invasion, and to do more to serve the needs of the world revolution.

Second, plan was primary, price was secondary. At the society level, profits, prices, and various financial measures of capital effectiveness could not determine where investments would be made, what would be produced, the rate and direction of technological change, or the purpose of enterprise activities. If price and profit were made principal, the state could not redistribute investment resources from the richer regions to the less developed regions. Neither could it encourage the development of industries supporting agriculture which themselves were not highly profitable, nor increase the output and subsidize the selling price of basic consumption goods, nor extend comradesly aid to revolutionary movements.

The structure of prices was still connected to underlying cost conditions; prices were not totally arbitrary.

But prices were set consciously and uniformly (through the country) to achieve certain goals. They reflected political line. One striking example was how the price system favored agriculture (and the peasantry) in the terms of trade between industry and agriculture: prices were kept low for agricultural equipment and fertilizer, while the prices paid by the state for agricultural produce were raised (which is totally opposite to what typically happens in Third World countries). Prices and monetary return could not be allowed to play an autonomous guiding function in the economy.

At the enterprise level, making plan primary over price meant that the costs and benefits of economic activities could not be calculated in narrow financial terms or judged from the narrow point of view of maximizing the income of the individual production unit. As the revolutionaries explained:

In some cases, judging from appearances, the loss might be bigger than the profit to an individual factory. However, judged from the overall situation, the profit [the overall benefit to society] might be bigger than the loss. . . . If we are concerned only with petty profits and ignore the major issues, if we pay attention only to the present and not the future, if we only take care of our own unit instead of considering the overall situation, and if we exert efforts only in proportion to the amount of [individual] gains expected, we must have been poisoned by the . . . theory of putting profits in command.⁹

Was it enough simply to fulfill the production plan regardless of the larger social costs, such as worker alienation, harm to worker health, and harm to the environment? These were issues which the Maoists insisted could not be treated as separate problems of secondary importance. Enterprise efficiency (or profitability) could not be placed above everything else: individual units had to take into account the needs of the whole of society, and workers and staff had to be guided by the spirit of doing anything of benefit to the people. The revolutionaries insisted that costs and benefits could not be determined on the basis of immediate monetary return.

What if worker initiative created temporary problems in production — should strict fulfillment of plan targets be an excuse to suppress workers? A common experience in factories in the years prior to the Cultural Revolution was that when workers pioneered new designs and methods of production, they would often be disciplined and punished by managers. These

managers worried that such innovations would disrupt established practices and thereby threaten the fulfillment of quantitative plan targets (and their bonuses). This attitude towards plan fulfillment and this contempt for workers came under sharp attack during the Cultural Revolution. As a result, an

atmosphere was created that encouraged workers to break with all kinds of convention, whether in building ships in ways that had never been attempted before in China or in rethinking machine design. This had the long-run effect of promoting production.

Pro-market ideologues attack socialism as a system where quantities mean everything, where factories just churn out shoddy goods to meet production quotas. This is the so-called plan-fulfillment indicator problem — in other words, managers simply do whatever is easiest to meet production targets, even if it means disregard for quality.¹⁰ Actually, one of the issues of struggle between the Maoists and the capitalist-roaders (who now run China) concerned precisely whether revisionist forms of management, which one-sidedly emphasized quantity or financial return and which in general took a narrow approach to plan fulfillment, would dominate economic management.

In revolutionary China, success indicators cut against the “tonnage mentality” of Soviet-type planning. Indeed, one of the slogans raised by dock workers and popularized during the Cultural Revolution was “Be masters of the wharves, not slaves to tonnage.” In judging output performance, the primary concern was whether resources and output were serving larger policy goals; getting the right mix and quality of products and promoting socialist enterprise cooperation were more important than output value or rate of return. The key yardstick was neither price nor quantity but social use values (that which serves the needs of society) and the overall content and direction of economic activity.

This is not to say that cost-accounting and efficiency were abandoned. On the contrary, great efforts were made to minimize expenditure, to reduce cost, and ensure output quality. But this became the responsibility of the workers, both through forms of group accounting, analysis of economic activities, and financial management, and through mass movements to innovate and cut costs.

Managing, Administering, and Motivating Through Politics

Third, industrial organization and management were revolutionized. Planning objectives attempted to limit the alienation and social fragmentation that accompanies job specialization: craft distinctions were broken down, personnel were periodically rotated between jobs (and factories would dispatch workers into the countryside as well), oppressive work rules were discarded, and bonus systems that pitted workers against one another were eliminated. Technicians were trained from among workers, and technicians and workers joined together in technical innovation teams. Collective forms of management were developed, and management was simplified. Enterprise leaders would spend regular periods working on the shop floor. The industrial enterprise was more than a self-contained economic unit: it would cooperate with others, even at the expense of short-term gains, it would take account of local community needs and social services, and, above all, it would be redefined as a site of political and class struggle.

Fourth, the economy was administered mainly through political and ideological means. The Maoist revolutionaries had summed up that an administrative system that tries to rule by regulation and that mainly tries to police people into sticking by regulation would not only become excessively bureaucratic but also wouldn't work. It is relatively easy for any level of authority to get around external controls and regulations issued from above. The point is that planning is not only subject to technical and administrative constraints but to political factors, to the limitations imposed by ideology. It takes place in the context of class struggle in society. Towards what kinds of transformations is planning oriented? For whom and for what? These are not givens but issues of struggle. This requires that the masses have an awareness of overall political and economic problems.

Thus the importance of the ideological dimension, the need to shape the ideological environment in which decisions are taken at all levels, and the importance of collective responsibility, of people internalizing goals and engaging in vigorous political struggle. The masses must grasp what is politically necessary and have wide knowledge of the whole system — its economic laws, its goals, its contradictions — so that they themselves become the actors rather than the inert material acted on by market or bureaucratic planning processes, so that they can

analyze and act on contradictions . . . so that they can regulate the regulators.

Rather than administering by technical and economic standards, the Chinese revolutionaries fostered non- and anti-bureaucratic methods for communicating policy and raising a different kind of standard, that of advanced experience and moral example. They popularized and encouraged people to learn from model institutions — rural brigades, communes, or factories — that implemented the general line. These were studied, in many cases first-hand through visits, often with peasants and workers coming from all over the country. The idea was for people to learn how problems were analyzed and overcome, how breakthroughs were made in the face of resistance from capitalist roaders, what advances were made in reorganizing property and social relations as well as the continuing political and technical problems, and how to apply these lessons to local conditions. The experience of building the Red Flag Canal (a monumental collective effort by peasants that vastly increased the amount of irrigated land), or fighting cruel natural conditions in the rural Tachai Brigade when it was a revolutionary stronghold, were examples of the masses conquering all kinds of difficulties and defying convention in economic construction. The Anshan (Steel Works) Constitution set a standard of revolutionary industrial management.

At the same time, national political campaigns were vehicles to focus mass attention on and sharpen awareness about key issues confronting society. Several such campaigns, like those to criticize and restrict bourgeois right and to criticize Confucian ideas of subservience and blind submission to authority, were launched by the revolutionary forces in the early and mid-1970s in the context of the struggle between the capitalist and socialist roads and the two-line struggle in the party.¹¹ The aim was to arm people to make decisions and evaluate activities with broader interests in mind and to figure out what class interests were in fact being served by particular institutions and policies, and to strengthen the capacity of the masses to wage the struggle to maintain and extend political power.

The proletariat's political power is concentrated in its state. The proletariat needs a state to represent its interests. It is not enough to leave things at the local level or at the level of the individual factory. The proletariat needs to take up questions of society and the world — politics, culture, and ideology. One of the guiding insights of the Cultural Revolution was that the laboring people, through their experience in

struggle and study of Marxism, had to grasp the link between two-line struggle over questions of economics and two-line struggle over issues in other realms. The revisionists' economic policies were part of an overall program to turn the masses back into beasts of burden. And if the masses were to wage, much less win, the battle on any front, including economics, and prevent capitalist restoration, they had to be concerned with and influence what was happening in society overall. And so it was extremely significant that enterprises were transformed from mere production units into what Mao called "universities of class struggle" where theoretical study groups were set up, where proletarian cultural activity took place among other things. At the same time, worker and peasant teams came in to the universities in connection with the larger political struggle. The fact is that it would not have been possible to initiate and carry through the radical transformations in economic organization, management, and the labor process that have been discussed if ordinary laboring people were not politically mobilized around these broader issues.

The proletariat needs to transform society in its entirety — the condition of women, the oppression of minority nationalities, the values promoted by the educational system, and so on. It needs a state to see to it that political, social, and economic transformations are carried out in a way that serves the world revolution. And it needs a state to defend its rule against forces that would bring back and impose the old society. But all this means nothing unless the workers are actually becoming masters of the state, waging struggle over the nature and actions of this state. Because who controls the state will ultimately determine who controls the means of production.¹² This is why politics must command economics.

Fundamentally, a plan must concentrate the advanced experiences and aspirations of the masses, it must be constructed for their use, and it must unleash their initiative. This requires political leadership of a specific type — not a dominating clique but a real vanguard party with links to and serving the people, a vanguard capable of leading people forward through the complex struggle to bring a new society into being and to revolutionize the vanguard itself. This too is what it means to put politics in command.

IV. Centralization, Decentralization, and the Problem of Information

Only this state [dictatorship of the proletariat] can represent the fundamental interests of the working class and the masses of laboring people and determine the principles and policies to be followed by enterprises, the orientation for their development, the production and distribution of their products, and the disposal of their assets. In dealing with enterprises, the state practices democratic centralism, that is, centralized power on major issues and decentralized power on minor issues, centralized leadership and level-to-level administration.

— Writing Group, Kirin Provincial Revolutionary Committee¹³

Under no circumstances can history be regarded as something the planners rather than the masses create.

—Mao Tsetung¹⁴

Perhaps the central criticism of socialist planned economy is that it is built on a totally unrealistic assumption: that planners can somehow obtain and process all the necessary, and ever-changing, information about production and consumption that truly effective planning at the society level would require. Here is how the argument goes. Modern industrial society is so complex and knowledge and skills are so dispersed throughout society that it is plainly impossible for a central planning authority to communicate all the relevant information that is necessary for the many different economic actors to coordinate their actions. Only the price mechanism — indicating changes in the relations between the supply and demand for goods — can convey this kind of information. To attempt to run an economy according to central guidance will only lead to bureaucratic nightmare (a request for a minor repair will have to pass through umpteen levels). And once a central plan becomes the sole or primary source for providing relevant information to producers, then what follows is extreme centralization of decision-making. Since the central planners are trying to hold together what fundamentally can't be held together — a vast centrally-run economy — they have no choice but to run things with an iron, dictatorial hand.

This critique sets up a straw man, the "all-knowing planner" who is supposed to operate with perfect information and foresight. And it sets out the task or challenge facing a socialist economy to be essentially

computational and administrative — to crunch the right numbers to *micromanage* the economy from the central bank down to the small factory. Planning — a profoundly political task for which the masses must take collective responsibility and over which they must assert collective control — is turned into a mathematical exercise by which bureaucrats attempt to achieve detailed control over the economy.

The Problem of Information

Let's examine some of these arguments, beginning with the issue of information. First off, in the Western market economies, private capitalists and consumers are nowhere close to possessing all or most price information (cheapest suppliers, lowest price for a consumer good) when it comes to making economic decisions and choices. So there is no "perfect" information in a market economy.

Second, according to bourgeois economic theory, the price mechanism is a direct and costless means of conveying essential information to producers — if a price is rising there is demand to be filled and capitalists go ahead and produce more of that product — while, on the other hand, a socialist economy builds up a huge and expensive administrative apparatus in order to find things out and direct the economy. But if the mechanism of market-prices works so efficiently, one has to ask why is it that capitalism requires a swollen and exceedingly costly army of stockbrokers, market researchers, advertising executives, etc., to make its markets function? There is a tremendous amount of waste (\$130 billion is spent each year on advertising in the U.S.). And of course the mere fact that there is social demand for something — like decent housing for the poor — does not translate into society meeting that demand; that depends on profit to be made and money income to be spent.

Third, it is true that market prices convey information upon which capitalists base their production decisions. But it is just as true that there is some absolutely crucial social information, like the environmental and health damage caused by a polluting steel mill, that the market price mechanism systematically ignores. In other words, capitalists don't take into account the effects of things they do that don't have prices — pollution is not bought and sold. In fact, the market rewards capitalists for ignoring the larger social costs and effects of their activities (because this raises profits).¹⁵

Still, the opponents of planning argue, look at the Soviet economy in the 1970s and 1980s, where central administrative expenditures were enormous, where individual enterprises were routinely sending false information to the planning agencies, and where central planners really did not know what was going on. Clearly, there was no efficient and informed coordination of production. Well, this is a correct description of the situation. Enterprises would deliberately overstate their resource needs and understate their production capabilities when they reported to and bargained with planning authorities. At the same time, layers of the bureaucracy multiplied as planners hopelessly tried to monitor and control the economy.

But these were not the workings of socialism. Misreporting and concealment of production capabilities by enterprises were a reflection of the competition among state capitalist enterprises for centrally supplied credit and resources in a system of profit maximization. In a perverse way, this was a strategy to "outplan" a plan that wasn't really functioning — so enterprises tried to accumulate and hide supplies — and in the long run it only made things worse, as planning became even more unreliable and chaotic.

But let's talk about a socialist economy. For sure, complete and perfect economic information would not be obtainable even in a genuine socialist economy. But this is not a terribly profound or useful observation . . .

Socialist planning is a process of continuous discovery arising from the interplay of knowledge and action

and it is hardly an argument against planning. Socialist planning is a process of continuous discovery arising from the interplay of knowledge and action, with information flowing in many different directions to coordinate production, increase understand-

ing, and serve social need. Moreover, planning must make allowance for unforeseen circumstances and upheavals, for adjustment to new conditions and the correcting of mistakes. In short, a plan cannot be a precise (and never to be altered) numerical forecast or frozen blueprint; rather, it involves fundamental approximations, estimations, and projections in the pursuit of basic goals (in technical language, it must be cast in probabilistic terms), and the key thing is to learn from experience.

Nevertheless, it is quite realistic for a socialist society to identify and rank economic and social priorities, to determine what social needs have to be met and which are the most pressing (like building

new hospitals versus new sports stadiums). It is possible to formulate broad targets and to evaluate appropriate and alternative means and methods of meeting them. It is possible to carry out the necessary material-supply balancing, that is, to figure out how a desirable output of goods can be produced, or industrial construction and expansion undertaken, given the resources, technology, and production and labor capabilities of society (and Maoist economics emphasized the role of the human factor in opening new possibilities in solving production problems), and to arrange the necessary links between different industries. In a word, it is possible to conduct conscious economic calculation. For instance, in the case of socialist China, agriculture was consciously made the starting point in planning. This meant first making a realistic estimate of potential agricultural output and the resources (fertilizer, iron and steel, and machinery, etc.) required to meet agricultural targets and on that basis working out a detailed plan for industry. In this way it was possible to formulate reliable plans that promoted mutually supportive relations and arrangements between agriculture and industry.

Maoist Decentralization and Area Planning

The other issue posed by opponents of planning concerns the nature of centralized control and whether or not a planned economy must necessarily lead to massive and oppressive bureaucracy. In fact, it is capitalism that requires hierarchical and bureaucratic control over people, while planlessness (anarchy) reigns over economics as a whole. Mao emphasized that *socialist planning must combine centralized leadership and direction with decentralized initiative and administration*. This is what enables a socialist society to bring economic processes under conscious control and to maximize mass participation in running the economy — something that is impossible under capitalism. The proletariat needs to exercise its centralized state power to defend the revolution and carry it forward. It needs strong political leadership to concentrate advanced experience and understanding. It needs central planning to coordinate social production. But on this basis, there must be extensive decentralization in order to unleash people and solve problems at the most appropriate levels.

Mao had summed up that too much top-down (vertical) control over the economy stifled popular initiative. Such a system of planning could not give full play to local capabilities and allow for creative utilization of local resources. It also undermined unified leadership over the economy as a whole, since there was no way that a complex and diverse economy could be managed on the basis of detailed commands from the top, no matter how thorough the statistical information and price calculations may be. This kind of detailed management and control of the economy by industrial ministries and central planning authorities, which was practiced when the Soviet Union was socialist, also produced certain irrational practices. For instance, if a plant needed extra supplies it would have to make a request to the appropriate industrial ministry and sometimes wait for months to receive them from a geographically distant supplier that was under the control of the same ministry . . . instead of obtaining the supplies from a nearby producer that happened to be tied to another ministry.

In Maoist China, the national plan projected the principal requirements of the provinces. But, and this was a sharp break with the approach developed under Stalin, substantial powers of economic planning and administration were delegated to the provinces and localities. Mao understood that central planning could not encompass all the decisions that have to be made to run an economy. The principle was to pass decision-making power down to the level at which decisions would be carried out. This was decentralization to local *political* authority, and its purpose was to allow tasks to be defined and carried out, and problems to be solved, at the local level and to allow for greater mass initiative. In Eastern Europe in the 1960s, decentralization had taken place, but this was entirely different, it was capitalist decentralization — some authority was transferred from central planners to *managers* of industrial enterprises and this was combined with greater reliance on market forces, not people.

Before the Great Leap Forward of 1958-60, which saw the rise of the people's communes and tremendous revolutionary upheaval and innovation, the Chinese planning system shared many of the features of the Soviet planning system developed under Stalin. The central ministerial authorities drew up plans for their own industries and large manufacturing enterprises were placed under fairly tight control of the ministry of the branch of production concerned. But this was changed "from a system of planning and management in which each item [industrial product]

is the main focus, to one in which the *localities* are the focus."¹⁶

What was developed was a system of "dual track" planning. Plans were drawn up by the industrial ministries to meet the needs and requirements of particular branches of production (one track) and plans were also drawn up to promote the development and meet the needs and requirements of geographic areas (the other track); they were then coordinated with one another by the planning commission. But the main track was that of "area" planning. As indicated earlier, a goal of Maoist planning was to develop comprehensive and self-reliant regional and local industrial systems with links to agriculture and to encourage more initiative from below. For these reasons, production plans were made principally in terms of *areas*. By having local areas take responsibility for basic production decisions and allocating resources, the whole process of coordinating social production was simplified and efficiency was raised. And this freed up central planning authority from a lot of "superficial calculations" and daily management, enabling it to focus instead on major questions of overall national economic planning.

Provinces assumed responsibility for supplying key goods to enterprises within their borders. Area planning broke down the rigid separation of enterprises by the products they manufactured. Neighboring producing units were encouraged to establish extensive linkages so that they could coordinate with, aid and learn from each other, and serve the surrounding population. Where possible, components and supplies were to be produced within localities. The flexibility built in to this kind of planning made it easier to cope with shortages or interruptions in supply. When an enterprise required additional supplies that weren't covered by the plan, it could go to the provincial authority, it could organize for supplies locally, or it could seek out and develop substitutes or find ways to economize on materials. The revolutionary line also encouraged enterprises to diversify their production activities and to develop the capability of meeting more of their parts, supplies, and repair requirements from *within* the enterprise, and this too made for simpler administration of planning.¹⁷

This kind of area planning and integration fostered all-round industrial-agricultural development, instead of leaving ministries to develop and locate industry based on the existing level of development of the regions (which would keep the backward backward). And it was an approach that could more

effectively link economic growth to broader societal concerns. It had been summed up that vertical-ministerial-based control and organization reinforced tendencies to put production above all else, and this cut against noneconomic goals. Clearly, these were problems in the Soviet Union when it was socialist in the pre-1956 period. In pursuit of efficiency and rapid economic growth, planners went in for gigantic industrial enterprises and put intense pressure on enterprises to maximize output. At the same time, the industrial ministries tended toward "departmentalism" — primary concern for enterprises in the same industry. All this had negative economic and social, as

Area planning, on the other hand, could concern itself in a more all-round way with issues of population density, pollution, health, and urban-rural differences and interrelations.

well as environmental, consequences. Area planning, on the other hand, could concern itself in a more all-round way with issues of population density, pollution, health, and urban-rural differences and interrelations. Here it might be added that decentralization was also reflected in scale of production: the Maoists were not spellbound by

large factory size but sought flexibility in the spread of small and medium-sized and popularly-managed enterprises.

Once Again on Centralized Direction, Local Coordination

While the Chinese revolutionaries put great stress on local initiative and local responsibility, the central government remained intimately involved in the Maoist planning process. The levers of central control in the planning system included: the material supply system and transfers of resources and finances between provinces; national financial policy, including centrally determined and uniform prices; and the system of joint management of enterprises by the appropriate central government ministry (this was the centralized aspect) and the relevant local political authority, province or municipality (this was the decentralized aspect). Thus there was centralized direction over output levels of major products, over the distribution of industries between provinces, over retail prices of key commodities, and over the distribution of funds between ministries.

But the number of ministries and other central planning bodies was reduced through the Cultural Revolution. Except for a few "key" enterprises decisive to defense and nationwide economic construction, most state industrial and commercial enterprises were, by 1970, placed under local control. Of 5000 large and medium-sized enterprises some 2000, or fewer than 40 percent, were under direct central control in the early 1970s.¹⁸ At the same time, the planned activities of centrally-controlled industrial units were integrated into provincial and municipal plans. The provinces had prearranged financial obligations to the center. But local authorities had control over a worked-out proportion of revenues that were above their assigned targets.

As far as major investment projects were concerned — let's say the construction of major steel mills — decisions about national industrial capacity of a given type were taken at the center and materials and finance were centrally allocated. Here the industrial ministries had an important role to play. But the specific plans to increase industrial capacity were integrated into provincial plans. And the number of materials placed under centralized allocation was reduced through the Cultural Revolution. It was in the range of 200 – 300 in the early 1970s, as compared with a much higher number during the time the Soviet Union was socialist (and as compared with as many as 65,000[!] materials controlled by the Soviet central authorities in the 1970s and 1980s).¹⁹ All told, and this is rather extraordinary in modern economic history, administrative and planning channels were simplified in China, despite increasing diversity and complexity of the economy.

Socialist planning requires material balancing. This means estimating the quantity of inputs required for each unit of output, for instance how much steel is needed to produce a desired amount of machine tools. In other words, it means making sure the necessary production resources are made available to meet production requirements and that different branches are in synch with each other's needs and linked to each other, in order to carry out the plan. And it also means that "norms" be set, that is, standards of how much labor or raw materials should be necessary to produce a given unit of this or that commodity. In China, the national plan would set broad production targets for particular commodities, but it did not set down exact quotas. The regional and local governments managed detailed material balancing. The broad commodity targets would be broken down into specific products (with specific quality standards, etc.) and delivery contracts through face-to-face meetings between

producers, planners, and consumers at supply and sales conferences.

This conference system was something new in socialist planning, an innovative attempt to bring together representatives of economic units and organizations to work out arrangements between enterprises and supply and delivery contracts, and meet the requirements of balancing. This was a way to distribute materials for production that neither relied on the market nor on far-removed planners. This conference system improved the flow of information between enterprises (not just between units connected to each other in a given branch of production but between units producing and units consuming the items in question), and this made planning more efficient and flexible. In terms of consumer needs, representatives of commercial departments would conduct consumer research and surveys, and representatives of factories would go out to stores to size up consumer satisfaction and preference. The Chinese showed that a socialist economy could assess and respond to consumer need and taste (although the concern was with the needs of the broad masses, not an elite consuming luxuries).²⁰

Another side to the information problem concerns society's collective understanding: its ability to share and spread knowledge of what has been learned in the struggle for production. In a capitalist economy, there is "a fundamental tension between the privatization of innovative ideas and the diffusion [spread] of those ideas into the economy."²¹ A capitalist economy rewards innovators for keeping their ideas from others. A capitalist firm can get a leg up in the competitive battle by developing a new product or technology and using secrecy, patents, etc., to prevent others from utilizing or benefiting from it (on the other hand, if a firm feels it cannot profit from an innovation, or that others may benefit from its efforts, it may hold back). Socialism eliminates the barrier of private ownership. Innovations and knowledge become social property. One task of the planning system in China was exactly to socialize such knowledge. This process included the establishment of cooperative links between producing units so that new ideas could be spread and new production technologies learned; worked out donor-recipient relationships for equipment and on-the-spot assistance; the practice of sending technicians out from more developed to less developed areas and production units; the establishment of special worker institutes in factories and schools in the countryside in which technical and political study were combined; the sending down of

educated youth into the countryside; and the widespread use of popular manuals.²²

Planning Through Line

The Maoists insisted on "two-way" initiative in planning, from the center and from the local areas, and on giving the local areas as much responsibility as possible. But how within this system were immediate and long-term interests balanced, competing interests reconciled? What safeguards were there to prevent provinces and areas from just looking out for their own interests? How would coordination be achieved across these many different units of planning?

Here the centralizing aspects of the planning system come back into play. There were certain basic guidelines which had to be observed: the structure of management was generally uniform throughout the country; individual units could only exercise decision-making powers and the authority to act on their own in various matters on the basis of sticking to the general political line and directives; enterprise profits were transferred to the state, and the specific performance of an enterprise did not determine its wages and salaries (these were centrally set); and key plan targets, once set, could not be altered by autonomous decision of the production unit.

The Chinese relied on a kind of "indirect" centralization in which politics — not heavy-handed control — was principal to coordinate planning and make sure that it had mass support. This was accomplished by means of what the revolutionaries called the "Five Unifiers." In an important study of the Chinese planning system, Roland Berger spells them out:

- (i) **unified understanding**, that is, people were acting on the basis of a revolutionary political and ideological understanding of where society needs to go and were raising that understanding through study and political struggle;
- (ii) **unified policy**, which meant that this general political line would be applied at each level of the economy and in each phase of development to solve specific problems;
- (iii) **unified plan**, that is, there would be coordination of different sectors and interests in applying this policy;
- (iv) **unified direction**, which was a principle by which leadership for each economic and social unit would come from the next unit above;
- (v) **unified action**, which meant that the masses had to be relied on and unleashed at each level.²³

Thus the policy of giving greater scope to local authority was carried out in dialectical unity with unified central leadership and unified planning. Local initiative would have the effect of strengthening, not

The real glue of this system was political and ideological

weakening, centralized leadership and unified planning. But the real glue of this system ensuring that the interests of the whole and the overall needs of the revolution were being met was political and ideological. And decisive to this was the practice of the "mass line," from the masses to the masses, to ensure that planning was carried out in accordance with the interests of the masses and on the basis of mobilizing the masses.

The Maoists had a phrase to describe planning that was divorced from the masses, that put planning in the hands of "experts." They called it planning by "the typewriter, the computer, and the telephone." Maoist planning was based less on detailed gathering of statistics than it was on in-the-field, in-person investi-

The Maoists had a phrase to describe planning that was divorced from the masses . . . they called it planning by 'the typewriter, the computer, and the telephone.'

gation and consultation by planning authorities, in fact-finding away from workbenches and, exchanging of experiences among enterprises. "We must leave our offices, and go amongst the masses, have confidence in and rely on their strength, and not merely close the doors while doing estimates and calculations,"²⁴

said one article written during the Great Leap Forward. The key directional flow of information was from the bottom up: "in the overall coordination of production . . . , it is the Center that has to be bombarded with reports, data, and returning 'planners,' who have been to the localities and conducted investigations."²⁵

In drawing up and reviewing plans, the revolutionaries emphasized the importance of continuous consultation at each stage of the planning process and of "planning through line" (through mass political discussion and debate). The application of the "mass line" meant that discussions of proposed plans would take place at the grass roots level and that suggested modifications would work their way upward, as back-and-forth exchanges continued between upper and lower levels, and with the most valuable suggestions getting incorporated along the way.

This overall process was described by the Chinese as "the two downs and the one up." An initial plan, based on mass experience flowing upward and the overall needs of advancing the revolution, would be formulated and sent down through all administrative and production levels. It was then put to mass review, with suggestions getting transmitted upward. Then a final — modified — plan would be sent back down. The main thrust of these procedures and mechanisms was that plan goals and norms (standards of production) were the object of mass discussion and evaluation, according to the general political line. But planning with line not only required this back-and-forth process through which a more correct plan could be drawn up. It required that people be won politically to the plan, so that they could define and carry out their specific responsibilities with the interests of the whole revolution in mind. If this approach were not taken, then the spontaneous tendency would be for people either to take a passive attitude and just figure out the easiest way to fulfill their particular assignments, or to twist the plan and go in for whatever would bring the greatest immediate or local gain.

China's planning system was cohesive yet flexible, and it was based on mass participation. This was the result of a unique combination of centralized and decentralized planning mechanisms and the practice of a mass revolutionary politics. It was a new kind of socialist planning.

V. Economic Laws, Balance, and Plan Flexibility

The revisionist approach to planning denies the dialectical movement of things and attempts to impose order and balance from the top, through bureaucratic methods and decrees divorced from and opposed to the masses and mass initiative as well as the actual laws of development of the economy. — *Bob Avakian* ²⁶

Balance is relative to imbalance. Without imbalance there is no balance. The development of all things is characterized by imbalance. That is why there is a demand for balance. . . . Plans constantly have to be revised precisely because new imbalances recur. — *Mao* ²⁷

Socialism cannot be built in an atmosphere of calm seas and gentle breezes. — *Mao* ²⁸

The nature of economic laws under socialism was the object of investigation and theorization by the revolutionary forces in China. This is clear in studying the *Shanghai Textbook on Socialist Political Economy*, and much of the discussion that follows draws on that work.²⁹ Mao defined objective laws as things that appear over and over, not accidentally, in the movements of phenomena.³⁰ Economic laws refer to basic, yet dynamic, connections and relationships that regulate social production and economic development. These laws are rooted in the objective economic structures and processes of society as it has historically developed. It must be frankly admitted that much more needs to be understood about the operation of economic laws under socialism. But the experience of socialist construction has shown that the force of economic laws will invariably be asserted — even if negatively by failure to understand and act in accordance with them. Socialist construction must be consciously guided.

Here it might be said that one law-like characteristic of socialism is that there is no "invisible hand" that directs socialist economic development. But this is not the same as voluntarism (Mao is often charged by Western and Soviet ideologues with having the view that you can just do anything at any time regardless of material and ideological conditions). The formulation and execution of plan involves the conscious study and utilization of objective laws, and, through application, investigation, and summation, the gaining of a more comprehensive grasp of the nature of these laws. On this basis, the scope for intentional and purposeful human activity, including restricting the range of operation and negative effects of certain laws, vastly increases, as does what the Maoists called the "initiating role" of the superstructure (broadly understood to mean the dynamic play of politics, culture, and ideology).

With respect to planning, the Maoists focused attention on three laws. The law of value reflects the quality of exchangeability of commodities. It continued to play a role in economic planning — in calculating cost, in influencing price determination and the ratios in which different products exchanged for one another, and in spotting inefficiencies in production. But it did not play a controlling and regulating role. As a hold-over from capitalism, this law had to be restricted. The law of planned (and proportionate) development requires that social labor and means of production be distributed in correct proportions between different branches and spheres of the economy so that the

economy can harmoniously develop as a whole. This law reflected the requirements of social production under conditions of public ownership. But it did not set the direction of social development. This was determined by a more fundamental economic law under socialism: the satisfaction of the ever-increasing needs of the proletarian state and the people.

Economic laws operate as tendencies. They are influenced by other laws and factors, as well as by historical circumstances, and these laws are themselves contradictory. So the actual movements and effects of economic laws are complex, not simple and straight line. This remains the case in socialist society.

Socialism is a transition between capitalism and communism, and economic development cannot but be a struggle between the road of socialism and the road of capitalism, a transition marked by upheaval and transformation. One of the common misconceptions of socialist economics, or, perhaps better said, one of the tenets of the "law and order" phony socialism of Soviet-style revisionism is that socialism is a stable social formation whose economic laws will enable production to develop smoothly and society to evolve gradually and ever so surely towards communism. Hence a preoccupation with equilibrium . . . and with order.

The revisionists appeal to economic laws which are supposed to put society on a kind of "automatic pilot" to communism. This has historically served the ideological function of politically demobilizing the masses. The state bourgeoisie says not to worry about politics, that everything that exists is what is supposed to exist, that socialism will take care of itself, provided that the leadership (i.e., the new bourgeoisie) manages the economy "scientifically" in accordance with economic "laws." The reality of the Soviet Union has been quite different. Hyper-rigid mechanisms of state capitalist planning only intensified economic disorder in the long run, because capitalism and its laws cannot be controlled.

Stability is not the Highest Goal

In a genuine socialist economy, conscious regulation of the whole economy (macroeconomic regulation) becomes possible. By this is meant that *society can control all branches of the economy on a regular and system-wide basis*. But this raises some important questions. Does this ability to control social production mean that

a planned socialist economy can achieve macroeconomic stability? And to what degree should that be an overriding objective of socialist economy? Clearly, part of the argument for, and objective superiority of, the socialist system is that socialized management of the productive forces enables society to coordinate production according to a conscious plan based on social need. This eliminates the economic dislocations and social misery inflicted by the capitalist drive for profit and the violent fluctuations and market adjustments to which it gives rise.

Socialism overcomes the underlying anarchy of capitalist social production and the condition whereby blind economic forces rule people's lives

Socialism overcomes the underlying anarchy (planlessness) of capitalist social production and the condition whereby blind economic forces rule people's lives. [For a discussion of this, see the Appendix.] Again, conscious macroeconomic regulation becomes possible. But socialist society is in motion; there is

struggle and change, and stability and control are relative. In the Maoist conception, the task of planned socialist construction was not to achieve equilibrium in each sector of the economy or at each phase of development — this was an impossible quest anyway — but rather to unleash and harness dynamic forces, the most important of which is people, in the pursuit of specified political and social objectives. Here is how Mao explained the motion of socialist economic development:

Economic construction is not devoid of forward and backward motions, and is not a balanced and consistent progress . . . Economic construction is wave-like; there are peaks and troughs with one wave following each other. This is to say, there are balances, disruption, and after disruption, balance is restored. Of course these fluctuations in wave-like advance should not be too great, otherwise it would be adventurism followed by conservatism. But the wave-like nature of development is an inevitable regularity.³¹

Mao rejected the linear (undynamic) approach of the traditional planning model which took production capacities, supplies of reserves, and technological capabilities as fixed givens, and which viewed balanced growth in terms of static input-output planning (x amount of machines require y amount of steel . . . just put the right pieces in the right places to get the

right results). The Maoists certainly paid attention to the technical requirements of coordinated production, as discussed in the previous section. But their emphasis was much more on the stimulus that came by unleashing people to solve problems, on grass-roots innovation, on creatively mobilizing human and material resources as part of "digging out potential" — and this would hardly be neat and orderly.

In the unfolding of plans and mass mobilizations, imbalances were bound to crop up. Some imbalance was economically and socially undesirable and had to be promptly and resolutely corrected; bottlenecks and weak points would have to be overcome. Some imbalance was the result of obstruction and interference by capitalist roaders. But some imbalance and disruption opened up whole new avenues for development, as did the bursts of social, economic, and technical change that occurred during the Great Leap Forward. Some imbalance was the unavoidable side-effect of the pursuit of larger policy objectives — for instance, bringing industry to the countryside enabled peasants to master industrial production processes and to transform rural society, but it also created short-term labor and supply demands in some situations that adversely (though temporarily) affected agricultural production. Finally, much imbalance actually represented advanced experience to be learned from — thus the Maoist call to "take a positive attitude towards imbalance."

Balanced-imbalanced development was the very process through which growth unfolded. The task of planning was not to avoid or "outplan" imbalance as such but to "ride" those waves Mao speaks of in order to push development forward, and to utilize and more deeply grasp the spiral-like adjustment cycle of balance-imbalance-balance to achieve the ever-more conscious social regulation of production.

One-sided insistence on balance would have three negative impacts. One, it would restrain some of the "irregular" but dynamic elements of the economy, like China's small-scale industries in the countryside and cities which Mao's revisionist opponents regarded as a threat to economic order. Two, it would actually make it more difficult to cope with difficulties and unforeseen circumstances by reining in sectors and units in the name of short-run balance. And, three, it would stifle mass

initiative and experimentation. The revisionist approach to planning made an absolute out of balance, order, and control, whereas for Mao the key thing was not economic or political stability but change, revolutionary change.

Plan Flexibility

Mao's dialectical approach to balance found concrete expression in planning methodology. Long-, medium-, and short-term plans all reflected overriding political principles. As far as time horizons were concerned, broad economic and social goals were embodied in long-term plans, but these plans served more to indicate the future shape of society than to function as quantitative "master" plans. More operational five- and especially one-year production plans were formulated in more detailed numerical form.

But targets and assumptions could not be etched in granite. As Mao wrote, a five- and one-year plan could not meet all the requirements of economic law; this could only be obtained through practice. In China's specific conditions, overall economic balance was very much conditioned by fluctuations in agricultural production. And there were the unpredictable "variables" of political struggle, war, and revolution.

Advance coordination is essential to effective planning. But socialist society is not a clockwork mechanism set in motion by planners nor, as mentioned earlier, mechanically governed by economic laws. A planned economy must have feedback mechanisms: the feedback of political debate and discussion on the shape and priorities of development, and the feedback that comes from experience in the struggle for production. A plan must be proven in practice and subject to modification. Observance of goals and norms is essential to effective planning, as is the commitment to fulfill specific plan targets. A plan must be implemented. But the Chinese rejected the idea—as enshrined in revisionist Soviet planning—that "the plan is the law."

Chinese planning did not insist on rigid quotas. Now, this did not mean that targets had no purpose, authority, or motivating role. But it did mean that targets should be sufficiently broad so as to allow for continual review and adjustments, within the framework of keeping the plan consistent and on the basis of level-to-level consultation, in the course of their execution. (And, again, these targets were mainly based on conscious political inquiry, not price data.) In short, it was more important that the economy be able to accom-

moderate itself to making readjustments than that it be tied to rigid targets.³² It also meant that problems should be solved at the lowest levels concerned, through self-reliant and cooperative means.

Importantly, the Chinese moved away from what has been called "taut," or tight, planning—high output targets with low input allocations, in other words, asking for more than could be reasonably delivered. Such excessively rigid planning causes frequent supply problems. It also reacts on the morale of the masses:

Plan targets should be advanced. But this does not mean that the higher the targets, the better. Plan targets that are too high to be practicable not only fail to unleash the enthusiasm of the masses but will dampen it. Leave some leeway.³³

The "leeway" in the plan was a margin (or surplus amount) of material and financial resources, as well as labor, that would enable regions, provinces, or county levels to meet emergency situations and enterprises to cope with problems or new conditions. Enterprises were granted a ten percent allowance in the use of production factors for unexpected circumstances and for local initiative. Quantitative targets were centrally set for enterprises. But as Table 1 shows, of the twelve

major targets, eight could be changed without permission by the enterprise. This added another measure of flexibility. The revolutionaries had summed up that a

It was more important that the economy be able to accommodate itself to making readjustments than that it be tied to rigid targets

complicated and compulsory set of targets actually worked against coherent planning. It often led enterprises to concentrate on some targets at the expense of others, or even to falsify statistical performance. Technical conditions varied considerably

among enterprises; and economic and political circumstances were bound to change, and this had to be taken account of by the plans. The net effect of these kinds of planning innovations was that changes and adjustments could be made in the course of carrying out a plan without throwing the whole plan out of whack or forcing it to be abandoned altogether.³⁴

Plan flexibility was not merely a question of cutting enterprises and units some slack. Fundamentally, the way to adjust for imbalances caused by uneven development and to overcome various bottlenecks and shortfalls was to encourage all levels of the economy to tap the potential of resources previously unknown, unnoticed, or wasted, and to mobilize posi-

TABLE 1. FLEXIBILITY GRANTED INDUSTRIAL ENTERPRISES IN MEETING QUANTITATIVE TARGETS

	<i>Targets That Could Not Be Changed By Enterprises Without Permission</i>	<i>Targets That Could Be Changed By Enterprises On Their Own Initiative</i>
Physical	1. Output of main commodities produced	1. Trial production of new commodities
Financial	2. Total profit	2. Main technical and economic norms (e.g. units of electricity produced per unit of coal)
Labor	3. Average size of workforce	3. Total value of output
	4. Total wage bill	4. Total value of cost reduction
		5. Rate of cost reduction
		6. Year-end size of workforce
		7. Average wage
		8. Productivity of labor

Source: Adapted from Christopher Howe, *China's Economy* (New York: Basic Books, 1978), Table 17, p. 42.

In a planned socialist economy, industrial enterprises are guided by a central plan. They strive to meet targets and goals set by central, regional, and local political authorities so that social production can function as an integrated whole and satisfy society's needs. But too often central planning systems have tied enterprises to rigid targets, which makes it hard to adapt to changing conditions and which can also stifle worker initiative. This table shows that enterprises in revolutionary China had the flexibility to adjust a great many targets within the framework of a unified plan.

tive factors through mass movements. This was the principle of "active" balance, which meant searching out solutions to reach goals that had been set, and using the experience of the advanced to inspire the less advanced to catch up. It stood in contrast to "passive" balance, which proceeded from the need to attain a formal balance, even if it meant putting a halter on the dynamic sectors (pulling down the high to suit the low).

A Deeper Sense of Balance

If imbalance was viewed as the necessary condition for society to advance and for future balance to be established, this did not mean that the Chinese planning system under Mao was unconcerned about balance or did not view balance as a desirable goal of a planned economy. One can go back to Mao's 1956 speech, "On the Ten Major Relationships." This was a critique of major features of the Soviet growth model under Stalin, in particular the one-sided emphasis on heavy industry which took too much of the product from the peasants and left them too few funds for further accumulation through their own efforts. In this work, Mao conceptualizes socialist construction as a whole series of contradictions, and he sets forth a dialectical approach to arranging priorities and proportionalities (it was in this speech that Mao also criticized over-emphasis on central control).

Proportionate development required that certain key proportional relations be handled correctly:

- between agriculture and industry;
- within agriculture, between food grain production and other lines;
- within industry, between key links and secondary links;
- between agriculture and industry, on the one hand, and communications and transport on the other;
- between economic construction and cultural and educational activity;
- and between accumulation and consumption.

Approaching these relationships correctly called for attention to investment priorities, growth rates in key spheres of the economy, and their effects on proportionalities between different sectors and industries. But it also called for attention to how these proportionalities affected class relations within Chinese society. Industry required certain agricultural materials to produce goods in social demand. But getting the proportionalities right between these two branches of

production (industry and agriculture), getting the right ratios of inputs (from agriculture) and outputs (what industry produced with them) was not simply a technical matter. It was also political: if the peasants were squeezed to achieve the "correct" input-output balance, or taxed too heavily to achieve financial balance, this could undermine the confidence of the peasants in the system and erode the worker-peasant alliance.

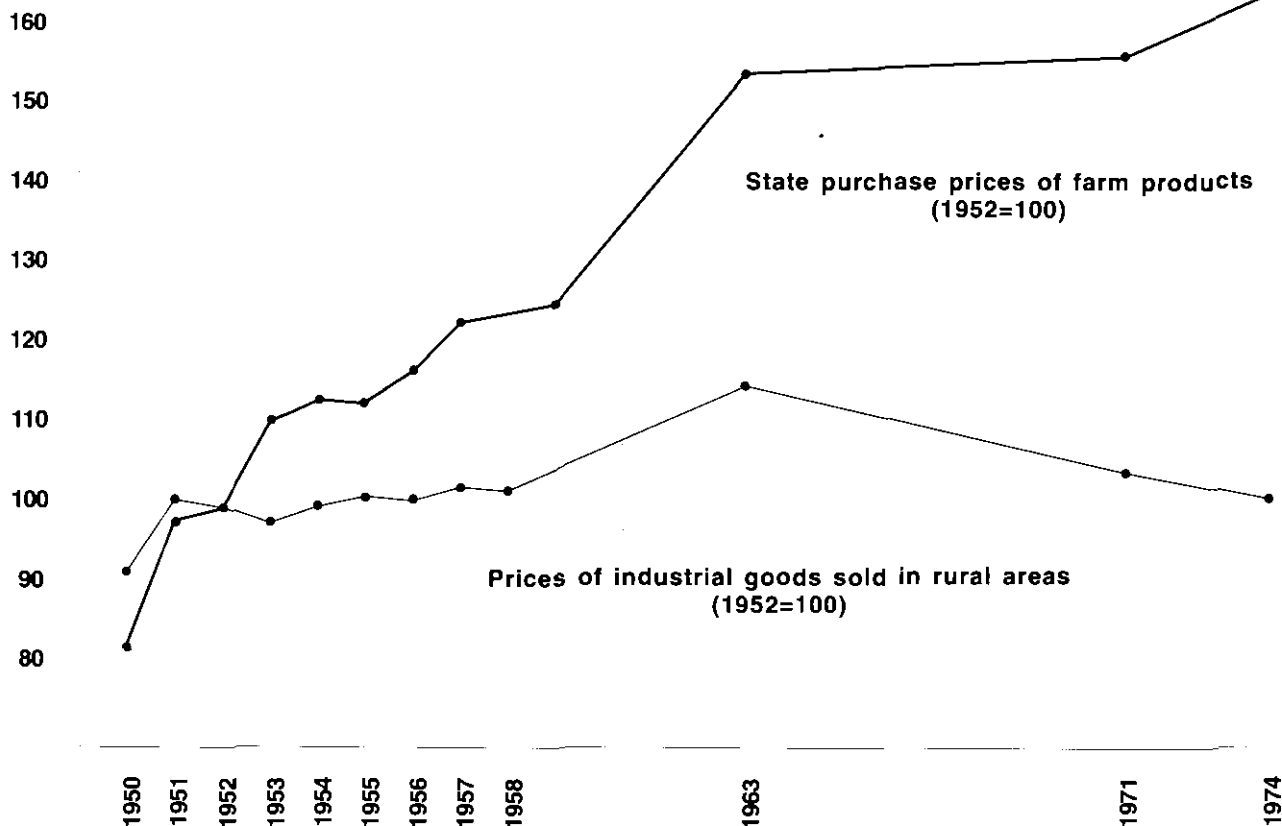
Maoist planning showed a profound concern with balance. But, this was seen through the filter of the advance to communist society

Maoist planning showed a profound concern with balance. But, as with every other aspect of Maoist political economy and strategy, this was seen through the filter of the advance to

communist society. Balanced development hinged on three key elements: broad *sectoral balance*, fundamentally between agriculture, light industry, and heavy industry; *regional developmental balance*, that is, reducing the economic and social inequalities between regions; and *technological balance*, meaning there should be a balanced spectrum of techniques of production in society, not just the big, the modern, and the foreign.³⁵ The central planning system was more concerned with these kinds of balances than with detailed material balancing and target setting. And in the 1949-1976 period, the Chinese economy made notable gains in achieving this kind of balanced development.

Agriculture received major attention (as mentioned, it was the starting point in the planning process). Considerable resources in the industrial sector were devoted to supplying agriculture with modern industrial products; substantial direct state investment was made in agricultural infrastructure, like water conservancy projects; and mass-run rural industries were developed. Earlier in this essay, the question of prices was discussed. During the Maoist years, the terms of trade between agricultural and industrial goods improved dramatically. Chart 1 provides dramatic evidence: between 1952 and 1974, the prices of farm products paid by the state increased by 64 percent while prices of industrial goods sold in rural areas increased by less than 1 percent. Concern with technological balance brought forward the policy of "walking on two legs," or utilizing both advanced and simple (or traditional) technologies, and spreading technology and scientific know-how that people could master and apply (for example, peasants learned and practiced seed-selection and seed-crossing).

CHART 1. IMPROVING THE TERMS OF TRADE BETWEEN AGRICULTURE AND INDUSTRY, 1950-1974



Source: Nicholas Lardy, "Economic Planning and Income Distribution in China," *Current Scene*, November 1976, p. 6.

This chart shows that in Maoist China prices of industrial goods (like equipment and fertilizer) held relatively constant from 1950 to 1974, whereas the state steadily increased the prices at which it purchased agricultural goods. This is totally opposite to the general situation of Third World countries both internally and in their relation to the world market—whereby the terms of trade for agricultural producers tend to be unfavorable and to deteriorate over considerable stretches of time. The Maoist price policy is an illustration of taking agriculture as the key link and the determination to overcome differences between industry and agriculture and between town and country.

Regional balance was aimed at avoiding what is sometimes called "air-bubble" development, wherein modern and fast-growing industry is concentrated in a few coastal areas cut off from the rest of the country, which is condemned to stagnation. (This kind of lopsided development is reasserting itself with chaotic vengeance in China today under the banner of reform and modernization.) A policy of rational dispersion of

industrial capacity was pursued. New industrial centers appeared in the interior regions. The central government made determined efforts to redistribute investment and financial resources from the rich to the poor areas. As illustrated by Table 2, highly industrialized areas sent well over half their revenues to the center while less developed areas received considerable subsidies. Skilled labor and technical labor power

were systematically transferred from more developed to less developed regions. By the early 1970s Shanghai had supplied over half a million skilled workers to industry in the interior of the country³⁶. As a result of these and other policies the least industrialized regions had experienced the highest rates of growth (although their absolute level of development still remained considerably behind that of the advanced regions).³⁷

For Maoist planning, the proper handling of key economic and social relationships was more important than growth or balance per se. In the long run this approach to balanced development promoted sustainable growth that both increased collective mastery over the economy and narrowed social, economic, and regional inequalities.

VI. It Worked and Opened New Possibilities

Revolutionary China scored great economic successes. It can be seen from Table 3 that in the 1952-1966 and 1966-76 subperiods agricultural and industrial output grew steadily. In the countryside, the food problem was solved, mass hunger and disease wiped out. A basic consumption level was established below which people were not permitted to fall and living standards for the masses rose. During the years of the Cultural Revolution (1966-1976), when Maoist China was supposedly on the brink of economic disaster according to its detractors, industrial production achieved an impressive average annual rate of growth

TABLE 2. GOVERNMENT REDISTRIBUTION OF FINANCIAL RESOURCES TO POORER REGIONS: REVENUE SHARING BETWEEN THE CENTRAL GOVERNMENT AND PROVINCES

Province (listed in descending order of industrial development)	Percentage of Total Provincial Revenue Kept by Province*	
	1959	Post-1960
Shanghai	19.8	10 (1972)
Liaoning	36.1	18 (1972)
Kiangsu	54.4	30 (1972)
Yunnan	11.8	115 (1974)
Inner Mongolia	88.5 (1957)	**
Kwangsi	108.6 (1957)	**
Sinkiang	125.9	135 (1955-72)
Ninghsia	**	152 (1958-74)
Tibet	183.5	150+ (1960-73)

*Percentages above 100 indicate a net subsidy from the central government to the province. Those provinces receiving such subsidies could spend more to cover their expenditures than would have been possible given the revenues they could generate on their own.

**Expenditures in these provinces were greater than anticipated revenues, resulting in a subsidy from the central government. However, the size of this subsidy in relation to expenditures is not known.

Source: Adapted from Lardy, *Economic Growth and Distribution in China*, Table 4.3, p. 162.

This table illustrates one way in which the planning system in China sought to overcome differences between the more industrially developed and urbanized regions and provinces and the more rural, agricultural, and backward areas of the country. In the specific conditions of China this was at the same time a policy of creating more balanced development between the coastal regions and the poorer interior of the country. The areas of highest industrial development, like Shanghai, sent the vast majority of their revenues to the center. The poorest areas, like Tibet, received subsidies from the center that amounted to over half of their spending requirements. These poorer areas received other kinds of support as well. This policy of redistributing financial resources from the richer to the poorer areas was strengthened by the Cultural Revolution. After a socialist revolution in a country like the United States, the application of such a policy would involve a vast redistribution of resources towards the inner cities and poorer rural areas.

TABLE 3. REVOLUTIONARY CHINA'S ECONOMIC GROWTH, 1952-1976

	Phase I (1952-1966)			Phase II (1966-1976)	
	1952	1966	Annual rate of growth	1976	Annual rate of growth
1. National income (net domestic material product)—billion yuan in 1970 prices	65.4	151.0	4.0%	245.6	7.0%
2. Total value of industrial output—billion yuan in 1970 prices	27.5	144.8	10.6	326.1	11.3
3. Of which, heavy industry production—billion yuan in 1970 prices	8.7	72.3	14.4	183.1	13.6
4. Of which, light industry production—billion yuan in 1970 prices	18.7	72.3	7.4	143.0	8.5
5. Total value of agricultural production—billion yuan in 1970 prices	63.6	94.7	1.4	131.7	3.8
6. Amount of food grain production—unprocessed, in millions of tons	163.9	213.9	0.6	286.30	3.4
7. Population—yearly average in millions of persons	568.2	735.6	1.7	926.19	2.4
8. Per capita national income—yuan in 1970 prices	115.0	205.3	2.3	265.2	4.4
9. Per capita food grain output—unprocessed, in kilograms	288	291	-1.0	309.0	1.0

Source: S. Ishikawa, "China's Economic Growth Since 1949," *China Quarterly*, June 1983, Table 1.

This table illustrates China's growth during two periods. The first was the early phase of socialist construction, when China was laying the foundations of a planned socialist economy. The second covers the years of the Cultural Revolution, when there was enormous political upheaval and social experimentation. This table shows that the trends of growth for most of the agricultural and industrial indicators were quite high—especially as compared with other developing countries. It also shows that the economy performed quite well during the Cultural Revolution, which has often been attacked by critics as a total disaster. That success was not an accident but the result of the Maoist policy of Grasp Revolution, Promote Production.

of over 11 percent. There were major industrial breakthroughs, like the development of a large machine-building industry and advances in ship construction capabilities, and major scientific breakthroughs, like the development of synthetic insulin. Consumption for both urban and rural inhabitants grew at a moderately good rate of over 2 percent a year. Revolutionary China's quantitative growth record as measured against that of other countries stood up well. Compared with the growth rate of contemporary advanced industrial countries during the periods between 1870-1900 and 1900-1971, only Japan's performance in growth of per capita income may have been better. Compared with other low-income Third World countries during the 1965-1975 period, China's growth rate was quite high.³⁸

But more important was the quality of this planned growth, its emphasis on reducing social inequality, its refusal to allow the market to determine the allocation of resources and the distribution of income, its insistence on growth on the basis of collective control by those on the bottom of society. And this was its reality. Urban income and consumption differentials were, by any standard, extremely low (no other low-income country came close). Within industry, the highest-paid managers and technical personnel were typically paid only about five times the wage of unskilled workers (a 5:1 pay ratio), whereas in many Third World countries of Africa and Asia it was not unusual for the ratios to range from 30:1 up to 50:1.³⁹

Urban-rural inequality was addressed through a series of measures that included the previously men-

tioned efforts to improve the terms of trade in favor of agriculture, as well as the development of rural industrial and technical networks, expansion of secondary schooling, recruitment of peasants into the universities, sending down of university youth to the countryside, and vast expansion in rural health and welfare services (prior to the Cultural Revolution, two-thirds of budgetary funds for medical and health care were spent in urban areas; as a result of the Cultural Revolution, this proportion was reduced to 40 percent). A large, underdeveloped, and overwhelmingly rural society had an average life expectancy that ranked far above that of other low-income countries.⁴⁰

This was a radically different kind of economy and society. Take the workplace. Social control was asserted over technology. The labor process and the social division of labor became the object of transformation. Administrative bureaucracy and technical hierarchy — with their oppressive pecking orders, rules and regulations, and their institutionalized antagonisms between manual workers and “mental” experts — were criticized, overhauled, and simplified. Management was made accountable to workers. And bold worker and peasant innovation were made the order of the day. Throughout society, base-level institutions of popular control developed. No authority was exempt from criticism by ordinary workers and peasants. Above all, the masses were drawn into debate and struggle around the cardinal political issues of the revolution. Imagine a society organized around the principle of serving the people. That was Maoist China.

The fact that Maoist China was a very poor country with a large peasantry has led some observers to conclude that while there is perhaps much to admire about revolutionary China’s strategy for economic development, this is essentially only relevant to overcoming underdevelopment. These observers suggest that there is little else about the Maoist experience that is relevant to advanced industrial society. But this is quite mistaken and, it must be frankly stated, quite Eurocentric. To begin with, the proletarian revolution is a complex and world-embracing struggle that must, as one of its key objectives, overcome the existing (unequal) distribution and concentration of productive forces. The majority of the world’s population lives in a Third World dominated and penetrated by

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imperialism. In these neocolonial areas, revolution must completely recast the lines of dependent and distorted development that result from this domination. The Maoist road to socialism in the Third World, what it actually means to *delink* from the imperialist world economy and to achieve self-reliant and sustainable *socialist* growth, is of enormous relevance in the world today. (It might also be added that high on the agenda of any victorious revolution in an advanced capitalist country must be the dismantling of exploitative relations with the oppressed nations in the context of promoting world revolution.)

Second, this strategy of economic development has even wider applicability. Many of the particular issues of industrial development with which revolutionary China was grappling, such as location and scale of industry, the linkage of industrial with nonindustrial activities, the approach to pollution and waste, and the break with traditional urban-population-industrial growth patterns are certainly issues that matter very much, indeed urgently so, in Western industrial society.

There is a bigger issue. The experience of twentieth century revolution has shown that a socialist society must develop and release human energy and creativity by promoting socialist values, raising consciousness, and encouraging mass initiative at all levels. The Chinese experience is exemplary in this regard. Further, the experience of twentieth-century revolution has shown that a socialist economy must combine socialized productive forces, which require a significant degree of centralized coordination, with extensive decentralization and local initiative. The Soviet model of planned economy, as it evolved under Stalin, went way overboard with centralization. On the other hand, capitalist market mechanisms — erroneously construed by some as a counterweight to entrenched bureaucracy — lead inescapably to concentration of wealth and power, the subordination of living labor to the accumulation of capital, and anarchy of production. Maoist planning represents the most advanced synthesis of centralization and decentralization, of structural coordination and mass participation.

Lastly, there is the question of planning itself. A plan is not an end as such but must serve and be evaluated from the standpoint of abolishing commodity production and classes. It must attack the material and social basis of exploitation and oppression, transform and ultimately eradicate the conditions and relations which give rise to class, national, and male-female divisions. It must, in association

with deepgoing political and ideological struggle, aim at breaking down the distinctions between mental and manual labor, between intellectual and worker, between state functionary and ordinary member of society. This was the path of planned socialist economy in revolutionary China.

Were there problems and difficulties? To be sure. The masses (workers, peasants, and women) were entering and conquering the "forbidden" arenas of intellectual knowledge, technical expertise, and culture. *There was not a lot of experience, there were not many models, to draw on.* In the sweep and swirl of mass struggle mistakes were made — sometimes due to people getting carried away in their zeal to change things, other times due to rigidity. Much of what was being undertaken had a certain experimental quality to it, so lessons had to be summed up and modifications made. But it cannot be forgotten that the changes brought about by the Cultural Revolution challenged the privileges and positions of those who lorded over the masses . . . and they fought tooth and nail to prevent or undermine these changes.

Despite the overall positive thrust of economic development, there were problems. The revolutionaries were keenly aware of them: structural weaknesses in certain sectors, like power, coal, iron ore, and transport; a static growth rate in agriculture; still significant differences in living standards between communes; difficulties in making most productive use of capital inputs. The Maoists were prepared to tackle these and other problems, and had the only approach for doing so.

But Maoist policies were not implemented in a vacuum. This was always taking place in the context of two-line struggle within the Communist Party and a continuing contest for power. The mid-1970s saw a new round of class struggle shape up which, as it intensified, affected economic performance, spilling over to planning, enterprise management, struggle over discipline and forms of payment, and eventually the quantity and quality of output. The revisionist forces grouped around Zhou En-lai and Deng Xiaoping had a vast network of functionaries under their organized control and they resorted to bureaucratic intrigue and all kinds of disruptive tactics. The Maoist

forces on the other hand sought support from below. This was the reality of the situation and owing to a variety of internal and external factors, the alignment of forces was not favorable to the revolutionaries. Socialism in China did not collapse in failure or wither away in utopian irrelevance but rather met a defeat in a battle with the domestic and international forces of capitalism.

VII. More Relevant than Ever

At a time when capitalism's triumph is trumpeted, the basest motives of human behavior glorified, and revolutionary hopes and dreams declared unrealistic, the defense of socialist revolution takes on renewed importance. This is a world in which the organization of social production divides people from each other and from their creativity, a world that has never been more polarized into haves and have-nots, a world in which blind economic development threatens ecocide. And the reason is not hard to pinpoint: the world is dominated by a system that uses profit as measure and motor of social development. But the material basis exists to organize society on a planetary scale on a non-exploitative foundation, while the oppressiveness of this world system breeds resistance. At such a time in such a world, the struggle for socialism must not only be defended but taken up and fought for with new urgency.

The collapse of the Soviet bloc regimes proves not the failure of socialism but that nothing less than a liberatory socialism, a revolutionary communism, will challenge the structural and ideological foundations of exploitation and class rule. And that is why the experience of revolutionary China is so crucial. It demonstrates that socialism can and must be both visionary and viable, and charts a direction for defending and advancing revolution against would-be exploiters. The legacy of Maoist China is a storehouse of experience and insight, method and principle, and theory and practice for uprooting the old and forging the new. Can we learn from and build on it? Can we afford not to?

APPENDIX: ON THE ANARCHY OF CAPITALISM AND THE NEED FOR SOCIAL PLANNING

Author's Note:

Socialist economic planning, as it was practiced in revolutionary China, overcomes the situation in which blind economic forces rule people's lives, and at the cost of immense human suffering. The following brief discussion is aimed at providing some theoretical background on the anarchy inherent in capitalism — why this is so and how it affects the basic functioning of this system.

Anarchy of social production is of the essence of capitalism, and only genuine socialism can overcome it. What this anarchy refers to is the fact that economic development under capitalism is not guided and shaped by any prior plan or social purpose. Society does not calculate in advance what is needed by whom and how best to meet those needs. Society does not figure out ahead of time what machinery and technology are required, and in what proportions, in order to keep the economy functioning properly. And capitalist society most definitely does not figure out what are the most pressing social concerns — whether it be housing in the inner city or research into AIDS — and then mobilize people and resources to meet those concerns.

These things do not and cannot happen under capitalism for two basic reasons. First, the many different labor processes that constitute the productive activity of society are *privately* organized. Productive activity is carried out by *separate* and *competing* capitals, each making its own production decisions. There are no direct social links between the agents of production — and thus production cannot be managed as a social whole. Second, the quest for profit dominates these privately-organized labor processes. Profit determines what gets produced. This is why luxury condominiums get built while housing in the ghettos and barrios is allowed to decay.

Under capitalism the great bulk of products that society requires to maintain itself are produced as commodities. A commodity is a good produced not for direct use but for exchange, for sale on the market. What concerns the producer of commodities is not their useful functions but their exchange value, what can be gotten in exchange for them. Henry Ford put it quite well when he said that Ford was in the business of making money, not cars. In other words, most of what is produced in capitalist society is produced with

no direct connection to social needs. These needs are met *indirectly*, as a byproduct of the pursuit of profit.

Capitalist production consists of many different capitals. Each exercises direct control and authority over its respective production processes and seeks to plan its activity and development. But there is no social authority coordinating the social process as a whole. Individual firms formulate investment, marketing, and research plans; coordinate production and internal purchases between different divisions; and seek direct control over raw materials. Modern capitalism requires a high degree of organization at the firm or enterprise level. But each decision-making unit is disconnected from other decision-making units. They may temporarily enter into agreements with one another. But, again, there is no social authority or central coordination for society's economic processes taken together. Individual capitals do not know for whom and in what necessary quantity they are producing, or even if what they produce is really needed. Automobiles get manufactured, steel mills get built, new technologies are developed as capitalists battle each other for larger market shares. But whether these automobiles will actually get sold, whether the new steel capacity will actually get used, whether the new technology will find profitable application, this is only discovered *after the fact* — after the cars are manufactured, after the investments take place. In short, anarchy exists at the society level. And the partial, unsynchronized planning conducted by individual units of capital (banks, transnational corporations, etc.) ultimately intensifies the total disorder. Even when there is production for direct order, as when military contractors produce goods for the government, with exact quantity and quality specified in advance, the basic situation remains the same: there is no overall coordination of economic activity in society as a whole. Under conditions of modern capitalism, the capitalist state seeks to regulate certain aspects of social production in order to safeguard the interests of the national capital. But this takes place within the environment of commodity production and the competitive struggle for profit. Anarchy cannot be overcome; it reemerges at higher levels.

Built in to capitalist commodity production is a contradiction that has to be continually resolved. On the one hand, individual producers organize and carry on their activity independent of one another; on the other hand, they are mutually dependent on one another, they are part of a larger social division of labor. Individual capitalists in every major branch of pro-

duction depend on other capitalists to supply them with raw materials, with energy, with machinery and equipment, with what it takes to carry on production. And they all expect their commodities, whether they are production goods or consumer goods, to be sold. How then does capitalist society's economic activity get coordinated? How do the different pieces of production fit together?

The answer is that these privately-organized labor processes are linked together and regulated by market exchange. In order for production (or consumption) to take place, needed products must be transferred from one capitalist to another (or sold to consumers). This takes place by means of exchange, which has its own laws. Commodities are bought and sold at prices that reflect the labor time socially necessary to produce them. (And labor power itself is a commodity that is bought and sold.) This law of exchangeability is one aspect of market regulation.

The market also forges individual labor processes into a social division of labor. It does this through the guiding hand of prices and profits. In response to the movement of prices and profits, capital moves into high-profit sectors and moves out of low-profit sectors. In response to the expand-or-die need to increase profit and capture a larger share of the market, capitals will raise efficiency, lower cost, and undersell competitors. Individual capitals are subject to the discipline of the market. If an investment does not produce a satisfactory profit, or if a particular commodity does not get sold at a price which can cover its cost, then capital is forced to raise its efficiency or to shift into another line of production. And so the market regulates and dictates reorganization: U.S. Steel closes inefficient steel mills and gets into real estate, the auto industry retools and cuts its labor force, companies go bankrupt or get swallowed up, workers are forced to change jobs. The movements of prices and profits provide the news and information upon which businesses base their production decisions and learn whether the labor process under their command is actually needed or is up to competitive standard. In this way, the social division of labor is forged and reformed.

But this is blind and anarchic regulation. It is a hit-and-miss, too-much-and-too-little, trial-and-error process of *after-the-fact* adjustment. In boom times, investment is expanded too much. New technologies wipe out older ones before their usefulness has been exhausted. In periods of economic slowdown, there is too little investment. Great numbers of people are con-

demned to unemployment while urgent social needs go unmet. The process of market regulation and adjustment is wasteful and destructive and causes tremendous human suffering. This is the outcome of a relentless competitive battle that forces capitals to expand, or run the risk of defeat and ruin. It is a competitive battle that requires individual capitals to maximize gains and minimize losses, regardless of the effects on the economy and society as a whole. It is a competitive battle that periodically erupts into economic crises. This anarchic system of production dominates the world. Its expand-or-die inner compulsion leads to international economic rivalry; its drive for profit results in savage exploitation and oppression of the people of the Third World; its politics of "great power" control and domination and its economics of global expansion give rise to the causes of war.

Under socialism, the situation of separate and private production decisions governing social production and social life is completely changed. Labor power is socially allocated according to a plan based on the needs of society. The products of labor and the means of production are distributed according to a plan based on the needs of society. The productive forces are managed as and for what they are, social productive forces. In the deepest sense, social and economic development is now the outcome of the *conscious and collective* control over society by freely associated human beings. On this foundation, socialism eliminates the anarchy of capitalism.

NOTES

1. For an analysis of the basic features of state monopoly capitalism in the Soviet Union, see Raymond Lotta, "Realities of Social Imperialism Versus Dogmas of Cynical Realism: The Dynamics of the Soviet Capital Formation," in *The Soviet Union: Socialist or Social-Imperialist* (Chicago: RCP Publications, 1983).
2. Mao Tsetung, *A Critique of Soviet Economics* (New York: Monthly Review Press, 1977), p. 76.
3. See the discussion in "Capitalist Roaders are the Representatives of the Capitalist Relations of Production," in Raymond Lotta, ed., *And Mao Makes Five* (Chicago: Banner Press, 1978), pp. 368-73.
4. V.I. Lenin, "Once Again on the Trade Unions," in *Collected Works*, Volume 32 (Moscow: Progress Publishers, 1973), p. 84.
5. Bob Avakian, unpublished correspondence.
6. See Stephen Andors, *China's Industrial Revolution* (New York: Pantheon, 1977), pp. 217-18.

7. See Charles Bettelheim, *Cultural Revolution and Industrial Organization in China* (New York: Monthly Review Press), pp. 87 – 89; and Dwight Perkins, ed., *Rural Small-Scale Industry in the People's Republic of China* (Berkeley: University of California Press, 1977), pp. 218 – 22.
8. Christopher Howe, *China's Economy* (New York: Harper, 1978), p. 128, Table 47.
9. Hua Ching-yuan, "In Multipurpose Utilization of Materials, It is Necessary to Promote What is Beneficial and Eliminate What is Harmful," *People's Daily* (7 September 1971), quoted in K. William Kapp, " 'Recycling' in Contemporary China," *Kyklos*, Vol. XXVII (1974).
10. One of the weaknesses in the planning system under Stalin was that the overwhelming pressure to meet quantity targets sometimes resulted in a decline in the quality of products; the lower quality of goods forced factories to consume them in greater quantity; and this prompted planners to intensify the pressure to increase quantity. Mao emphasized that this vicious circle could only be broken by grasping the interconnection between quantity and quality (neither one nor the other could be negated) and by grasping that the key to handling these contradictions was to arouse and rely on the activism of the masses to correctly combine quantity, speed, quality and cost in order to push the economy forward.
11. Bourgeois right is a "birthmark" of capitalism within socialist society. Bourgeois right refers to economic and social relations, as concentrated in law and policy, that uphold formal equality but which contain elements of inequality left over from the old society. For instance, under socialism workers are paid according to their contribution to the total work effort; an equal standard is applied to all — labor. But some people are able to work harder or at a higher skills level, and therefore obtain more income than others. Also, some people have greater needs than do others. And thus an equal standard actually serves to reinforce inequality. It must therefore be restricted: wage differences have to be limited, health care has to be provided to all regardless of income, social measures have to be taken to overcome the inequalities between men and women. In socialist society, bourgeois right is a breeding ground for capitalism. Capitalist roaders try to widen social and economic differences by expanding bourgeois right; ideologically, they preach the "virtue" of working for money, that whoever works better makes more money, and this gets people thinking only about enriching themselves and divides the working class. Socialist society has to go beyond the narrow horizon of bourgeois right and move towards the communist principle of "from each according to one's ability, to each according to one's need."
12. See Bob Avakian, *There's Nothing More Revolutionary Than Marxism-Leninism, Mao Tsetung Thought* (Chicago: RCP Publications, 1982), pp. 1–11.
13. Writing Group of the Kirin Provincial Revolutionary Committee, "Socialist Construction and Class Struggle in the Field of Economics," *Peking Review*, 17 April 1970, p. 9.
14. Mao Tsetung, *Critique of Soviet Economics*, p. 79.
15. This discussion draws on Nicholas Costello, et.al., *Beyond the Casino Economy* (London: Verso, 1989), pp. 68–70.
16. Liao Jili, "Discussing the 'Double Track System,'" *Jihua Jingji* (1958), no. 8, reprinted in Christopher Howe and Kenneth R. Walker, *The Foundations of the Chinese Planned Economy* (London: Macmillan, 1989), p. 74. The critique developed during the Cultural Revolution of what came to be known as the "trust system" of industrial organization and planning is summarized in Andors, *China's Industrial Revolution*, pp. 187 – 95. Vertical planning was resurrected by the forces grouped around Deng Xiaoping and Zhou En-lai as they made their bid for power against Mao and revolutionary forces. What may be the last critique by Maoism in power of an emergent state-capitalist "trust system" can be found in Kao Lu and Chang Ko, "Comments on Teng Hsiao-ping's Economic Ideas of the Comprador Bourgeoisie," in Lotta, *And Mao Makes Five*.
17. In this discussion of the planning system, I have drawn on Joan Robinson, *Economic Management, China 1972* (London: Anglo-Chinese Educational Institute, 1973).
18. Thomas P. Lyons, *Economic Integration in China* (New York: Columbia University Press, 1987), p. 213.
19. Christine P.W. Wong, "Ownership and Control in Chinese Industry: The Maoist Legacy and Prospects for the 1980s," in U.S. Congress, Joint Economic Committee, *China's Economy Looks Toward the Year 2000* (Washington D.C.: U.S. Government Printing Office, 1986), p. 577 and Table 7, p. 603.
20. See "Socialist Commerce, Not for Profits," *Peking Review*, 30 July 1976, pp. 13–15. For a more detailed explanation of the conference system of materials allocation in revolutionary China, see Michael Ellman, *Socialist Planning* (Cambridge: Cambridge University Press, 1979), pp. 36–37; and Robinson, *Economic Management*, pp. 20–21.
21. Fred Block, *Post-Industrial Possibilities* (Berkeley: University of California Press, 1989), p. 208.
22. For two useful discussions, see Perkins, *Rural Small-Scale Industry*; and Jon Sigurdson, "Rural Industrialization in China: Approaches and Prospects," *World Development*, Vol. 3, Nos. 7 & 8, July – August 1975.
23. Roland Berger, "Economic Planning in China," *World Development*, Vol. 3, Nos. 7 & 8, July–August 1975.
24. "Break the Old Balance: Establish New Balance," *Renmin Ribao*, 28 February, 1958, reprinted in Howe, *Foundations of Planned Economy*, p. 66.
25. Philip Corrigan et. al., *For Mao* (Atlantic Highlands, New Jersey: Humanities Press, 1979), p. 132.
26. Bob Avakian, *Mao Tsetung's Immortal Contributions* (Chicago: RCP Publications, 1978), p. 119.
27. Mao Tsetung, *Critique of Soviet Economics*, pp. 80 – 81.
28. Mao Tsetung, editor, *Socialist Upsurge in China's Countryside* (Peking: Foreign Languages Press, 1957), p. 253.

29. In this section, I draw on the chapter "The Socialist Economy is a Planned Economy" from the 1975 edition of the Chinese *Fundamentals of Political Economy*, soon to be published in English as *The Shanghai Textbook on Socialist Political Economy*. An earlier version is available as George Wang, ed., *Fundamentals of Political Economy* (Armonk, N.Y.: M.E. Sharpe, 1977).
30. Mao Tsetung, *Critique of Soviet Economics*, p. 113.
31. Mao Tsetung, "Examples of Dialectics," in *Miscellany of Mao Tsetung Thought (1949 – 68)*, Part I (Arlington: Joint Publications Research Service, 1974), p. 224. A slightly different translation is used here.
32. Howe, *China's Economy*, p. 53.
33. From chapter on planning, *Shanghai Textbook on Socialist Political Economy*.
34. See Jan Prybyla, *The Chinese Economy* (Columbia, S.C.: University of South Carolina Press, 1978), p. 92; James Stepanek, "Plan Flexibility in the PRC," *Contemporary China*, Vol. 1, No. 3; and Howe, *China's Economy*, p. 42.
35. See Suzanne Paine, "Balanced Development: Maoist Conception and Chinese Practice," *World Development*, Vol. 4, No. 4, 1976.
36. Alexander Eckstein, *China's Economic Development* (Ann Arbor: University of Michigan Press, 1975), p. 364.
37. Nicholas R. Lardy, "Economic Planning and Income Distribution in China," *Current Scene*, Vol. 14, No. 11 (November 1976), pp. 10 – 11.
38. See Carl Riskin, "Judging Economic Development: The Case of China," *Economic and Political Weekly* (India), 8 October 1977.
39. Eckstein, *China's Economic Development*, pp. 348 – 49. In 1974, the basic salary of the highest paid administrative official in Canton (chairman of the Provincial Revolutionary Committee) was 8 times the basic wage of the least skilled worker in the province's modern industrial sector (Prybyla, *The Chinese Economy*, p. 120).
40. Some of the relevant data is summarized in Carl Riskin, *China's Political Economy* (New York: Columbia University Press, 1986), chapter 10.

ANNOUNCING THE FORTHCOMING PUBLICATION OF

THE SHANGHAI TEXTBOOK ON SOCIALIST POLITICAL ECONOMY

With the collapse of the Soviet Union and its bloc, the Western ruling classes have declared an historic victory of capitalism over communism and proclaim that any revolutionary attempt to challenge their system of exploitation, greed and misery is merely a pipedream or, worse, an unworkable and nightmarish utopia imposed from above.

*Yet just a few years ago, fully one quarter of humanity was involved in a remarkable effort — both visionary and viable — to create a society radically different from that of the West and from the phony communism practiced in the Soviet Union and its vassal states. This was the Chinese Great Proletarian Cultural Revolution, which the Western and present Chinese rulers never tire of vilifying. In the course of this tumultuous transformation, the Cultural Revolution's leaders had to and did break new theoretical ground. The Shanghai Textbook on Socialist Political Economy, the latter half of a book originally published in 1974 in Shanghai under the title *Fundamentals of Political Economy* and officially condemned in China today, shows how the Maoist forces assessed and approached the contradictions of the socialist transition period. Focusing on problems of economic construction in the context of the continuing revolutionization of society and particularly the conscious, dynamic role of the masses, and representing a sharp break with the overly centralized, bureaucratic Soviet economic model, The Shanghai Textbook contains chapters on socialist agriculture and industry, money and prices, trade and international relations, and the specificity of socialist relations of production.*

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Talk on the Third Five-Year Plan

by Mao Tsetung

Mao gave this talk on June 6, 1964. This translation is from Mao Miscellany, published by the U.S. government.

In the past, our planning methods were basically learned from the Soviet Union, and this was comparatively easy. First, we fixed the planned quantity of steel and on this basis we calculated the required quantities of coal, electricity, transport power, and so on. And on the basis of these [figures] we further estimated the increase in the urban population and [the required expenditure] on welfare benefits. This was the simple method of running the computer. When steel production decreased, other items decreased accordingly. This kind of method was not practical and got nowhere. Such calculations do not take heaven into account in making the Plan. If natural disasters occur, you simply will not get so much grain. The urban populations will not be able to increase by the expected amount and all the other plans will fail. Such calculations, furthermore, do not take into account the possibility of war. We are not the American chiefs-of-staff, and cannot know when a war is about to break out. In addition, it is difficult to plan for revolutions in some countries. For example, how can we predict that the people's revolutions in some countries will be successful and thus will require economic aid from us?

We must change our planning method. This is a revolution. For, having studied the Soviet method, we have become so accustomed to it that it seems very difficult to make a change.

In these years, we have touched upon several methods. Our guiding principle is to take agriculture as the base and industry as the leading factor. When formulating our Plan according to this principle, we

first consider how much grain can be produced and then estimate the required quantities of fertilizer, pesticides, machinery, iron and steel, and so on.

How do we plan the annual harvest? This is determined by the fact that in every five years we can expect one bumper harvest, two average and two poor harvests. This is relatively accurate and reliable. Initially, on a basis of using this method to estimate how much grain, cotton and other industrial crops can be produced, we determine the level of industrial production. And if the harvest is bigger, then so much the better.

We must also take into consideration the possibility of war and work out war strategies. Party members in all areas must be concerned with military as well as civil affairs, with arms as well as with finance. As long as imperialism prevails, there is always the threat of war. We must therefore establish a strategic rear. This by no means excludes the coastal areas. These must also be well organized, so that they can play a part in aiding in the construction of new bases.

We have two fists and one bottom. Agriculture and national defense are our two fists. But if we want to make our fists strong, the bottom must sit securely. The bottom is our basic industry.

At present, the main concern in our basic industry is to solve the problems of variety and quality. Although the quantity of steel produced last year was less than in the past, the variety was greater, the quality better, and its use more extensive than in the past. The key to the matter does not lie in quantity. The Soviet Union takes quantity as its standard. This means that if the target quantity of steel is not fulfilled, the whole program of socialist construction appears to have failed. They

increase the output norms annually and every year they boast about it. But in reality, a country will not collapse simply because a planned quantity is not fulfilled. With a fixed quantity, variety can increase, quality can improve and the foundation can thus be strengthened.

In agriculture, we must rely on the spirit of Tachai, and on self-reliance. This is not to say that we do not need industrial aid. Water conservancy, chemical fertilizer and pesticides all require basic industry. We must arrange our planning according to objective, proportionate relationships which we have grasped.

Plans cannot be estimated merely by relying on addition, subtraction, multiplication and division. As soon as calculations are made, all sectors and all areas will be contending for figures, personnel and money, and will be engaging in litigation. We must have political leadership adopt an overall view and carry out our planning not according to the personal wishes of a particular area, but according to the objective existing laws of the things themselves.

We must not always contend for more money, or spend it wastefully as soon as it comes our way. Zhou Xinfang earns 1700 *yuan* per month and, regardless of the number of performances he makes, he still deposits money in Hong Kong. Some young actors adopt a "ten-year-plan," hoping to surpass Zhou Xinfang . . . According to our policy, bourgeois intellectuals can be bought if the necessity arises. But why should we buy proletarian intellectuals? If we have a great deal of money, we will inevitably become corrupt and consequently we will also corrupt our families and those around us. The high-salaried class in the Soviet Union came initially from the literary and art circles.

We must struggle to achieve a cessation of grain imports within several years and use the foreign exchange thus saved to purchase technical equipment and materials . . . We must not spend money wastefully. We must not "do things in a big way" as soon as circumstances have taken a turn for the better, but we must "leave some leeway." I have mentioned this many times in the past, but it has not been carried out.

The majority of personnel in our State organs can spend half their time on their duties and half their time participating in manual labor. This system is worth popularizing. Laziness is one of the root causes of revisionism.

Why are there so many literary and art associations in Peking? They have nothing to do, or else they just occupy themselves with random affairs. For literary and art conferences and festivals, the army ranks first, localities second and Peking (the Center) is the worst. This association, that association, such organization has been transplanted from the Soviet Union. The central literary and art organizations are still controlled by foreigners and dead men . . . We must in all events penetrate life deeply. If we always deal with foreigners and dead men, our nation will perish. We must serve the workers and the poor and lower-middle peasants. Physical training must also be beneficial to revolutionary struggle and construction.

Amongst cadres in general, there are many "three-door" cadres (cadres who have left the family door, entered first the school door and then the official door). But the "three doors" cannot rear and train cadre very well. Relying on cadres who have entered "the doors of elementary school, middle school and university" will not do, either. Cadres who cannot read will not do, while those who read too much will not do, either. Ability does not rely solely on studying, but must rely on practice. Our State will chiefly rely on the management of those cadres who have studied through practice.

All provinces must manage military affairs and industry. We should squeeze some money out of industry, agriculture, culture and education. We do not need to establish so many regular schools. Qinghua University has more than 10,000 students and more than 40,000 professors, staff and family members. In this way, the spirit of leadership could be greatly wasted.

We do not really need to produce academics and doctors of philosophy.

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“The proletariat, upon seizing power, will immediately take up the transformation of society. . .”

from The New Programme of the Revolutionary Communist Party, U.S.A

This excerpt from the New Programme focuses on the task of transforming the economy under conditions that exist immediately following revolution. “. . . [T]he proletariat, upon coming to power, will immediately face a severe challenge and arduous tasks. It will take control of society not as it would like it to be — nor even as it was in ‘normal times’ under capitalism — but a society that has just emerged out of capitalism and, further, has been through the destruction and ravages of crisis and war. Thus, the proletariat will have the urgent necessity to both consolidate its political power and to restore and build the economy along completely new lines so as to serve not only the masses of people in the U.S. but the revolutionary cause internationally as well.”

The New Programme and Constitution of the Revolutionary Communist Party, U.S.A., published in 1981, is available from RCP Publications.

Once again, and specifically in relation to the economy, all policies adopted by the proletariat will be affected not only by the concrete domestic circumstances faced by the new regime, but also very importantly by the international situation. As soon as it has won victory in the revolutionary war — and even as it wins control of key areas in the course of that war — while it is instituting the new organs of political power of the masses, the proletariat will immediately take control of the organization of production. As they face defeat on the battlefield, the capitalists and their faithful representatives will not simply flee and abandon the factories, railroads, etc., but will attempt to sabotage and destroy them in order to prevent the proletariat from taking hold of and using them. The workers, with the overall leadership of the Party, must actively combat and prevent this and seize control of and safeguard these vital productive facilities and carry out production to serve the proletarian revolution.

This will establish the basis for moving quickly to socialize ownership in industry, beginning with the largest and most decisive factories and other facilities. Those management and supervisory personnel — especially among the lower levels — who have not been active and die-hard defenders of the old order, and who are willing to accept the direction and supervision of the masses of workers and assist in organiz-

ing and carrying out production on that basis, will be allowed and encouraged to do so. The same policy will be applied to owners of small plants. But, from the beginning, forms of management and organization of production that involve and rely on the masses will be developed and strengthened. The exploitation of the workers and their subordination to authority in the workplace corresponding to such exploitation will be quickly abolished as the workers take control of the factories. And, further, the factories will no longer be just workplaces, but will also become political centers and arenas of class struggle in which the battle to transform society and the world will have a sharp and crucial focus.

As for small shopkeepers, artisans and other self-employed working people, with the exception of those who have committed counter-revolutionary crimes and must be imprisoned or otherwise punished, a hand of unity will be extended to them and their economic activity will be coordinated into the overall functioning of the economy. Gradually over a period of time, the proletariat, on the basis of socializing industry and planning socialist economic development, and also on the basis of advances internationally, will lead these strata in developing cooperative forms of ownership and collective labor to carry out their former and other economic functions. This will help lay the basis for the further socialization of their economic role in the future, but only later, in tempo with the development of the socialist economy, will they be transformed into state employees, *i.e.*, workers.

The proletariat, as it wins power, will also take over the large hospitals and similar institutions, applying the same basic policies there as in the factories and other workplaces. Not only will the workers in these hospitals be the base of proletarian power there, exercising control and supervision over their functioning and management, but many among the professional strata — including nurses and even a number of doctors — will make important contributions to the proletariat's struggle for power and will be allies of the workers in controlling these institutions and actually making them serve the needs of the masses, eliminating the outrageous situation where such vital things as health care are dominated by the dictates of capital and profit and are beyond the reach of many of the masses to begin with.

One of the most pressing questions the proletariat will face as it takes control of society will be providing housing for the masses that is fit for the shelter and comfort of human beings. One of its first steps will be

to take hold of the remaining mansions of the capitalists, as well as their fancy hotels, convention centers, and even office buildings — much of which are unused — and move in masses who are literally homeless; some of these structures will be permanently transformed into housing for the masses, while as rapidly as possible new housing is also built. With regard to apartment buildings and complexes, those which are owned by large capital, "slumlords," etc., will be taken over quickly and without compensation by the state, and in these situations as well as in the emergency housing described above, the masses will be mobilized to protect and manage them. Small landlords, who own only one or a few units will be allowed to continue collecting rents on them for a period of time, but they will have no power to evict and the rents will be set by the state. As soon as possible, in conformity with the overall construction of housing and the development of the economy as a whole, the state will buy out these small landlords and convert these units into state property.

Those among the people — the working class and its allies — who own their own homes (or, more often, are still buying them from the bank, etc., while living in them) will have the right to live there and all debts connected with them will be cancelled. Where they own more than one home and are employing one or more as rental property, the policy toward small landlords will be applied to those properties where they do not live.

The steps and policies outlined so far, as well as others, will be possible to maintain and develop, however, only on the basis that the proletariat, through its state and with the leadership of its Party, moves very quickly and decisively to control the key levers and lifelines of the economy. Once the proletariat has seized control of the main productive facilities in industry, these must be brought under state ownership. The large factories of the monopolies and large-scale capital generally will be expropriated by the state right away and without compensation to the former capitalist owners. On the other hand, with regard to small plants, the state may, depending on the circumstances there as well as the overall situation, proceed more slowly with the expropriation and pay compensation to the former owner. Unless it moves in this way to establish state ownership, it will be impossible for the proletariat to regulate production and the economy as a whole, the anarchy characteristic of capitalism will reign, and capitalists — mainly the old ones but in a few cases some new ones who have emerged from

among the workers, lower-level managers, etc. — will be back in control of the factories, and the society as a whole. State ownership combined with reliance on the workers in the factories to take the lead in organizing production and supervising management — this is the form in which the proletariat will exercise its control of industry as a first great step after seizing and consolidating political power.

At the same time, the proletarian state will immediately move to exercise control over money and finance. The large capitalist banks and similar financial institutions will be deprived of all authority and functioning, their holdings and claims nullified, while small banks will be brought under strict regulation by the state — and later will be brought under state ownership, in some cases with compensation. As quickly as possible, the proletarian state will also establish and introduce into circulation a new currency, requiring those with the old currency to exchange it for the new with the state-controlled financial institutions. The overthrown capitalists, many of whom will escape the proletarian army and in some cases disguise themselves, will do everything possible to hold onto their hoards of ill-gotten wealth and will even attempt to flood the old currency into circulation in order to sabotage the economy and the rule of the proletariat. While the masses must be mobilized to search out and seize this hoarded wealth and turn it over to the state, the introduction of a new currency and the firm control of finance by the proletarian state is essential to combat this and other sabotage, to stabilize prices and more than that to develop the economy along socialist lines. Only in the far distant future, when the vestiges of commodity production and exchange have been eliminated, and when the proletarian revolution internationally has greatly advanced, will it be possible to abolish money as a medium of exchange.

Similarly, the proletarian state will move quickly to control the various spheres of trade, both within the country and with other countries. By achieving state ownership of the major industrial means of production — factories, machinery, etc. — as well as finance, the proletariat takes a great step toward controlling trade as well, for this puts the exchanges between such factories directly in the control of the state. But other, generally smaller units of production will for some time remain in the hands of either private or cooperative owners and in addition there will for some time remain smaller-scale merchant operations, both individual and cooperative; and for these reasons the proletarian state must exercise firm

control over trade and continually increase its own direct role in the exchange of products as well as set and enforce price standards, combat “black market” activities, etc., and mass struggle must be unleashed in this arena, too.

While the proletarian revolution is international, it is nevertheless the case that as the proletariat comes to power in one or several countries, imperialists and reactionaries will still be ruling others. One arena in which this poses contradictions is trade. International trade must be based fundamentally on the principles of the class struggle and proletarian internationalism. With the other socialist states that exist (or come into being), trade will be carried out under principles of internationalism and equality to aid the international construction of socialism and the world revolution. Trade policies will also have to be developed toward imperialist and other reactionary states, depending on conditions. In some cases, in order to support the class struggle in those countries and internationally, the socialist state will refuse to carry out trade, or trade in some items, with them. In other cases, trade will be carried out, with full awareness that such countries do not seek to carry it out for mutual benefit but on unequal terms and as a means for gaining leverage in other countries — and this is certainly no less the case when they are dealing with a socialist state. Therefore, for the socialist state to carry out international trade on the correct, socialist lines, it must first of all subordinate such trade to internationalism and to the self-reliant struggle of the masses within the country in building socialism. In addition, when trade is carried out the state must wage struggle to force the imperialist and reactionary states to accept trade terms based on equality and mutual benefit. If it allows itself to become dependent on such trade and entangled in imperialist economic and financial arrangements, the proletariat in power will not long be able to maintain power or carry out socialist construction and its obligations to the world revolution.

At the same time, the new state must abolish all unequal trade relations, in which the U.S. imperialists have entangled and bled scores of nations and must compensate for and make provisions to overcome this economic dependency. For example, the economies of many foreign countries are now, and may, depending on international relations at the time of the U.S. proletarian revolution, still be dependent on spare parts from this country, and the new proletarian state cannot act like an international overlord and cut off their supply to those nations formerly oppressed by

U.S. imperialism or in any way use such a situation to carry out economic or political blackmail. It must meet obligations while at the same time creating new relations of equality and mutual benefit.

With the establishment of socialist state ownership in industry — or at least of the major means of production — and of the control of finance and trade by the proletarian state, the question remains of how to further develop socialist relations and socialist production, both within particular factories (and similar units) and between them. This includes such questions as management, the role of technical personnel — engineers, researchers, etc. — and their relation to the production workers. It also involves other questions of the division of labor within the factories, for example between more and less skilled workers, and between factories — that is, how the specific production of different factories relates to the others, especially those who either provide materials for a given factory or use materials provided by it (a rubber plant in relation to an auto factory and a machine-building plant would be an example).

In general, upon seizing and consolidating its state power and achieving state ownership of the major industrial means of production, the proletariat may very likely be faced, for a fairly long period, with the necessity to employ, even in state-owned enterprises, fairly large numbers of technicians and even some supervisory and management personnel who were trained in the old society and served the capitalist owners in the past. This is because it will take some time for the workers to master the scientific, technical and organizational knowledge and skills necessary to carry out these functions. While this is being actively developed, the proletarian state will have to rely to a significant extent on the old technicians, etc. While struggling to remold them, it will have to take into account that in the old society they generally received rather large salaries; in order to get them to work for the proletariat and socialist construction and to minimize sabotage on their part, it may well be necessary to pay non-Party people in these positions quite a bit more than the production workers. On the other hand, the proletariat cannot allow them to use their temporary monopoly of certain important knowledge and skills as capital in the literal sense — they cannot be allowed to command production and the production workers, and on the contrary they must in an overall sense accept the supervision of the masses of workers. And further, consistent and urgent efforts must be made and struggle carried out both to educate, train

and involve masses of workers in these skilled, intellectual capacities and to involve the technical, managerial and similar personnel in productive labor together with the masses of workers.

The same basic approach must be taken toward the divisions among the productive workers themselves in regard to skills, etc. — production must be organized and workers must have a post within the overall production process, but they must not be chained to it. Instead, they must have one post at any given time but develop many different skills and learn to master all phases of the production process — as well as technical and management work, etc.

Another problem confronting the proletariat in carrying out the socialist transformation and development of the economy is the fact that, because of the high degree of parasitism of imperialism, and U.S. imperialism in particular, there are many, even millions of people — such as bureaucrats in the corporate as well as government structure, salesmen, advertising men, etc. — whose old functions will be unnecessary under and contrary to socialism. To the degree possible — and with the specific exception of conscious counter-revolutionaries, especially among the upper ranks of these strata — the proletariat will seek to utilize these people in technical, managerial and other similar functions, including in the media, and in general it will make some concessions to their previous standard of living. But, again, they will not be allowed to lord it over the masses or to command production, scientific research, the media, etc., but instead must accept the overall supervision of the masses.

With regard to the relations between different factories and other production units, again the basic principle is that, while of course there must be a division of labor between them — that is, they must produce different products — in order for the economy to be developed in a balanced and proportionate way, and while in fact only socialist transformation will make possible a rational plan for such a division, nevertheless, this division, too, must not be made an absolute. Specifically, delegations of workers from the different factories will regularly be organized to have discussions with each other, exchange experience about production, discuss the quality of and problems with the products exchanged between them, and so on. And different plants must also be developed to produce subsidiary products besides their main one, within an overall plan. In this way as well as others, the workers in the various spheres of production will become more conscious of the process of production and exchange

in socialist society as a whole, and the masses of workers will be able to strengthen their conscious mastery over production and all of society.

For a fairly long period of time, cost-accounting methods and some survivals of commodity exchange will have to be used within the factories and in exchanges between them. That is, although the state will be the owner of the factories as well as their means of production and although the workers' wages will be paid by the state, nevertheless the state will not simply assign means of production to the various factories, set wage scales and then deliver the product to another factory (or to the state or other stores for sale). Rather, the state may set some very small interest charge to the factory in exchange for machinery, raw materials, etc.; and in the exchanges between factories some form of contracts will be used. All this is necessary for a time to ensure the most rational and efficient production and exchange, but it is also clearly a survival of capitalism that the proletariat must move to eventually eliminate. And in the meantime, socialist relations of cooperation and the breaking down of the division of labor, within and between factories and other economic units, must be vigorously promoted.

Differences in wages and a division of labor will be left over from bourgeois society, which will be a major and protracted arena of struggle throughout the period of socialism. Exploitation of labor will be eliminated, but even the principle of pay according to work contains inequalities. Different jobs require different levels of skill, and even when different workers receive the same pay there is inequality, since people have different needs, different size families, etc. The division of labor, too, most especially between mental and manual labor, contains elements of privilege. All this is generally termed bourgeois right, since it is a product of the relations of class society in the bourgeois epoch. It will be a sharp and complex focus of class struggle, over a long period of time, to restrict these differences and step by step promote communist relations without social inequality as well as exploitation. This class struggle within the socialist society, while extremely important in digging away at the basis for and combatting capitalist restoration, will be conditioned by and must be carried out in the context of the class struggle in the international arena.

So far, mainly industry has been directly touched on. But, although the agricultural population in the U.S., including both farmworkers and farm owners, is very small — in absolute numbers and relative both to the rest of the U.S. population and to the agricultural

population of most other countries, even other imperialist countries — so long as the contradiction between industry and agriculture remains, agriculture will be foundation of the economy. Agricultural production in the U.S. is extremely important and will be a crucial question for the proletarian revolution, both in winning power and in carrying out socialist transformation. And, in fact, the high level of development of U.S. agriculture, and even the fact that there are so few farm owners, will be an advantage for the proletariat in this country.

On the other hand, it is true in the U.S. as elsewhere that agriculture lags behind industry. One of the manifestations of this is the fact that, although large numbers of farmers have been and continue to be wiped out under the weight of large capital in both production of farm equipment and purchase of farm products, the big capitalists have not in large part gone directly into farming but more generally have "surrounded" the small farmer by controlling the input and output sectors.

The result of all this is that not only are great numbers of farmers driven under each year, but even among those still hanging on, large numbers are forced to work part of the time off their own farm, either for other farm concerns or in industry. Thus, a significant number of farmers are actually semi-proletarians — that is, they earn part of their livelihood by working as hired wage laborers, even if in fairly skilled categories in many cases. The plight of the majority of farmers in the U.S. is a clear illustration of the fact that for most of the petty bourgeoisie, in the final analysis they have no way out of their situation except to unite with the proletariat and the socialist transformation of society.

In the first great act of the proletarian revolution, in the revolutionary war itself, the political and military struggle for control of the rural farming areas (and of the important transport and processing facilities located there) will be of extreme importance. To win this struggle the class-conscious proletariat, while relying principally on its own forces and its main allies in the cities as well as the agricultural proletariat, will have to unite with significant numbers of small, middle-sized and even some large farmers. Once state power is effectively consolidated by the proletariat, it will be both possible and necessary to proceed with a relatively rapid socialization of agricultural production, largely by-passing the cooperative forms that have proved necessary in economically backward countries with extensive peasant agricultures. But in carrying this out the proletariat will have to take into account the con-

crete conditions, including not only the fact that agriculture in the U.S., though comparatively highly developed, still lags behind industry, but also the differing local conditions and the particularities of the varied branches of agriculture as well as the immediate effects upon the productive forces and specifically rural society of civil war — and perhaps, also, inter-imperialist war. The basic approach of the proletariat will be to lead the step-by-step but fairly rapid transformation of agriculture by first removing it from the clutches of big capital and advancing, as rapidly as possible but by stages and according to the specific conditions, to socialist ownership.

The main criterion of the proletariat in determining friends from enemies among the farmers and uniting with the former to oppose and defeat the latter, will not be the size of their farms (though that will be taken into account to some degree) but whether or not and to what degree they exploit wage labor. Some large farms, for example in grain, are worked entirely or overwhelmingly by their owner-operators (including the family), who may hire only a very small number of workers; on the other hand, some smaller farms, for example in fruits and vegetables, employ significant numbers of wage laborers and many even depend mainly on these farmworkers for production. In general, those farmers who exploit little or no labor, on small, medium, or even large-sized farms, will be united with; those who exploit a large amount of labor, and especially those who depend largely on this, will be the target of the revolution, even though their farms may be smaller than some of those with whom the proletariat seeks to unite.

Upon seizing power, the proletariat's policies will emphasize achieving state ownership as quickly and broadly as possible, relying first and foremost on the propertyless proletariat in these areas — the farmworkers, who outnumber small farm-owners. Through its state, the proletariat will nationalize and place at the service of the masses in the whole country the great farm input and output monopolies which today exert such dominance over production and distribution of farm products. Further, in expropriating the banks and other major financial institutions, the proletariat will cancel the debt burden on the large majority of farmers. But, most important, the proletarian state will eliminate the fetter of rent in various forms (including mortgages) on agriculture — and society as a whole — by immediately nationalizing all the land. Nationalization of land stands at the center of the proletariat's strategy for uniting with its allies among the farmers:

it is a first major step which must and will be taken even as state power is being consolidated. Immediately with the seizure of power, those large land-owners *who do not farm their own property* and big farmers *who are mainly dependent on hired labor* will be expropriated without compensation, and their lands — as well as other capital assets — will be turned over to the farmworkers and semi-proletarian small farmers, wherever possible through the establishment of state farms, or allotted to farmers to work them. On the other hand, the great majority of owner-operators who do not exploit labor to any significant degree, whether their holdings are small, medium or even fairly large, will as an immediate step be allotted shares of nationalized land to farm themselves — provided they do not actively oppose the revolution, including its struggle to gain control over significant non-farm assets in which some large farmers may have proprietary interests. In some cases tenant farmers will be granted assistance in farming their old plots, or other plots, while in other cases they will join in farming the state farms.

These actions, together with the firm consolidation of its power by the proletariat and its first major steps in transforming industry along socialist lines, will clear the way for the rapid and balanced development of socialized agriculture. On the basis of the initial nationalization of the land, the proletariat, relying first and foremost on the agricultural workers and secondly on the masses of (mainly) non-exploiting farmers, will not only be able to achieve increased production on expropriated and state-owned land, but also to bring about in a fairly short period the socialization of farm equipment and ownership and of agricultural production in general, again mainly through the establishment of nationalized state farms. This will depend, specifically in regard to the proletariat's farmer allies, not on political compulsion but on winning them to see that such socialization is the only way forward, the only way to move beyond the conditions characteristic of capitalism that dictate that they will be ruined and crushed. And in this the uncompromising stand and resolute measures of the proletariat and its state against big capital, shattering its political rule and breaking its stranglehold on the economy, in agriculture as well as industry, will be of decisive importance. But, on the other hand, while aiming its spearhead in this direction and uniting with the (mainly) non-exploiting farmers on the basis of and through the measures already summarized, the proletariat cannot conciliate with the petty proprietor aspects of these farmers' outlook and inclina-

tions, for this would only weaken not strengthen this alliance — and in fact will only send the farmers, as well as other middle forces, scurrying to the enemy camp.

The strongest basis for advancing to socialized agriculture will exist in those areas which today employ large numbers of hired workers. Here socialization will begin almost immediately upon the seizure of power, unleashing and relying on the masses of propertyless proletarians. But even in farming where individual ownership, and individualism, has its strongest base, such as grain, conditions will not generally be unfavorable for the development of state-owned agriculture. For just as the monopoly bourgeoisie was able to “surround” the farmer through control of the input and output sectors, so too the proletarian state will be able to use its control of these sectors, with profoundly different objectives and employing very different methods, to influence and lead the farmers in the direction of socialization. As an important first step in overcoming the division between agriculture and industry and the urban and the rural areas, the proletariat will further develop industry in the rural areas in order to help link together agriculture and industry in those areas, and to link together the working people in both spheres. In addition, communication and transport as well as health care and other services, culture, etc., will be greatly developed in rural areas in order to help eliminate this inequality left over from capitalism. Through all of this, it will become clear to many farmers that a guaranteed wage for farming paid by the state will be a far more effective source of security than various utopian schemes under capitalism, such as parity. Moreover, even now under capitalism, with the increasing integration of agriculture and industry, many industrial workers, particularly those employed in farm equipment manufacture, canneries, grain storage and transport facilities and slaughterhouses, etc., work in or near farm areas; and once the proletariat has seized power and begun achieving the integration of agriculture and industry on a new basis, moving toward overcoming the gap between them and the subordination of agriculture to industry, these industrial workers will be able to play a significant role in the struggle in the rural areas, alongside farmworkers and in carrying out the policy of uniting with the proletariat’s farmer allies.

Of course, the main force that the proletariat must and will rely on in agriculture are the millions of farmworkers — including the large number who under

capitalism are employed only seasonally if at all but who under socialism will be not only immediately employed but relied on, together with the other farmworkers, as the main force in consolidating the political rule of the proletariat in the rural areas and carrying forward its policies for the socialist transforming of agriculture. Along with providing employment for the agricultural population as a whole, an immediate step of the proletariat, upon seizing power, will be to abolish the miserable conditions in which farmworkers are forced to live and labor under capitalism. Special priority will be given to constructing decent housing and other facilities for farmworkers and to providing them with the basic necessities, including health care. This will include so-called “illegals,” many of whom are employed in agriculture. They will be immediately offered citizenship in the new proletarian state and not only provided employment but fully involved in every aspect of ruling and remaking society.

Where, for a brief period at the beginning, some hiring of farmworkers by individual owner-operators may have to be allowed, because of the specific conditions in an area as well as the general situation, as soon as possible the wages and working conditions of these workers will be established by the proletarian state, and the farmworkers themselves will be mobilized in enacting these policies. Further, such private employment and exploitation of wage labor in agriculture will be quickly abolished as the proletariat consolidates its control in those areas and its rule in society as a whole. Where it corresponds to the concrete conditions, socialization of the farm land, equipment, etc., will be rapidly carried out, according to the principles already discussed. Where that is not possible for a time, farmworkers will be employed on state farms that have already been established or organized to establish state farms on land that is expropriated and/or reclaimed from waste; they will be relied on as the main force in moving to socialized state ownership of these farm areas as quickly as possible. And overall, as the proletariat leads its allies in carrying out such transformation to state ownership and then in further transforming the relations between people within these state farms, those who were the exploited hired laborers under capitalism will become the leading force in organizing production, supervising management, breaking down the old division of labor and strengthening the proletariat’s mastery over the production process, in agriculture as well as in industry, and ultimately over the society as a whole.

In forging the alliance with its allies in the agricul-

tural areas, both to overthrow the bourgeoisie and then carry out socialist transformation, the proletariat will pay special attention to the national question. In the U.S. a disproportionately large number of farm-workers are recruited from the ranks of the Black people, Chicanos, Mexicans and other immigrants, and the high rates of exploitation and the particularly degrading conditions associated with agricultural labor, while they have a basis in the overall dominance of industry over agriculture and the relative backwardness of the latter, are also closely linked with and intensified by the whole structure of national oppression and discrimination against these peoples. On the other hand, the link between national oppression and agricultural labor and especially the infusion of more militancy and revolutionary sentiments with the intensification of the struggles against national oppression has established a broader basis for unity and mutual support between the urban and farming masses in general. This is something the proletariat must further strengthen and build on in its struggle to seize power and revolutionize society. And in order to do this it must win the broadest masses to implement policies that strike at the whole history and present structures of national oppression, with the question of land and agricultural conditions generally an important focus of that.

Although, today, the oppression of Black people is not in the main or in essence a land question, this is its historical basis, and still today remnants of the sharecropping system in the South survive. In addition, large numbers of Black people, over the past several generations, have been viciously expropriated of literally millions of acres of land by large landholders and big capital in general. As part of its overall agricultural policy of expropriating without compensation the major exploiting landholders and nationalizing land as its first major step, the proletariat in power will take account of the fact that Black people were by various means driven off the land they owned or worked and that some may desire to return to and farm that land. On the other hand, it will generally not encourage such a "return to the land," and the class-conscious proletariat will in this case as all others struggle to win people to base their actions on the overall needs of the proletariat in maintaining its state power and transforming the economy and the society as a whole along socialist lines.

The proletarian state, in nationalizing the land and carrying out its overall agricultural policy will also take account of and make provision for the right to land of the Native American peoples and the Chicanos

of northern New Mexico and southern Colorado, rights guaranteed by treaties which have been and continue to be consistently broken by the bourgeoisie. And, again, at the same time it will adopt specific policies to assist these oppressed peoples to utilize and develop such land and its resources and to carry out these efforts in unity with the overall needs of the proletariat in power and its concrete steps to abolish exploitation, control and develop the economy in the interests of the masses of people and revolutionize all of society.

In the economic, political and social relations in the agricultural areas as a whole, as well as in the entire society, the proletarian state will also take immediate steps to put an end to discrimination in fact and to overcome the whole legacy of such discrimination and national oppression in general. This will be firmly applied in employment, housing, education and other such spheres and in the area of language and culture. In this way, and more generally through its overall policy in agriculture, as well as throughout society, the proletariat will unite with and fully unleash the profound desire and tremendous potential of the oppressed peoples to overcome not only the special degradation to which they have been subjected but the backwardness and disfigurement that capitalism maintains in the world in general.

Broadly speaking, transforming agriculture and integrating it with industry on a socialist basis is a critical question for the proletariat upon coming to power, a question it must and will move quickly and decisively to tackle by applying the overall line and specific policies that enable it to firmly unite its own ranks, win over its allies and advance step by step but as rapidly as possible to the victory of socialism over capitalism in agriculture, a decisive victory in the entire battle for the triumph of socialism.

In order to integrate agriculture and industry in overall socialist production, the proletariat, on the basis of state ownership of the major means of production in industry and the nationalization of land and important victories won in achieving state ownership in agriculture, will institute planning for the economy as a whole. This will take into account not only the various sectors of industry and agriculture, but also the various levels of socialization of ownership that have been achieved, as well as the remaining small-scale private ownership in production and trade. This planning will include the basic decisions as to the allocation of the workforce in the various areas of the country and spheres of the economy. Where people work will be based no longer on the anarchistic drive

of competing capitalists for profit, but on the overall needs of the proletariat in carrying forward the socialist revolution, socialist economic construction and the world revolution. The Party will mobilize its own members, and other class-conscious people who volunteer, to be the leading force in going where the work is most difficult; and in general, through the schools, factories, neighborhood committees, etc., and under the centralized leadership of the Party and state, the people will be mobilized and assigned to meet the requirements of the plan in various areas and economic spheres.

Planning is a crucial weapon of the proletariat in exercising and strengthening its control over the economy and carrying out further socialist transformation. But planning itself is neither equivalent to socialism nor guarantees it. And planning cannot simply be left to planners — full-time intellectual workers and officials — if it is to be socialist planning. Rather, in carrying out socialist planning, the state, with the Party playing the leading role, must investigate and draw on the experience and ideas of the masses, who themselves must be organized to sum up

this experience and make suggestions with regard to planning, not only on the basic level but for the country as a whole. Then this must be systematized and synthesized, and an overall plan for the economy developed, which in turn must be taken up, discussed and carried out by the masses. Further, nothing in life proceeds in a straight line and many new things will arise and experiences will be gained in the course of carrying out a plan, especially a longer-term one, such as one covering five years or so. Therefore, the experience in carrying out the plan must be repeatedly summed up, by the same basic methods through which the plan was developed to begin with, and the plan must be adjusted accordingly. Thus planning, like all other aspects of transforming and developing the economy, and all other spheres of society, along socialist lines, is a process of struggle — against bourgeois-bureaucratic conceptions and methods and those who would practice them — which can only be carried out in the interests of the proletariat by involving and fundamentally relying on the masses with the guidance of a scientific, Marxist line and method.

Women Are Not Incubators!

**What's Coming From
Women To Be Done About It,
And Why All Who Hate
Oppression Must Fight
for Women's Liberation**

by Mary Lou Greenberg

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Breaking ALL Tradition's Chains: On Revolutionary Communism and Women's Liberation

An Interview with Mary Lou Greenberg

Mary Lou Greenberg is the spokesperson for the Revolutionary Communist Party, New York Branch. She was active in the women's liberation movement in the 1960s, visited revolutionary China in 1971, and is currently active in the struggle for women's reproductive rights. She is author of Women Are Not Incubators! and, under the pen name Iris Hunter, of They Made Revolution Within the Revolution, a pamphlet on the Great Proletarian Cultural Revolution in China.

Q: *Before we began this interview, we were discussing the movie Thelma and Louise, and talking also about the ongoing and now intensifying war against women being waged. You were pointing out that the situation of the women in that movie is such that they would rather risk their lives than go back to the slavery that they were in. And that — along with the fact that these women risked it all and directly and righteously fought back against the various male supremacist oppressors they came across — enabled it to strike such a deep chord. My question is, is that how desperate the situation is for women in this country?*

A: Yes. I think it is that desperate. Certainly for the proletarian women, and increasingly for women from other strata as well. I think it's desperate. But it's not hopeless. The big problem is that the imperialists have power. They've got the guns backing up their system. The solution is that we, the party, have got to lead the masses of people, guns in hand, to seize power and to build a whole new kind of society. And the party is going to lead people in seizing power and in creating a whole different world.

Q: *Wielding that power . . .*

A: Wielding that power in such a way that all the things that hound and so viciously suppress women are going to be relics of the past. The sorts of stuff typified by some of what we've witnessed just this summer and fall — the acquittal of the St. John's University rapists; the fascist attempts to shut down abortion clinics in Wichita; the Clarence Thomas thing — all that we will and can deal with, if we can get power. Now that doesn't mean that everything can be solved overnight. You can't solve centuries of oppressive relations and institutions and ideas with a snap of a finger.

But if the proletariat has power, and if the masses of women — and men — are really unleashed to transform things and get rid of all this shit, we can accomplish a lot in a short period of time. We're talking about a situation where things like the harassment of women on the street and the attacks on women won't be tolerated. It won't be tolerated by the masses of people. And they'll develop ways of making sure that people who persist in this behavior stop it. I want to talk a little bit more about this later, about what happened in China when the Communist Party led the people in seizing power and in transforming things.

Right now, if you think about all the things that oppress us daily, and what we could do if in fact, the people who are in power were not in power. If the institutions that are responsible for this didn't exist, then you begin to get some idea of how things could be transformed.

Q: *It strikes me when you talk about some of these outrages like the denial of the right to abortion, and on the other hand forced sterilization especially of minority women, and everything else as well, that those are some of the outrages that, literally overnight, proletarian power would wipe out.*

A: There would be a whole different atmosphere in society, because our people — the proletariat and especially proletarian women — would be unleashed. The millions of Thelmas and Louises, the Sophias from *The Color Purple*, the sister in *El Norte*, all the voiceless, powerless people with their tremendous untapped creativity and abilities and fierceness would be finally unleashed. Their creative energies would be transforming things very profoundly. The other part of this is that the people who didn't go along with this, the people who were persisting for whatever reasons in the backward-ass ways of thinking and acting, they'd be put on the defensive. And they wouldn't be allowed to do what they are being encouraged to do today. You wouldn't have a situation where those rapists, those St. John's university jocks could get away with raping someone. First of all, you'd have a situation that would make it extremely difficult for them to do it. But if they did do it, they wouldn't get away with it.

Just think about what could happen in a place like the South Bronx when the proletariat was in power. Can you imagine women organizing themselves into committees that would assess what was needed, and would immediately start doing what was needed? Because the people who live there know the concerns of the community, know what has to be done. You could start immediately transforming vacant buildings into habitable places. You could start immediately

transforming the schools. You could make the streets safe for women, because, frankly, the women would be unleashed not to put up with any shit. You'd have people aroused to take something like the battery of women, which is very widespread of course today, and not look away when that happens, but jump in the man's face — as a community. The things that stand in the way of women's full participation — the tradition's chains of saddling women with virtually all the responsibility for the children and for domestic servitude, as it were — those things would again be taken up by the masses collectively, solutions would be found, and these solutions would both serve to unleash the women and transform the relations between men and women from master and slave to freely cooperating equals and comrades. And not only would there be broad struggle over the role of women, over unleashing them, and we'd be struggling to change men, too — because the two are related. There'd be struggle going on very broadly to win men themselves, especially proletarian men, to transform their thinking and action — to act according to their proletarian class interest which calls for doing away with all oppressive relations, as opposed to the bourgeois pull to try to maintain a dominant position over women.

But you couldn't do this without power, and without people being led to use the power that way. Of course, even right now our Party does attempt to transform these relations in the service of unleashing women — but there's only a taste of that that can be done under imperialism, and even that is very conditioned on how much initiative revolutionary politics and organization has in a community.

Or take the question of health care. People themselves can take responsibility for a lot of basic health care. You'd have doctors and professionals coming in and helping people in the community learn some basic things, but being struggled with to learn in turn from the people that they treat and from the proletarians who make their work possible.

And you could do these things by unleashing people around the politics of revolution, around the politics of what had to be done and then having them develop ways of solving these problems. We're not talking about women just taking up the oppression of women here. We're talking about women being unleashed, along with men, but in some of these communities a large part of it is going to be women, women really being unleashed to solve these problems, to transform things. And I am also talking about women being unleashed to take up larger questions,

too, because it's not just a question of people solving the problems of their own community. It's about people beginning to study and understand what socialism is about and what direction forward society has to go. Taking up affairs of state in the very broadest terms. And this, or a lot of this could be accomplished almost over night. But you need power. You need the proletariat in power in order to be able to do this. And to get that power and wield that power you need a party with deep roots in the proletariat and deep dedication to really wiping out every oppressive relation in society.

Q: *That kind of vision is very stirring. But when you talk about a revolution you mean oppressed people taking up arms for emancipation. I've been in arguments with people where it's been said that violence — and this is actually one of the things raised against Thelma and Louise — that violence itself is macho, and couldn't really bring a new world into being.*

A: OK. Well, I want to say a couple of things about that. The first is that violence is not something abstracted from, or separate from, society. For instance, the physical abuse of women, rape, these flow from a need to control women and maintain the current social structure. The way we, the proletariat, view violence is that there is a difference between the violence of a rapist, the violence that this system inflicts on women in so many ways, there's a difference between that and the violence of the women who fights back, who fights back and even kills her attacker. Those are two very different forms of violence. One is reactionary violence in the service of the oppressor. The other is liberatory violence in the service of the oppressed breaking free of that. Those are two very different things. The way we the proletariat fight is conditioned and formed by our goals. I think that we've made that very clear. When the *Revolutionary Worker* printed "Principles for A Future Revolutionary Army of the Proletariat" it made very clear how our revolutionary army is going to be different from the imperialist armies.

I'd like to read that. "The Revolutionary Army of the Proletariat has as one of its most basic principles and one of its main sources of strength the orientation of unleashing the fury of women as a mighty force for revolution. Not only must women never be treated as the property of men or as a prize of war, but there must be a determined struggle against any manifestation of the oppression of women within the ranks of the revolutionary army of the proletariat itself. The abuse or still more the assaulting of women in society generally or specifically within the ranks of the revolutionary army of the proletariat will be dealt with with

extreme severity and members of the revolutionary army of the proletariat, at whatever level, whether officers or rank and file soldier will be made examples of in this regard, with the maximum penalty for rape or similar sexual assault. Many of the fighters and many of the political and military leaders at all levels of the revolutionary army of the proletariat will be women. This is fully in accord with the basic nature of and fundamental aims of this army and absolutely essential for the realization of its fighting tasks."

I think people should read the whole article. It highlights some of the things I was talking about a little earlier, about what a revolution could do. While this article talks specifically about the role of women in this revolutionary army of the proletariat, it also is one example of the role that we see women playing throughout society at large. Another way of saying this is Mao's principle of "You fight your way, we'll fight our way." This is a good example of fighting our way, of the proletariat fighting its way.

There is another point on this violence thing. I think we have to look at history. We have to look at the example of women in any liberation struggle, struggle for justice, national liberation struggle that has come up. Women have always played a very critical role, and many times on the front line, going back to the Paris Commune when the bourgeois commentator exclaimed with horror, "If the whole nation were a nation of women, what a terrible nation it would be." Today, we can look at the people's war that is being waged by the Communist Party of Peru. Where a large number of frontline commanders are women, and this is looked at with great horror by the bourgeoisie. But it is a great source of strength for the proletariat not only in Peru but worldwide, and for women to see that example. Now the Communist Party of Peru, as we do, takes women's liberation as something that has to be fought for now in the process of revolutionary struggle and not something to wait for until they seize power.

I also want to address something else that you mentioned, this notion that women are the nurturers, the givers of life, and that men are the takers of life. This is a view that is common among a lot of women that have been active in the peace movement, some very strong, committed women. What I want to say about this, and we will talk about this more later when we talk about the transformation of all of humanity, is that we don't believe in biological determinism: I don't believe that there are certain things in the genes that direct men's basic roles in some ways and direct women's in others. How men and women act is a product of how they

were brought up, of society. Society creates people's roles — although people, through making revolution, can do wonders toward transforming society and, through the process, the social roles. But it's a whole practice of socialization and education that creates what we know as women and men today, with the characteristics that they are known for. And the truth is that women have been systematically kept out of a number of spheres in society, but specifically the military sphere.

Let me bring in an example of something that we saw visiting China while Mao was still alive, when it was revolutionary. And that is, concerning military matters, the people were involved in and participated in the People's Militias that we saw in factories and communities in China. Women were playing just as much of a role as the men. Also, we saw children and youth doing military drills and young girls doing dances about militia women defending China. Now some people might say — Oh, that's horrible. Teaching children about violence. But in fact, in today's world, until all the guns are eliminated under communism, we need those guns. In fact, we are going to need revolutionary violence to put down counter-revolutionary violence and to win freedom and liberation for people everywhere. So it is a very positive thing that the children were learning this as a part of defending China and defending the world revolution, because that is the context they were learning this in.

The laws of military science can be grasped and applied by everyone. Women as well as men. I think women's circles should take it up. Bob Avakian, in *Could We Really Win*, says specifically we need to develop doctrine and tactics for a future peoples' war in a country like the USA, and our party believes strongly that women need to be part of that process of developing them.

I personally find it very liberating to look at what the possibilities really could be for people's war and revolution in the U.S. Going back to China, I think a poem by Mao has always been one of my favorites. He wrote this in 1961:

How bright and brave they look
shouldering five-foot rifles on the parade ground
lit up by the first gleams of day.

China's daughters have high aspiring minds
they love their uniforms, not silks and satins.

Q: This leads to the next question, or series of questions. You begin your article "Women Are Not Incubators" by saying that when you visited revolutionary China during the Cultural Revolution in 1971, "[I]t was like being on

another planet. I never thought I could feel so different as a woman. That it would be possible to walk down a city street, head up . . ." and so on and so forth. Why don't you expand on that.

A: I've thought about my experience in China a lot lately what with all the bourgeois commentators talking about recent events in the Soviet Union and the so-called "death of communism." What we saw in revolutionary China was on the far edge of history. It was like going on a time machine into the future — not some future as it's pictured in most science fiction where the people are the same (men are macho explorers, fighters and dominators over women) and only their surroundings are different. I mean a future where the *people* are different and are creating a totally different society.

In China in 1971, just past the high tide of the Cultural Revolution, we saw a new world coming into being. As a revolutionary who had been active in the women's liberation movement, I was especially attuned to the situation of women, and from our first experience with Chinese women I knew something remarkable was happening there. Young women greeted us when we landed at the Shanghai airport and performed revolutionary songs and scenes from the new model operas and plays while we waited for our connection to Peking. They were dressed in simple jackets and trousers, flat cotton shoes, their hair in braids or cut short, their faces glowing without a trace of make-up. And how proud and self-assured they were! The airport itself was such a difference from the airports in Pakistan and Egypt we'd stopped at en route, and that we saw in Hong Kong on our way home six weeks later, filled with people begging and selling trinkets — we saw none of that in China.

Let me tell you, to be in China for six weeks, including in Shanghai, one of the largest cities in the world, and not be hassled or accosted once by some man was almost unbelievable. We saw no women displayed as sex objects in advertisements, on billboards, in magazines at newsstands or on the street. And what a huge relief it was to throw off that burden of on-guard tenseness a woman has to maintain in this country — on-guard against unwanted attention, unwelcome comments, or physical assault. We women could make eye contact with men as well as women on the streets, smile and nod at people without thinking it would be interpreted as a come-on. And I'm talking about even walking at night on the streets of Shanghai. And I loved not having to worry about what to wear. On our first shopping trip to a Chinese department store, we

all got Chinese jackets and shoes, which we wore the rest of the trip.

We saw women working alongside men in heavy industry, on the docks, in army units, universities and in the countryside. Women leaders greeted us along with men wherever we went. There were still fewer women than men in most of the leading groups we met with, although the genuine revolutionaries were waging a battle to promote women leaders. And the stage was lit up with newly-created plays, ballets and operas which featured women as strong central characters — political and military leaders, not as “love interests,” sexpots or aristocratic ladies. We talked to many women, and many quoted to us the then-popular slogans popularized by Chairman Mao: “women hold up half the sky” and “Times have changed. Whatever male comrades can accomplish, women comrades can too.” At the same time they hastened to add that much still remained to be done and there were still backward ideas and customs that had to be overcome if women were to be fully liberated. But to us fresh from the battles of the 60s, it seemed like they were a good way toward that future we’d dreamed of.

When I got back I read a book called *Daily Life in Revolutionary China* by Maria Antonietta Macciocchi, where she quotes from a young woman: “There’s still a revolution to be made in the family. We have to criticize it from a revolutionary point of view, based on the destruction of the five old concepts and their replacement with the five new concepts: (1) Destroy the notion of the uselessness of women and replace it with the idea that women must fearlessly conquer half of heaven; (2) destroy the feudal morality of the oppressed woman and the good mother and instill in its place the ideal of revolutionary proletarians; (3) destroy the mentality of dependence on and subordination to men and instill the firm determination to free oneself; (4) destroy bourgeois concepts and replace them with proletarian concepts; (5) destroy the concept of narrow family self-interest and instill in the family the open proletarian concept of the nation and the world.”

These five principles were often cited in the Chinese press and referred to by women that she had talked to. The people who wanted real change were using these guiding principles to set the terms for all society.

The Chinese began working at the liberation of women from many sides. The role of work outside the home was a very key aspect of the whole emancipatory process. First of all, it enables women to become economically independent from men. In addition, working outside the home in socially useful labor

gives women a broader view of the world and of society than if they just stayed within the confines of their four walls and are only concerned about their husband and family. It also develops cooperation among women working together to create something, to make something happen. And it develops a sense of collectivity that people in their individual families, in their individual houses aren’t able to get. It strengthens women’s overall position in society as valuable and productive members and it increases their social as well as economic independence. All these things are necessary to the whole process of women’s liberation.

Q: *But how does this differ from the situation in the U.S. today where many women already work outside the home — and many, not by choice, but because they have to support themselves and their families?*

A: How it differs first of all is that the whole nature of the work process itself would be transformed under socialism. In China, it was relatively rare for women to work in factories, shops and so on, because China was much less industrialized and developed to begin with than the U.S. is. But there, work became, as it would in any future socialist U.S., very different from what it is under capitalism. Under socialism, workers are still paid according to their work, whereas under communism men and women will work freely to create what’s necessary to live and to make life more pleasurable and will get back in turn what they need to live. Socialism is a transition period between the old — capitalism — and the future communism, and is characterized by conscious efforts to eliminate the old inequalities and ideas and bring into being new economic and social relations.

In the U.S. today, as in China and the Soviet Union today under phoney communism, working outside the home is a double burden for women because work outside the home is extremely unsatisfying, is very tiring, women don’t get paid very much for it, and then they go home and have to put in another shift doing housework, cooking meals, and caring for the children. Plus, frequently when a woman works outside the home, she is subjected to another layer of sexual harassment, just for being a woman. Both getting to work as well as on the job itself. So we are talking about transforming the whole work process — for both women and men — under socialism. First of all, work is part of making revolution throughout the world. I heard a lot of people say, “I’m doing this for the world revolution.” Because the proletariat really did control society, people saw their work contributing not just to their own or

their family's well-being, or even to China's, but to help strengthen revolutionary advances worldwide.

We're also talking about working being part of transforming relations between people. In Chinese factories, for instance, you didn't have a situation where the vast majority did the same backbreaking work day after day, and a small number of supervisors walked around, writing up people who didn't work fast enough or who talked on the job. Workers supervised themselves and each other, and there were real steps taken to break down the division of labor between mental and manual labor. That's one of the big divisions in society that has to be overcome during the period of socialism. So there were workers' committees that would develop technical innovations, take apart problems that would arise and solve them. And individual workers would be encouraged to contribute to that process, as well as to criticize the leaders in the shop or the factory or the institution. There was a sense of people really working together, using the knowledge that they had accumulated and acquired to solve the problems of that plant or that factory. And by doing that they would be contributing to solving China's problems as a whole, and thus enabling China to contribute more to the world revolution.

And they were constantly studying to raise their political consciousness and understanding. Workers at a large textile mill we visited in Shanghai under the leadership of revolutionaries set up hundreds of study circles that had involved thousands of workers. They studied major Marxist works such as Engels' *Anti-Duhring* and Lenin's *Materialism and Empirio-Criticism*. Workers eagerly took up the study of Marxism-Leninism so they could understand better what they had to do to continue the revolution and contribute to the worldwide revolutionary process. This is a good example of the kind of incentive people had — not the green-in-your-pocket, "look out for Number One" incentive but incentive based on political awareness to make the greatest contribution possible to revolution. And that incentive, we saw, unleashed the masses' initiative to do all sorts of wonderful things to transform society.

Now all this didn't just happen spontaneously or magically. The leadership of the party was critical to unleashing this kind of initiative. Leadership in the factories, for instance, was exercised by a combination of technical/administrative staff, the workers themselves, and the party cadre. This kind of "three-in-one" combination was applied very broadly throughout society. Still more important, though, is that the whole

overall direction of society that enabled these kinds of transformations to take place—this could only happen based on a strong vanguard, dedicated to going forward towards communism.

Q: *But weren't sections of the party opposed to this kind of thing?*

A: This is one of the things that the Cultural Revolution was all about. There were some people in leadership in factories and in local areas, encouraged and led by some party people in high office called capitalist roaders, who discouraged the workers from coming together and studying and generally from actively attempting to transform the world. Their basic goal was a "modern China", which they envisioned very much in the image of the revisionist or bourgeois states; and they used all the power at their command to fight for that, and to oppose any attempts to revolutionize society from the bottom up, as part of supporting the world revolution. And you can see the result of *their* vision today: a counter-revolutionary state repressing the people in the service of imperialism. So on the most basic level the Cultural Revolution was fought over whether society would stay on the socialist road towards communism, or revert to the capitalist road — and it was a very real and very hard-fought class struggle.

Now in the course of that, the party to a certain extent was thrown up for grabs — there was a huge struggle to revolutionize it. But throughout that whole struggle, there was very definitely vanguard leadership needed and exercised, and a real basis was laid to revolutionize the party through that struggle.

On sort of a deeper level, Mao once said that a key goal of the Cultural Revolution was to transform people fundamentally. A woman who worked in Shanghai at that same textile factory put it this way. She said, after the revolution when things were so much better for her and her family she had great respect and love for Mao and the Communist Party and she thought that now it was her duty to take care of her family and work hard on her job. When the Cultural Revolution started and people told her that she should criticize the Communist Party and look at how they were leading them in that factory, she said, "I didn't want to do it. I thought that was a terrible thing to do. But as I began to get a deeper understanding of what socialism should be and what was happening in society, I began to realize that I couldn't just work hard and be a good worker and be concerned about my family, but I had to be concerned about world events and I had to learn Marxism, I had to study. And when I began doing that I realized that there were a lot of

things going on that were not revolutionary." And so that's when her ideology and understanding really made a big leap. She really began to be a new person, because she saw her role very differently than before.

The other thing that I want to emphasize here is this whole point of incentive and initiative. Bourgeois commentators always say that the only thing that motivates people is self interest. Well, in China, the model throughout society and every institution was "Serve the People." And this contrasts very sharply with "look out for number one," the capitalist ethic. Deng Xiao-ping, one of those whom Mao struggled against during the Cultural Revolution and who seized power after Mao died, raised the slogan, "To get rich is glorious." But the attitude of many workers was summarized by one woman who gave an interview to some western feminists. She talked about her experience getting involved with the housewives' factory and the struggle to transform society. She said "We no longer wanted to serve our families, we wanted to serve the people." Another older woman whom we met in the countryside, a woman who was a local leader, said: I work in the home and take care of the pig and the garden to serve the world revolution. This was a woman who also led study classes in her home.

Q: *One thing on this point on initiative, it calls to mind a Puerto Rican woman I met who is a skilled carpenter who was being literally harassed out of construction sites by the men. And who had decided instead to organize teenage girls in her neighborhood to learn construction skills and to renovate buildings and who had run into a million difficulties. But the thing that strikes me as you're talking is that this is just the kind of thing where somebody's initiative to actually transform things and actually unleash things, particularly women to go into new spheres, is continually crushed under this system whereas you can see that if the proletariat had state power, those kinds of initiatives that people take in the teeth of all sorts of opposition today, they would really have the initiative . . . you could imagine teams of teenage women learning these construction skills and transforming their neighborhoods economically, political, ideologically, and physically.*

A: And they'd do it, too. And they'd be in the lead. In China there were Iron Girls teams, young women who organized themselves into teams throughout the countryside to tackle the hardest tasks and solve the most difficult problems. We met one of these teams in Lin County where peasants had transformed a very barren, arid area into one that was quite lush with greenery and agriculture by building a whole system of canals and waterworks to bring water across a very

high mountain range. This was called the Red Flag Canal. There was a lot of debate when they were beginning to plan this project. First of all, some of the central officials and central engineers said the peasants should never begin this project because they didn't have heavy machinery, they didn't have blueprints, they didn't have the sophisticated equipment and experts that they'd need. But the peasants persevered and said: we can learn how to do this. We can learn how to plan the canals, we can learn how to make explosives, we can learn how to make the levers and the equipment that we need. So, finally the officials agreed to send in a few engineers to assist them. And the peasants learned everything they said they could and amazed the officials with their achievements.

One big debate in all this was about what role women could play in this. Some of the older people, and especially the men, scoffed at the idea that women might have the ability to do this. But these young women weren't discouraged. They formed themselves into teams and began to tackle problems that stumped some of the older people and that some of the men were having troubles with. This "iron girls team" was part of a group of young people that developed a new and speedier way of tunneling through a cliff face. They went to the top of the mountain and swung out on ropes to drill right into the side of the cliff. By doing such things, they not only helped transform the countryside physically but transformed backward ideas people had about women, proving in practice that women in fact could hold up half the sky.

Q: *What about the family? What was that like, and how did the revolution go about making changes in those relations?*

A: There were very profound changes that were made. But first, I think it would be important for people to understand where China was coming from on this front. Women were held in feudal subservience in pre-revolutionary China. As a concentrated example of this, women's feet were bound. This was inflicted mainly on women of the middle and upper classes, but also spread to the peasantry.

Q: *Let's get this clear. Binding the feet, this means breaking the bones?*

A: This meant that a little girl between the ages of five and seven would have her feet wrapped tightly. Her toes were bent back under the feet. Strips of cloth were put around the feet so that the toes were clamped together. She was forced to walk on them, and the bandages would be progressively tightened until, after several years, her foot was crushed to about four inches in length. As she grew, her feet would actually

be crippled into something like a knot that was called a lotus blossom and was considered a mark of great beauty and indicated a woman's higher class status. Young girls would cry bitterly, because, as you can imagine, this is an extremely painful process all through the whole growth period. When we were in China we saw old women whose feet had been bound in their youth, hobbling around with the a cane or with the aid of children; their little grandchildren would be leading them because these elderly women could not walk without assistance. This barbaric practice was outlawed in all the liberated areas which the people's forces controlled during the revolution. When the Communists went into an area and defeated the warlords and other reactionaries, they set up a new kind of society, a base area, and immediately outlawed foot-binding and other oppressive practices.

Q: Could you talk a little bit about the relations between husband and wife? One of the ropes binding not just the Chinese peasant but the Chinese people, was patriarchal authority.

A: Just as women's feet were bound, their whole lives were crushed by patriarchal domination. Mao talked about the "four thick ropes" binding the Chinese people, particularly the peasantry, before the revolution. These ropes were political, clan, religious and masculine authority. The first task of the Communists was to unleash the people to break these ropes.

At every stage of her life a woman was subordinate to some man. The "three obediences" ruled their lives: obedience to their father when young; obedience to their husband when married; obedience to their eldest son when widowed. The only authority she ever had was over her daughter-in-law. A mother-in-law could dictate to the daughter-in-law, of course, under the overall patriarchal authority of the household. Marriages were arranged, and girls were married off very young to be virtual slaves for their husbands and in-laws. Some young women fought ferociously and had to be taken to their bridegroom's home by force. There were also many instances of young women who refused to go through with their marriages and committed suicide instead, some on the way to their weddings. In 1919, during mass demonstrations of revolutionary youth, the suicide of a young woman, Miss Chao, inspired protests against forced marriage. Mao Tse-tung wrote about her suicide, and blasted the society responsible for it. He himself refused to marry a woman his parents had selected for him.

Many girls didn't even get a chance to grow up. As males were valued much more than females, girl

babies often meant just another mouth to feed, and many peasants often never had enough to eat for the families they already had. Infant girls were drowned or left by the roadside to starve or be picked up by someone. Today, with capitalist relations and male domination restored in China, the terrible phenomenon of female infanticide is happening again.

Girls would also be sold to the landlord — or brutally taken by his hired thugs — to pay their parents' debts. In the city perhaps she would be sold to a house of prostitution. Landlords would also take girls and women at will and rape them.

When I talk about patriarchal authority, sometimes it sounds a little remote, or academic. But it meant the most brutal subjugation of women and vicious cruelty inflicted on them from the moment of birth. One of the proverbs from that time for men was, "A wife married is like a pony bought; I'll ride her and whip her as I like."

Q: Can you talk about how that kind of thing was transformed?

A: The communists early on took up the question of the liberation of women. In the liberated areas, the Communist Party immediately banned foot-binding, arranged marriages, and abuse of women. But these decrees wouldn't have meant anything without the mobilization of the women themselves. The Communists encouraged and helped build organizations of women, which would initially draw together some of the most courageous, self-confident and independent women in the village. These women would then set out to find family situations where the woman was treated badly. They would tell the mistreated woman that times were different now and that such abuse was not allowed, and they would try to win her to come to a meeting and speak out publicly against what had happened to her. Then they would organize meetings of all the women in the village and summon the woman's husband or father-in-law to answer the charges against him. If he didn't come before the women's association, they would drag him there physically. Both Jack Belden and William Hinton talk about this in their books on the early days of the Chinese revolution. The women would compel the man to come, confront him with his abusive behavior, tell him that this kind of thing had to stop, that this was a new society and men could not treat women like this. Some men were so shocked by this that they agreed to abide by what the women said. Others just scoffed at the women and spit at them and said "What right do you stupid women have telling me what to do?" In that

case, the women would exercise some proletarian authority and would beat the shit out of him until the man begged for mercy and said that he would stop treating his wife like that. Now, some of these men would go back and be truly ashamed of their bad behavior, or would be so fearful of the wrath of the women, or maybe both, that they would change. For others, it took repeated sessions with the women's association. As you can imagine, when this started happening, it didn't affect just one woman or one family. Word about this would get around. It was the cause of great struggle, great upheaval and great chaos in families and in communities. Here were women who were acting in ways that were absolutely unheard of and unthought of for literally centuries in China. Through such "speak bitterness" meetings, the Chinese women came to understand that it wasn't their personal "fate" to have to undergo such abuse.

Women were really unleashed by this. Some were very fearful at first and didn't want to speak out, or didn't want to get involved. But going through this process, both of patient discussion and struggle with people as well as the exercise of proletarian authority, if you want to call it that, more women began to lift their heads and to refuse to take what they had been forced to endure at home for so many years. They also began to see that the way forward for China's women was the communist revolution. When the Red Army of workers and peasants would go through an area, people would initially be skeptical — oh, this isn't going to do anything for the state of the peasants, we've seen what armies do before, rape and pillage and fill their own pockets. But when fundamental relations between people began to be transformed, and people saw their own lives changed by what this army and the Communist Party leading it represented, then they became strong supporters of the revolution. And women were some of the strongest.

Q: *I think the saying among the peasants was: heaven and earth had changed places.*

A: That's right. And by the way, one of the things that some of these women would then do was go and struggle with their men to become part of the red army. Many of these women, too, were organized into the militia units that were very much an integral part of the Chinese revolution.

Another thing that happened immediately was that legal equality was guaranteed, including guaranteeing women the right to own property, which had never been allowed before. When nationwide power was seized in 1949, laws were changed to make women

have equality with men in all spheres. A new marriage law was enacted which made divorce a possibility for women. Before it was easy for men to divorce women, but not easy for women to divorce men. But, without really mobilizing people, particularly the women from the bottom, these laws wouldn't have meant much. Passing these laws was really just the first step in a process to emancipate women. What Mao said in an interview is really important here: "Of course it was necessary to give women legal equality to begin with. But from there, everything remains to be done. The thoughts, culture and customs which brought China to where we found it must disappear and the thought, customs and culture of proletarian China, which does not yet exist, must appear. The Chinese woman does not yet exist among the masses, but she is beginning to want to exist. And then, to liberate women is not to manufacture washing machines."

To get back to this question of changes in the family, the Chinese worked at things both from the side of the material base for the changes — women working outside the home — as well as the ideological side, culture, education, etc. For instance, we talked to the workers at the Nanko locomotive repair factory, a factory outside of Peking where the workers had reached a high level of political consciousness during the course of struggle during the Cultural Revolution. A woman worker told us: "In the past, men and women were politically equal, but economically not. Women were not working. The man would go home and be unhappy if the children cried or if the food was not tasty. Now the man and woman go home together and must take care of the home together."

Q: *Well, one thing that occurs to me when you say that, is that there are factories that I've worked in where the women and men work together, in the same factory, and they go home at night together, but the woman does, then in fact, spend her time getting the tasty dinner together while the husband has a cold beer and falls asleep in front of the television. So, you've got to say a little more.*

A: Well, the problem has to be attacked from different directions, and especially in the superstructure, through education, culture and the all-around battle against old, traditional ideas about men's and women's roles. This was an important aspect of the new cultural works we saw in China.

For the first time in history in such a major way, workers and peasants were the leading characters on the stage, struggling to transform themselves and society, engaging in fierce battles with the class enemy. There were stories about China's revolution, but also

about the battles to transform things at that time, during the Cultural Revolution. Perhaps the most remarkable thing was that in every one of these productions, there was a strong, leading woman character, frequently the principal leading character. This woman would be the local party leader, or the militia leader, or an ordinary peasant who rises to become a leader. Readers may be familiar with some of these works of art. If they aren't, they should certainly look at the videos of *The Red Detachment of Women* and *The White-Haired Girl*. We saw some works of art that were popularized in the West at that time, such as the *Red Detachment of Women* ballet, and some that were just beginning to be developed. And, in fact, some of the ones that we saw in their "preview" stages went even farther than some of the earlier ones as far as dealing directly with the question of women's leadership and authority. For instance, in one, *Azalea Mountain*, there was a point at which one of the male peasants was having trouble following this woman's leadership. Another peasant who, it was revealed later, was working for the Rightists, took advantage of this and said, "What are you? You used to be strong and independent. Now, you are listening to a woman?" So you can see, even in 1971 when we were there, the struggle over the role of women was still very much a part of the battle to transform China overall.

The main importance of these works of art is that they put forward and propagated a whole new view of humanity and of people's role in society — and with high artistic quality. And they were taken to heart and were loved by the masses of people. We saw them performed throughout the countryside by amateur troupes. *The Red Detachment of Women*, for instance, both the ballet and the opera, was performed in schools, by youth groups by commune members after working in the fields. A real explosion of people's cultural creativity and energy was being unleashed. It wasn't just stage work. In the countryside, peasants were painting and taking a brush into their hands and making works of art. Before, peasants were considered to be too uncultured to as much as hold an artist's brush. Instead we saw peasants not only holding the brushes, but creating works of art that gained worldwide attention during that period.

We saw many new revolutionary works of art that were being created and which Chiang Ching¹ had a leading role in helping create.

Not only was the battle around the role of women depicted in these art forms, but it was a battle to create them to begin with. It wasn't just a question that

Chiang Ching would come and work with the troupe, and they'd get these works down and present it. But there was fierce opposition and struggle to transforming traditional forms of art — such as Peking Opera which had been around for centuries — so that they would convey the ideas, values and goals of the new society, and thereby help to push the revolution forward. Based on an investigation by Chiang Ching who went around the country and saw what was being performed on China's stages, Mao made the comment that, unless it changed, the Ministry of Culture "should be renamed the Ministry of Emperors, Kings, Generals, and Ministers, the Ministry of Talents and Beauties or the Ministry of Foreign Mummies." This was quite an astonishing thing, coming as it did after years of the revolution. The battle against these old ideas and the old ways of doing things, the idea that certain cultural forms couldn't be touched and you couldn't really put the New China on stage was a very fierce battle. Chiang Ching played the key role, not only in investigating but in leading struggles to change things. And she was fiercely opposed by some of the very people who seized power after Mao's death and imprisoned and her revolutionary comrades.

You see, there's a real connection between what is depicted on the stage and what goes on throughout society. Seeing strong women on the stage, seeing *The Red Detachment of Women* where women danced, guns in hand, must have had a tremendous influence on the young women who formed the Iron Girls teams, for example. I don't think you really could have had the transformations, such as the housewives' factories, and in the family, if you didn't have these images, and the battles, in the superstructure over the role women should play. Women were unleashed by all this — just as they had been unleashed in the early days of the revolution by the "speak bitterness" sessions — to break tradition's bounds even further and play leading roles in revolutionizing all of society.

To be continued: Mary Lou Greenberg's discussion of the transformation of the family, along with many other questions, will continue in the next issue of Revolution.

NOTE

1. Chiang Ching was a great revolutionary leader in China. Married to Mao, she played a crucial role in the 1960s and 1970s in the Cultural Revolution and the last great battle against Deng Xiao-ping. She was arrested in the military coup following Mao's death in 1976; four years later she courageously defied her persecutors in a show-trial and electrified the world. She died in prison in May 1991 under suspicious circumstances.

"The train we took on August 27 was full of Red Guards, students from Peking's major universities. They spent the whole 30-hour journey to Shanghai reading, studying, and discussing sheaves of documents. . . . [They] were utterly absorbed in their work, as if cramming for a tough exam. Their assignment turned out to be nothing so academic; they intended, in fact, to subvert a whole city. Their papers were prototypes of material soon to appear on Shanghai's walls, material that would threaten the very existence of the Party and government of China's greatest metropolis...."
(Neale Hunter, Shanghai Journal, quoted in They Made Revolution in the Revolution)



THEY MADE REVOLUTION WITHIN THE REVOLUTION

BY IRIS HUNTER

THE STORY OF CHINA'S
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