

China Policy Study Group

BROADSHEET

PROBLEMS OF NATIONAL LIBERATION AND SOCIALISM

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ONE CHINA

THE problem of Taiwan's return to the motherland has been awaiting a solution for 32 years; Peking's latest offer of terms to the Kuomintang is a remarkably magnanimous one.

China is no longer on the defensive, as she had to be, in some respects, for many years. She regained her seat in the United Nations in spite of all attempts to prevent it and now has good relations with nearly all countries. The Shanghai Communique of February 1972 marked the defeat of the anti-China policy the US had pursued ever since the People's Republic was born.

The People's Government has always refused to guarantee not to use force to secure the return of Taiwan but it is now quite clear that she sees no likelihood that force will be necessary. Taiwan's future, separated from China, cannot be a bright one and her claim to *be* China is ignored by the world community.

The Chinese government can hardly have expected that the son of Chiang Kai-shek would welcome their initiative. Their appeal is to the people, both rich and poor. The rich may be happy with the status quo, though uneasily aware that it cannot last long; many of the poor workers and peasants may well envy the 'poor' of China.

President Reagan, in comparison with whom the late presidents Nixon and Carter seem paragons of enlightenment and realism, has shown that he does not accept the Shanghai Communique; the offer to Taiwan may serve as a warning to him. The Soviet Union, too, would like

to fish in the troubled waters around the island. Within easy reach of the industrialised parts of the mainland, it is a tempting bridgehead for enemies. The sooner a final settlement is reached the better.

The terms offered by Chairman Ye Jianying in his statement of 30 September envisage that Taiwan would have a greater degree of independence than any Autonomous Area on the mainland. It would be able to retain its socio-economic system and way of life, would control its own local affairs, and the present rights of property, inheritance and foreign investment would remain. Leading figures in Taiwan would be able to take leading posts in national political bodies. Taiwan citizens would be able to settle on the mainland; there would be no discrimination against them and they would be free to come and go. Businessmen and industrialists could take part in mainland enterprises and invest there.

There are certainly those in the West who consider these terms too generous; there *are* risks in allowing the wholesale import of a partly alien, capitalist ideology. The Chinese government evidently believes these dangers not serious enough to deter their offer. After all, the bourgeoisie who stayed on the mainland in 1949 came to a satisfactory understanding with the People's Government in a fairly short time and, on the whole, fairly easily. Nor should one expect that ideological influence would flow only in one direction. The ideas of socialism have a pulling power that those of capitalism no longer possess.

EXPERIMENTS IN RESPONSIBILITY

HAVING emerged from the harsh test of the cultural revolution, from the setbacks to China's economy and social life under the Gang of Four, from the shock of losing almost simultaneously Mao Zedong and Zhou Enlai, the leadership of the Chinese Government and Party are making a determined effort to guide the country to renewed stability and unity. They are not looking for countrywide mass movements, but have mounted campaigns to popularise specific steps towards modernisation and improved living standards. The accent is on the urgency of lifting China out of her still remaining poverty through carefully judged reforms, not this time by an impulsive leap. On the economic front the 'Responsibility System' is being tried out experimentally on a fairly wide scale in both industry and agriculture. This could mark the beginning of a new stage in China's post-liberation history.

Although the Responsibility System is new in its application, earlier experience had demonstrated its poten-

tialities. In the early 60s one of the poorest regions, the province of Anhui in eastern China, had introduced a system called 'contracting production with the household' which promised useful results, but was stopped as an example of 'taking the capitalist road'.

In December 1978 the Third Plenary Session of the Central Committee analysed the basic principles for both industry and agriculture essential for advance in the struggle for modernisation.

The statement issued afterwards pointed out that one of the serious shortcomings in the structure of economic management of both industry and agriculture was over-concentration of authority. Determined efforts had to be made to transfer control to lower levels, giving them greater decision-making power, within a framework of unified state planning. Simplification of organisation and management would pin responsibility and authority firmly on local government organs, specific industrial

enterprises, agricultural units, and individuals. Such a division of responsibility among different levels, types of work, enterprises and individuals would no doubt encourage initiative and creativeness at four levels—central departments, local authorities, enterprises and agricultural units, and finally individual peasants and workers. Devolution of authority and the right to make decisions appropriate to local conditions aimed to reinvigorate the economy while at the same time retaining the unified socialist state structure. (See *Beijing Review*, 29 Dec. 78.) The June 1981 'Resolution on Certain Questions in the History of our Party since the Founding of the People's Republic of China' (see BROADSHEET, Sept. 1981) gave guidance for applying the principles Mao laid down in 'The Ten Major Relationships': measures taken must be in the interests of the state, the enterprise, and the individual, not just of one and not the others.

Responsibility in Agriculture

The general principle of the Responsibility System in agriculture is to reduce the size of production groups within the production team, which remains in being as before. The new units can be a group of perhaps as many as 20-30 households, a specific family, or even an individual with a designated job and responsibility. Units are formed voluntarily by those concerned and each one enters into a contract with the parent team, specifying the rights and responsibilities of the contracting unit. The unit is to hand over to the team a specified quantity of products within a defined time limit; the balance of the unit's production remains in its own hands for consumption or sale. The more efficiently the unit works, the greater its income. If the agreed quota is not produced, the unit is fined unless deficiency was caused by unavoidable natural disaster or misfortune such as illness or death. If the unit hands over to the team any produce in excess of the quota, a bonus is paid. An individual peasant may contract a responsibility such as a doctor, agronomist, technician for equipment repairs, or worker in a service occupation.

The new system has encouraged diversified production of crops which were neglected when grain was overstressed, as well as increasing side-line occupations such as livestock raising, fisheries, bee-keeping and forestry. Some contracts also include responsibility for the safeguarding of valuable plants and animals, cultivation or collection of medicinal herbs. Private plots have in some places been enlarged and families are encouraged to make better use of them. No longer are families or individuals called 'revisionist' or 'capitalist roader' when they seek through their private plots to raise family income; it is recognised that this helps to raise the all-too-low level of peasant living standards. Revisions have been made in 'payment according to work', by which efficient peasants are rewarded for quality as well as quantity.

Even though the contracting families or groups can now plan their farming and side lines as they think best, production falls within the overall state plan. This can be ensured by the contract, since the household or persons concerned remain an integral part of the production team. The basic commune, brigade, team remain as before. Households and individuals do not own the land they use. They cannot buy, sell or transfer it, nor can they sell farm machinery or tools. Irrigation and other facilities belong to the commune unit.

Accumulated funds in the hands of the parent team can be used for public welfare, research, education or entertainment. The Responsibility System therefore provides opportunities for increasing personal income, while at the same time increasing incentive to build up the team's accumulation fund. An additional advantage of the new system is that it permits effective use of isolated parcels of arable land. For example, in mountainous regions where cultivable patches are often widely dispersed

and access is difficult, collective farming can mean considerable dissipation of time and effort, and can lead to neglect. When a household contracts to cultivate the patch the responsibility is delegated to them. This makes sense administratively and will undoubtedly often result in more efficient use of labour and of land.

Reports are coming in from many parts of China about rising production which, it is claimed, is largely due to the Responsibility System. The peasants say that the removal of 'blind bossing' from above is the main reason. One example comes from Sichuan Province, hit this year by the worst floods in a century, where semi-late rice output in 1981 was recorded as 750,000 tons more than in 1980, an increase of 5 per cent. Another example comes from Chuxian County in the East China province of Anhui, formerly known as one of the poorest regions, where grain output of one team shot up from 19 tons in 1978 to 40 tons in 1979. (See *China Reconstructs*, October 1981.) Similar reports of production increase since the new system was introduced come from many areas.

At the same time, every new system brings new problems which only time and vigilance can expose and remedy. Farming by households could restrict collective working of land where modern mechanisation on a large scale would be more productive (see BROADSHEET, May 1981). Especially during drought, households short of water for personal use and irrigation compete for supplies, with those nearest the regular sources getting the most. Competition for use of team draft animals has at times resulted in their exhaustion, even death. Some peasants under contracts have considered their land as private property which they can sell. Some have illegally built houses on private plots or usable farming land. Such aberrations may be in the early stages but they are rightly being taken as warning signs. If they multiply they will call in question the practicality of the Responsibility System, at least for some of the areas in which the experiment is being carried out.

Responsibility in Industry

In August last the Forum on Industry and Transport called by the State Council said it was now 'imperative' to apply the System of Economic Responsibility in Chinese enterprises, and called on local authorities to work out methods in accordance with their own conditions. Up to the present the new system has been experimental in selected enterprises and areas. In state-owned factories, transport and communications the need to decentralise authority and responsibility has long been felt. Two main aspects have received special attention: (1) the rights and responsibilities of individual enterprises, in relation to the state; (2) the organisation, rights, and obligations of workers and staff.

In recent years it has been increasingly realised that a lively economy must observe economic laws and market requirements, without constraint by over-centralised command. While still required to fulfill overall state plans for production, state-owned enterprises have much greater scope for their own planning and management; they decide the quantity and design of their products in accordance with market demand. Advertising to make their products known, and direct contacts with purchasers, are said to have helped to prevent either under or overstocking, and production of unsuitable goods. Individual enterprises applying the Responsibility System now control their own finances. Formerly the state supplied or replaced equipment and capital funds; the state received all profits and bore the burden of losses. Under the new system the enterprise retains all profits and pays taxes to the state according to previously agreed rates. Surplus funds are used for running costs, including equipment, wages and welfare. When more or better quality goods are produced, workers are paid 'according to work done'. If losses result from poor management,

the enterprise may be fined or even closed (See BROAD-SHEET, June-July 1981).

In 1957 an important step was taken to strengthen democracy in industry, when workers' congresses were inaugurated. The congresses are not just advisory or supervisory bodies but organs of power of workers and staff who participate in planning and the management of production, determination of wages, bonuses, and welfare. Though they take responsibility for the use of the means of production, these remain state property. The congresses are important in the struggle to eliminate or restrain bureaucracy.

Although these congresses were largely nullified during the cultural revolution their revival and strengthening have since received special attention by Party and government. In December 1978, when the Central Committee of the CPC addressed itself to the need to implement Mao's 'Ten Major Relationships', it had to give full weight simultaneously to the interests of the state, the enterprise, and the individual. In industrial enterprises the workers' congresses are the means by which this ap-

proach is translated into action. On 15 June 1981 the Central Committee of the CPC and the State Council jointly issued Provisional Regulations which had been drafted by the All-China Federation of Trade Unions, the State Economic Commission and the Organisation Department of the CPC Central Committee. The regulations define in detail the functions and powers of the congresses, giving wide scope to the initiative of workers and staff so as to develop a feeling of responsibility and provide a means of carrying out their new responsibilities (see *Beijing Review*, 7 Sept. 1981).

At the National Forum on Industry and Transport it was claimed that 'the economic responsibility system... conforms to the current level of production, industrial management and people's political awareness.' The earlier experiments to decentralise authority in industry to enterprises and to increase individual responsibility within them, have been judged sufficiently successful to justify extending the Responsibility System more widely, although still on a 'provisional' basis. Further changes and developments and one hopes, further information about results, will no doubt be made public before long.

COMPUTER THREAT ?

A recently published collection of articles, lectures and talks focusses on the question of how the new computer technology will affect those who have to work with it. Because of its form, the book (*Architect or Bee? the Human/Technology Relationship*, by Mike Cooley) reads unevenly, and at times it is repetitious; but despite these faults, it raises questions of considerable interest and importance.*

Cooley's main concern is to sound a warning about the effects of the new technology. He rejects the optimistic view that computer automation will free people from routine and soul-destroying tasks, that it will improve the quality of life and that it will act as a liberating and beneficial force in society. On the contrary, he argues, this technology is having a destructive impact on many areas of intellectual work, similar to the effects which the introduction of industrial processes has had on manual work over the past 200 years. In particular, Cooley describes the effects which the new technology is having in his own field of work, which is that of industrial and architectural design. He shows how, through mechanisation, skills and control over the work process are being removed from shop-floor workers and placed in the hands of management and a small associated group of computer engineers. Skilled crafts are being destroyed, and whole groups of skilled professionals are being 'de-skilled'¹ and proletarianised, if not made redundant altogether. Moreover, in this process the pace of work is being increased, shift-work introduced and, in general, conditions of work increasingly subordinated to the requirements of the machine.

These trends are now apparent in modern industry. Cooley is right about this. But what is their cause? Is modern technology as such to blame? Is it an inherent feature of such technology that it subordinates people to it? This is Cooley's suggestion. For an important part of his argument is that technology is not 'neutral': it reflects the society which produces it. Our technology is, therefore, 'capitalist' technology (and, incidentally, 'male' and 'western' as well).

It seems to me that Cooley's line of argument begins to go seriously wrong at this point. It is crucial to distinguish

clearly between technology and its application in a particular society. Writing about an earlier period of industrial revolution, Marx said:

It took both time and experience before the workpeople learnt to distinguish between machinery and its employment by capital, and to direct their attacks, not against the material instruments of production, but against the mode in which they are used.²

Unfortunately, Cooley never clearly makes this vital distinction; and so, despite his own denials, the impression he often gives is that he regards the new technology as inherently 'capitalist' and evil.

Skilled professionals and craftsmen (like Cooley), in fields of work now being automated, are surely right to see the introduction of the new technology as a threat to the value of their skills, to their conditions of work, and even to their very jobs and livelihoods. However, the cause of this threat is not the machinery as such, but rather the way it is used and exploited by capital in its quest for profit and in its struggle against labour. The new technology will result in an enormous increase in the productivity of labour; and, because of this, it has the potential to abolish much routine work and to greatly reduce the costs, and widen the availability, of the goods and services which it is used to produce. This in an ideal world. However, under capitalism, as Cooley so rightly warns, the introduction of this technology will have quite the opposite effects. It will be used to increase the exploitation of working people, to worsen their conditions of work—all to increase the profits of capital.

Nonetheless, it is important to insist that it is not the machinery itself that is responsible. To attribute to machinery a power over people which in fact arises only from social relations is what Marx called the illusion of fetishism. In a well known section of *Capital*, Marx talks of the 'fetishism of commodities'; but elsewhere he also describes the fetishism of capital, and specifically of fixed capital, of science and technology, whereby 'all the productive powers of social labour appear as the productive powers of capital'.³ The result of this fetishism is that the means of production (including, as Marx makes clear, science and technology)

do not appear as subsumed to the labourer, but the labourer appears as subsumed to them. He does not make use of them,

* Langley Technical Services, Slough. Price £3.00 by post.

but they make use of him... Capital employs labour. They are not means for him to produce products...but he is a means for them.

This is indeed how things appear in capitalist society, but this appearance is an illusion, an 'inversion' which involves 'the personification of the thing and the materialisation of the person'.⁴ To regard technology as such as responsible for subordinating people to it is to fall victim to this illusion. It is the economic system, not technology as such, which is the cause here; and in a socialist society technological development should be possible without these exploitative effects.

Cooley, however, disputes this. Some forms of technology, he argues, are inherently 'capitalist', inherently alienating—they inevitably subordinate people to the machine, robbing them of their freedom, skill and creativity. In support of this contention, Cooley cites the example of the Soviet Union. It is because the Soviet Union has followed a path of industrialisation very similar to that of capitalist societies, he argues, that workers there suffer very similar forms of alienation and lack of control over the labour process. However, there is an alternative account which, unfortunately, Cooley does not consider—namely, that alienation in the Soviet Union is due not so much to its industrial development (which has enabled its people to make the social progress that they have indeed made), but rather to its social and economic system, which is riven by class divisions and antagonisms much as are capitalist societies.

The issues raised by these arguments are clearly of great relevance to third world countries like China and they have been much debated there. For the implication of Cooley's position is that third world countries should reject the path of 'western' scientific and technological development, and seek instead to develop a different, 'socialist' technology, which preserves the skills and the crafts of traditional work processes. It seems to me that this is ultimately an unsatisfactory and indeed a reactionary policy. It is true that technological development will result in new areas of automation, and hence in the abolition of craft labour in these fields; and no doubt, as Cooley says, these developments will in due course be extended into areas of intellectual labour. But such a process of 'proletarianisation' is not one, surely, which a socialist should ultimately oppose (although, of course, all socialists will fight the unnecessary degree of misery and suffering which goes with it in capitalist society). For it is only on the basis of the development of technology and the consequent increase in productivity that the emancipation of working people from toil and servitude, from poverty, disease and ignorance, can possibly be achieved. It is true that the new technology has been developed mainly under capitalism; but this must be seen as one of the contradictory aspects of capitalism. For it is precisely in this way that capitalism is creating the material conditions for its own supersession. To quote Marx again:

Capital employs machinery... only to the extent that it enables the worker to work a longer part of his time for capital... Capital here—quite unintentionally—reduces human labour, the expenditure of energy, to a minimum. This will redound to the benefit of emancipated labour, and is the condition of its emancipation.⁵

For this reason, it was Marx's view that the revolutionary technological developments which capitalism has produced, despite the dreadful sufferings they have meant for working people in capitalist societies, are not ultimately retrogressive. On the contrary, they have been necessary historical developments which have created the conditions which are essential for the emancipation of people. To oppose such technological development as "capitalist" or "western" implies a hankering for craft conditions whose time has passed. Unfortunately, Cooley's

book, despite what is good and useful in it, sometimes seems to take this view.

SEAN SAYERS

1. The term derives from Braverman's work, upon which Cooley bases himself a good deal. See H. Braverman, *Labour and Monopoly Capital*, N.Y., 1974.
2. *Capital* Vol. I, Moscow, 1961, p. 429.
3. *Theories of Surplus Value*, Vol. I, Moscow, 1963, p. 389.
4. *ibid.*, p. 390.
5. *Grundrisse*, London, 1973, p. 701.

THE PEOPLE'S REPUBLIC OF CHINA: A DOCUMENTARY HISTORY OF REVOLUTIONARY CHANGE, edited and with introduction by Mark Selden.

Monthly Review Press, N.Y. and London. Price £5.45.

PROFESSOR Selden's book is concerned with marking, interpreting and documenting the distinctive features of revolutionary change in China from the founding of the People's Republic to 1978. He explores the successive changes and traces the conditions and circumstances out of which these developments were born, to support a sober analysis of the conflicting opinions and struggles which accompanied them.

China, he shows, broke new ground in several aspects of socialist construction—among which are the theory and practice of the mass line, the rural commune as an institution. China was the first to break with the concept of concentrating on urban industrial growth as the only way to develop, the first to confront the universal plague of 'bureaucratism, elitism and routinization'.

Selden does not shirk the mistaken turns nor the unresolved contradictions that arose and stem from them. But his careful examination of the situation that existed at each stage greatly contributes to our ability to see them more clearly and judge them—important today when both past and present are being questioned inside and outside China.

A bonus to readers of this volume is Selden's frequent presentation of tables, boxed definitions of marxist terms such as 'bourgeois right', 'relations of production' etc. and a capsule summary of contrasting Chinese and Western assumptions, the latter shared by some socialist and Third World countries.

Whether or not readers of Professor Selden's book agree with his interpretations will in no way lessen its value. He has set out a fascinating and well documented record of the stepping stones the People's Republic has used to make its way along the uncharted road to socialism, and as such belongs on all reference shelves relating to revolutionary transformation in China or anywhere.

CORRESPONDENCE

The Resolution on Party History

A reader writes:

The Resolution is a very impressive document. It is a summing-up of experience in the best tradition of the CPC. As an assessment of the work of Chairman Mao, it presents a striking contrast to Khrushchev's treatment of Stalin. It needs to be studied very closely. After reading it twice, I find myself in general agreement, but with some important reservations.

My main criticism is that there is no discussion of revisionism, either in the CPC itself or in the international communist movement. Are we to understand that there was no danger from revisionism in the CPC? Was the CPC line in the international polemic correct or not?

It seems to me that, without a full discussion of these questions, the assessment of Mao's leadership cannot be regarded as complete.