CHINA Will Overtake BRITAIN
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**Chapter One**

**SURPASS BRITISH INDUSTRIAL LEVEL WITHIN 15 YEARS: THE HISTORIC TASK OF THE CHINESE PEOPLE**

The Chinese people are now confronted with a colossal historic task, namely, to transform China from a backward agricultural country into an advanced, socialist industrialized one. This is an important task which has direct bearing on China's prosperity and power as well as on the welfare of its people. This is a dream that the Chinese people have long cherished; now its realization is not far off.

In accordance with the pressing needs of the Chinese people and the concrete conditions in China and abroad, the Central Committee of the Communist Party has put forward an inspiring slogan which calls on the people of the entire nation to exert their utmost so that China can surpass Britain within 15 years or in less time in output of iron, steel and other major industrial products. In other words, within that period China is to be transformed from a backward agricultural country into an advanced, socialist industrialized one. The Chinese people, filled with firm confidence and enthusiasm, are striving for the fulfillment of the Party's call.

It is common knowledge that Britain is the oldest industrially developed country in the world. Its industry has a history of almost two hundred years. In the 19th century its manufactures were sold all over the world. Britain was known as "the workshop of the world." For a long period British industrial production was preeminent. After the First World War, Britain's industrial preeminence gradually gave way to the United States, but its industrial level is still high and it still holds second place in the capitalist world.

Industrially, China is backward. In 1943, pre-liberation peak year of iron and steel output, it produced only 1,801,000 tons of pig iron and 923,000 tons of steel. Those figures correspond respectively to the British iron output of 1839 and steel output of 1875. This shows that the industrial production of Old China was, roughly speaking, a century behind Britain.

After liberation, China began its building of socialism, a system many times superior to the old one. After three years of economic rehabilitation, it entered upon large scale economic construction. With the fulfillment of the First Five-Year Plan for development of the national economy ahead of schedule, the preliminary groundwork for socialist industrialization was laid. Steel output rose from 900,000 tons before liberation to 5,340,000 tons in 1957. Thanks to the socialist system established in the country, China's productive forces have progressed by leaps and bounds. Even opponents of the Chinese People's Republic find it impossible to deny this fact.

It is true, nevertheless, that China is today still a poor country, economically and particularly industrially backward --- a state which results from a long period of feudal and imperialist exploitation. Compared with the economically developed countries, China still has a long way to go. Take Britain for comparison. In 1957 China produced less than one-quarter the steel and less than half the iron Britain turned out. In coal China's output was only half that of Britain's. It is obviously a colossal task for China to surpass Britain industrially within 15 years. But to the emancipated Chinese people nothing is impossible.

The determination that China will surpass the British industrial level within 15 years has tremendous significance. As Chairman Mao Tse-tung well said in 1945: "Without industry there can be no people's welfare and no national prosperity and power." [1]

As a result of the backwardness of its economy China was beaten, oppressed and exploited by the imperialists for more than a century from the period of the Opium War, and the Chinese people were extremely pauperized. With a view to strengthening its national defence, consolidating its material base of socialism, and improving constantly the material and cultural welfare of the Chinese people, it was decided that the country must be lifted out of its industrial and economic morass.

The Central Committee of the Communist Party, in putting forward the proposal to surpass Britain within 15 years in the output of iron, steel and other major industrial products, calls on all the people to exert the utmost effort to transform China in the shortest possible period from an economically backward country into a powerful socialist one with modern industry, modern agriculture and modern science and culture so that it will outstrip Britain one of the foremost industrially developed countries of the world.

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To surpass Britain industrially within 15 years means that within this brief time the Chinese people will build up their own comprehensive industrial system, and will challenge Britain in the output of iron, steel and other major industrial products.

The rapid growth of China's modern industry is bound to promote the modernization of its agriculture, as well as its science and culture. After 15 years, when China will produce more iron and steel, more machines, and more food crops, it will become more prosperous and more powerful, and the people's standard of living will be further improved. Release from material hardship will lead to further ideological emancipation and redouble the people's strength to fight against nature.

It is quite possible for China, a socialist country, to surpass Britain industrially within 15 years. The Soviet Union, for instance, inherited backward economic structure and suffered grave devastation during the two world wars. Nevertheless, within a short period it has grown from an economically backward country into an economically highly developed one. Though the Soviet Union is still behind the United States in several fields of production, it has by far surpassed the other imperialist countries. Similarly, in an age of unprecedented socialist victories, at a time when "the East wind has prevailed over the West wind," coupled with favourable domestic and international conditions, the Chinese people can resolutely transform their country in a brief space of time into one of the most developed countries of the world and leave Britain hopelessly behind.

The Chinese and Soviet peoples as well as the peoples of all countries of the socialist camp have not only persistently advocated peaceful co-existence of countries with different social systems but are fully confident that socialism is bound to triumph in the course of peaceful competition. They will make determined efforts to strive for this victory.

The Soviet Union has outlined its programme to surpass the United States within 15 years in major industrial and agricultural products. China, likewise, has mapped out its plan to surpass Britain within 15 years in the output of iron, steel and other main industrial products. During this period tremendous industrial and agricultural progress will also be made in other countries of the socialist camp. All this represents a gigantic, peaceful competition between the socialist countries and the chief capitalist countries of the world. Victory for China in this contest will decisively govern its own future and have enormous influence upon the destiny of the world as well. This, because after 15 years fundamental changes will take place in the proportion of material strength between the socialist and imperialist camps. As Comrade Liu Shaochi has well said, the socialist world will by far out-distance the capitalist world. Such will mean an absolute guarantee for the cause of peace and democracy.
**Chapter Two**

**WHAT IS BRITAIN'S INDUSTRIAL LEVEL TODAY?**

In order to surpass Britain, it is necessary to examine the history of British industrial development and to have a mental picture of the present condition of its industry.

Britain saw the earliest growth of capitalism. It is the oldest capitalist country in the world. From the beginning of the industrial revolution in the sixties of the 18th century, Britain's industrial development has a history of some 200 years. For more than a hundred years up to the closing quarter of the 19th century Britain held first place in the world in industry. Britain was the "workshop of the world." For long it dominated world economy.

In 1860, Britain's coal output stood at 57.6 per cent of world production; its pig iron output, 53 per cent; in other words, her output of major industrial products was more than half of the world total. In the same period Britain's output of cotton piece goods, pig iron, and coal was bigger than the combined output of the United States, Germany, France, Italy, tsarist Russia and Japan. In industrial production it stood first.

Towards the close of the 19th century, when capitalism entered the stage of imperialism, the United States and Germany, countries which were industrialized later than Britain, came to the fore. During the last quarter of that century Britain lost its industrial supremacy, first to the United States, and then to Germany. In 1880, Britain produced 1,300,000 tons of steel; the United States, 1,200,000 tons; and Germany, 700,000 tons. By 1900 the United States raised its steel output to 10,200,000 tons; Germany, 6,400,000 tons; and Britain, 4,900,000 tons. By 1913, the year before the First World War, the U.S. steel output had reached 31,300,000 tons; German 18,900,000, and British 7,700,000.

In terms of total industrial output, by 1880 the United States surpassed Britain and became the leading industrial country. By the turn of the 20th century, Germany also surpassed Britain. Then, by 1937, the Soviet Union overtook Britain and soon out distanced the latter.

After the Second World War, Germany was separated into the German Democratic Republic and the Federal Republic of Germany (West Germany). Its economy was in consequence divided. In terms of total industrial output, of the capitalist countries Britain was next to the United States. However, while in 1956 the United States stood at 50.5 per cent of the total industrial output of the capitalist world; Britain's proportion was only 10.4 per cent; West Germany, accounted for 9.7 per cent. Thus Britain still holds the second place in industrial output in the capitalist world.

Notwithstanding that Britain had been for long the leading industrial power and even today is second of the capitalist countries, it had a very slow rate of growth. Taking Britain's index of industrial production in 1860 as 100, it increased only to 232 during the 40 years between 1860 and 1900. Its average rate of annual increase was 2.1 per cent. During the period 1901-1913, Britain's industrial output increased only, 26.5 per cent, with a mean rate of annual increase of 1.8 per cent.

Taking Britain's industrial output of 1913 as 100, in the 43 years to 1956 it increased only to 178, with an average rate of annual increase of 1.14 per cent. During the period 1948-1956 the average rate of annual increase was 4.7 per cent, a rate higher than the preceding years. This was because after the Second World War many countries had re-equipped their industries and Britain had an increased export of machinery; Germany, Italy and Japan, the three vanquished countries, temporarily withdrew from competition in the capitalist world markets; and an additional factor was the policy of the British ruling class for manufacture of armaments, stockpiling, and general war preparations. The boom was only temporary. From 1957, British industrial production was again on the downgrade.

From 1860 to 1956 the average rate of annual increase of British industry was less than two per cent.

What was the cause for this slow growth? It was due mainly to the following specific features:

First and foremost, British industry is capitalist industry. Economic crisis is rooted deep in the development of capitalist industry. The capitalist relations of production have seriously impeded the rapid growth of the productive forces of British industry.

In the early stages of capitalist development the relations of production had to a certain extent suited the growing productive forces; but in the light of the insurmountable contradiction between the social character of production and the private ownership of the means of production, as early as the close of the 18th century and the turn of the 19th century, crisis of over production broke out in some branches of British industry. In 1825 Britain witnessed the first industrial crisis which affected its entire economy. Thereafter, British industry, like industry of other capitalist countries, was affected by cyclical crises. A crisis developed every eight to 12 years. And, like a dying person, each crisis was worse than the preceding one.
By 1836, an industrial crisis which began in Britain spread to the United States. In 1847 and 1848 the first widespread economic crisis took place which affected the United States and many countries in Europe. Later economic crises occurred in 1857, 1866, 1873, 1882, and 1890.

In the 20th century, crises occurred in the following years: 1900 to 1903, 1907; 1920-1921, 1929-1933, 1937-1938, 1948-1949. The worst years of the world crisis, those from 1929 to 1933, saw Britain retrogress 35 years in coal output, 76 years in output of pig iron, and 23 years in steel output. During this period 72 smelting furnaces were out of repair.

It is clear from the above data that, under capitalism, cyclical economic crises are inevitable and each crisis delivers a blow to capitalist industrial growth. This is the root cause for the slow growth of British industry.

Secondly, the development of British industry was based on the exploitation of the colonies. No matter how the British ruling class boasts of its colonial achievements, today it is known to everyone that, during the past 200 years, British capitalists had ruthlessly exploited the hundreds of millions of people of the colonial and dependent countries. It was through the exploitation of the working people at home and particularly of those of the colonies that the British capitalist class developed its industry. Joseph Chamberlain, a British bourgeois politician, did not conceal this fact. He made the following statements:

No doubt, in the first instance, when these conquests have been made, there has been loss of life among the native populations.

and . . .

If you will for a moment consider the history of this country during, say, the present century, or, I would say, during the present reign, you will find that every war, great or small, in which we have been engaged, has had at bottom a colonial interest . . . .

On the eve of the First World War the territory of the colonies and dependencies of the British Empire was 46 times greater than the territory of the United Kingdom. The population of the United Kingdom was only one seventh that of the British Empire. At that time Britain's overseas capital investments reached 4,000 million pounds sterling, not to say the whole lot of the colonial interest.

On the eve of the Second World War, British territory extended over one quarter of the total land area of the globe, including one quarter of the earth's population. The British rulers had pride in saying:

The earth is a place on which England is found, And you find it however you twirl the globe round.

This, however, does not mean that Britain had a sound economic foundation. Instead, it has been the fatal weakness of British economic development.

Ernest Jones, a British poet, sensed this fatal weakness almost century ago.

In his introduction to The New World (1851), Jones said:

England has been made a pensioner of other lands for daily bread; we can command it still, but the hour of weakness may come: then, when we ask the nations for a loaf, they may remember that we gave them cannon balls, and pay us back in kind . . . . While we have been extending ourselves abroad, we have been undermining ourselves at home.

The industrial development of Britain had a very unstable foundation. If it was so in the past, it is even more so in the present. After the Second World War, following the development of national liberation movements in the colonies and semi-colonies many of the dependent or conquered countries gained independence or are now preparing to shake off British rule and advance towards independence. This has weakened and will continue to weaken British industry, and act as a brake on its growth.

Thirdly, the development of British industry depended to a large extent upon the international market. British industry was not founded on domestic resources and the domestic market it depended upon overseas resources and markets. Britain imports agricultural products, and exports its industrial manufactures; it imports large quantities of semi-processed materials and exports large quantities of processed, finished products. In other words, Britain, cannot keep going without foreign trade. . This special feature is closely related to Britain's colonial exploitation in industrial development.

Of British industrial products over 25 per cent is for export. In accordance with 1956 statistics, the percentages of export of major British industrial products were as follows: Tractors, 72; small turbines for generating electricity, 69; diesel and electric locomotives, 57; steamers, 56.8; motor cars, 52.2; lorries, 44; internal combustion engines, 44; steel rolling machines, 40; metal cutting machine tools, 25; and steel, 15.9. These percentages show how substantially principal British industrial manufactures depend upon foreign markets.

At the same time, the bulk of her raw materials are imported. Calculated in terms of iron content, 60 per cent of the iron ore is imported. In addition, 99 per cent of chrome, manganese and nickel and 97 per cent of petroleum are imported. Raw materials for light industry like cotton and
synthetic fibres are, nearly all of them, imported. Britain also imports roughly two thirds of its wool. Thus British industry is dependent for a considerable part of her raw materials on foreign supplies. Besides, from half to two thirds of its agricultural products like grains are imported.

As mentioned, the market for the sale of British industrial manufactures, and simultaneously its bases of supplies of raw materials are dwindling day by day, due to the development of national liberation movements and the establishment of national industries in the colonial and dependent countries. Britain's markets have been further reduced by the competition of the United States, West Germany and Japan whose expansion in world markets has been at her expense. Britain's proportion of capitalist world exports fell from 25.7 per cent in 1950 to 19 per cent in 1956. In the first six months of 1957, it further dropped to 18.3 per cent.

In countries of the "sterling area" the proportion of imports of Britain's manufactures has been lessening whereas those of the United States and West Germany have made steady progress. Comparing the first six months of 1957 with the corresponding period of 1955 Britain's share declined five per cent, whereas that of the United States and West Germany rose by 36 and 19 per cent respectively. For years the United States has treated Britain as its junior partner. It has intensified its encroachment on territories which once were almost monopolized by Britain and has grabbed British wealth. Britain is now a satellite of the United States. Britain's position is precisely like what Shakespeare said long ago:

That England that was wont to conquer others
Hath made a shameful conquest of itself.

What is the present day situation of the natural resources and markets in the British Isles? The natural resources of Britain are very poor. Iron deposits amount to some 3,800 million tons, about a third of China's known iron reserves. Most of England's iron ore has an iron content of less than 30 per cent. Its coal reserves are better than iron, but practically all seams near the surface have been mined. Coal-getting has to deal with seams at greater depth and that adds to costs of production. Deposits of tin, lead, and zinc are of little importance. Of its metal deposits, few are worth mining. Britain's farm production lags far behind its domestic needs.

Also, Britain has a very limited domestic market. Its population is 51 million. Moreover, the purchasing power of the people is declining day by day due to the shrinkage of real wages, due in turn to taxation --- direct and indirect to cover expenditure or rearmament and war preparations. To add to its difficulties, the latest economic crisis has resulted in serious unemployment. Already early in 1958, five of each hundred workers were jobless. Thus manufactured goods find a shrinking market abroad and are beyond the purchasing power of many of the people at home. This is the major immediate problem which faces the British ruling class.

As a result of the above factors the development of British industry is bound to be slow. In addition, during the period of economic crisis, its industrial production on the whole will retrogress instead of advancing.

It is clear that British industry as well as its entire economy is now in an unfavourable position. It is mighty only in appearance; basically it is weak. This is well expressed in the lines of the English poet Kipling:

And because we know we have breath in our mouth and think we have thoughts in our head,
We shall assume that we are alive, whereas we are really dead . . . .
The lamp of our Youth will be utterly out, but we shall subsist on the smell of it;
And whatever we do, we shall fold our hands and suck our gums and think well of it.
Yes, we shall be perfectly pleased with our work, and that is the Perfectest Hell of It.

BRITISH INDUSTRY TODAY

It has been shown that Britain's industry and its entire economy are steadily declining. This refers only to the

imperialist character of British economy and its general tendency of development. There is no reason, however, to underestimate its present economic strength. Britain has been, and still is, one of the highly developed industrial countries of the capitalist world. It still maintains its place as second greatest capitalist industrial power.

What is the present position of Britain's industry? According to available figures, Britain's major industrial products in 1957 were as under:

<table>
<thead>
<tr>
<th>Product</th>
<th>Quantity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Steel</td>
<td>22,090,000 tons</td>
</tr>
<tr>
<td>Pig iron</td>
<td>14,528,000 tons</td>
</tr>
<tr>
<td>Coal</td>
<td>227,100,000 tons</td>
</tr>
<tr>
<td>Electricity</td>
<td>101,460 million KWH</td>
</tr>
<tr>
<td>Chemical fertilizers</td>
<td>3,570,000 tons</td>
</tr>
<tr>
<td>Cement</td>
<td>12,150,000 tons</td>
</tr>
<tr>
<td>Machine tools (including forging &amp; rolling equipment)</td>
<td>162,488 units</td>
</tr>
</tbody>
</table>
It can be clearly seen that British production level of major industrial products in 1957 stands far above China. In 1957 Britain had also a much higher production level than China in copper, aluminium, lorries, cars, tractors, steam turbines, and internal combustion engines. At the same time Britain has been progressing rapidly in the field of atomic energy. An atomic power station with a capacity of 160,000 kilowatts is now completed, with its 40,000 kilowatts put in operation. Four more stations are under construction.

Britain has also an advanced aeronautical industry, products of which are exported to the United States and many other countries. It has also a highly developed industry in making radar, electronic and nuclear instruments, as well as precision tools and instruments essential for navigation, aeronautical and wireless services. Its electrical engineering industry is also well developed. It is now turning out 200,000 kw thermal power equipment and 220,000 kw hydro-electric generating equipment. Britain's shipbuilding industry also has a long history with a solid foundation.

Lastly, it should not be overlooked that Britain's long history of industrial development has trained many technicians and skilled workers who can turn out excellent machines even with outmoded equipment. In addition, since British industrial production has for so long depended upon overseas markets, it has a highly adaptable character. With the exception of a number of factories devoted to single or specialized products, most plants undertake diversified production on a foundation of broad co-operation.

In spite of its high production level, Britain's tempo of industrial growth is slow. It appears more so as compared with that of China, which started its industrial construction at a much later date but is forging ahead in long strides.
The development of modern industry in China began in the sixties of the 19th century. Compared with Britain, it was 100 years behind. First step was taken in 1867 when the Kiangnan Machine-Building Works was established by a number of government officials of the Ching (Manchu) dynasty who were bent on what was then called "learning from the foreigners." But the development of modern industry came mainly after 1895. Modern industries of Old China were operated by Chinese merchants, or jointly managed by the then government and merchants, or run by the government and imperialist powers; some were operated directly by imperialist capitalists.

The industrial development of Old China was a slow process. By 1936, on the eve of the Anti Japanese War, although almost ninety years had passed, modern industry accounted for only 10 per cent of the national economy. It can be seen that the industrial foundation of Old China was very weak.

In 1936, annual output of China's main industrial products in world terms ranked as follows: pig iron 12th, steel 18th, coal 7th and cotton piece goods 4th. In the same year, Britain's output of electric power was six times that of China, coal five times, pig iron 10 times, steel 29 times, and cotton piece-goods equal to that of China.

The industry of Old China was mainly light industry. Of the total industrial output, in terms of value, in 1936, production of means of consumption represented 72 per cent while that of means of production was only 28 per cent. The output value of the machine building industry was only 1.6 per cent of the total value of industrial production.

The industry of Old China was mainly controlled by imperialist capital. Take 1936 for example. Percentages of Chinese industries controlled by imperialist capital were as follows: electric power 76, coal 56, iron mines 86, pig iron 80, steel 88, spindles 46, and looms 56. In that year, imperialist capital and bureaucrat capital accounted for more than 62 per cent of the total industrial capital of China.

Because the industry of Old China consisted mainly of light industry, and especially because it was controlled by imperialist capital and bureaucrat-capital, the speed of industrial growth was very slow. The annual output of cotton yarn between 1927 and 1936 remained almost stationary at about 2,200,000 bales. In the period 1922-1931, annual output of coal varied between 24,000,000 and 26,000,000 tons. In the period 1917-1936, annual output of pig iron remained between 380,000 and 390,000 tons.

The development of China's modern iron and steel industry began in 1907 when the Hanyang Iron and Steel Works went into operation with an annual production of 8,500 tons. By 1933 the steel production of the whole country was only 25,000 tons. In 1936 China's steel production exceeded 400,000 tons but, of the total, 364,000 tons was produced in North-east China which was then under occupation by the Japanese imperialists. The peak year of China's steel and iron production was 1943 when more than 1,800,000 tons of pig iron and over 900,000 tons of steel were turned out but the overwhelming proportion was produced in Japanese occupied North-east China.

As a result of the demolitions wrought by the Chiang Kai-shek reactionary clique, industrial output as a whole remained in a backward state in 1949, the year when the Chinese People's Republic was established. This can be seen from the output figures as below of some major industrial products and their percentages compared with the pre-liberation peak year:

<table>
<thead>
<tr>
<th>Product</th>
<th>Output in 1949</th>
<th>Compared with pre-liberation peak year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pig iron</td>
<td>252,000 tons</td>
<td>13.9 per cent</td>
</tr>
<tr>
<td>Steel</td>
<td>158,000 tons</td>
<td>17 per cent</td>
</tr>
<tr>
<td>Electricity</td>
<td>4,300,000,000 KWH</td>
<td>72.3 per cent</td>
</tr>
<tr>
<td>Coal</td>
<td>30,980,000 tons</td>
<td>50 per cent</td>
</tr>
<tr>
<td>Cement</td>
<td>660,000 tons</td>
<td>28.8 per cent</td>
</tr>
<tr>
<td>Cotton yarn</td>
<td>1,800,000 bales</td>
<td>73.6 per cent</td>
</tr>
</tbody>
</table>

It can be seen that the legacy New China inherited from Old China was very meagre. Old China left us a shattered industrial fabric.

NEW CHINA'S INDUSTRY MOVES FORWARD AT HIGH SPEED
The economic rehabilitation and the great programme of socialist industrialization came after the founding of the Chinese People's Republic in 1949. In the period of economic rehabilitation between 1949 and 1952 the Communist Party and the state exerted great effort for the restoration and development of the state operated industries and simultaneously carried out socialist transformation of capitalist industry and individual handicraft industry so that, coupled with the victories scored on other fronts of the national economy, a rapid recovery and development of industry was brought to success in the whole country and a broad way paved for planned socialist industrialization.

By the end of 1952, China's total value of industrial output increased nearly 1.5 times compared with 1949 and over 22 per cent compared with 1936, peak year of industrial development before the Anti-Japanese War. The task of rehabilitation of the national economy had been completed by that time. Industrial output increases of 1952 over 1949 were as follows: steel 7.5 times, iron 6.7 times, coal one time and metal cutting machine tools 7.7 times.

The completion of the rehabilitation of the national economy was closely followed by planned, large-scale socialist industrialization. The First Five-Year Plan for Development of the National Economy (1953-1957) was already fulfilled ahead of schedule. Compared with 1952, total value of industrial output in 1957 increased 1.4 times and the average annual rate of increase was over 19 per cent. The proportion of modern industry in the national economy rose from the 10 per cent of pre-liberation years to about 46 per cent, while the output of means of production accounted for 52 per cent of the total industrial output instead of 28 per cent in pre liberation years. The value of the machine building industry in the total value of industrial output rose from the pre-liberation figure of 1.6 per cent to 10 per cent. (The above figures are all calculated in terms of the prices of 1952.) To compare 1957, the last year of the First Five-Year Plan, with 1949, the year when the People's Republic of China was established, the total value of industrial output increased approximately 6.7 times. The industry of New China was in process of vast development.

The industrial development of New China not only finds expression in the increase of production but also in its quality. The qualitative change in the course of Chinese industrial development shows that the preliminary foundation of socialist industrialization has been laid.

A question arises: What are the changes which have taken place in the quality of China's industrial development? In other words, what are the main contents embodied in the preliminary groundwork of its socialist industrialization?

First of all is the fact that China now has a number of new industrial sections. In Old China, under the reactionary rule of imperialism, feudalism and bureaucrat-capitalism, China was extremely backward economically and her industrial foundation was very weak, and dependent on the imperialist powers. After the rehabilitation of the national economy following liberation, and especially the large-scale construction in the period of the First Five-Year Plan, that backwardness underwent complete change. China has now become a country which owns industries turning out motor vehicles, aeroplanes, high capacity steam locomotives, power generating equipment; metallurgical and mining installations, new type machine tools and high grade steels and metallic equipment for treatment of important nonferrous metals. These new industrial fields are not only supported by large scale enterprises equipped with the most up to date technique but combine to form an industrial fabric, which is, in the main, comprehensive. With such a preliminary groundwork for industrialization, it is possible for China to advance with giant strides and catch up with or even overtake most developed countries, economically and technically, in a short period of time.

Secondly, the establishment of the preliminary groundwork for socialist industrialization is also apparent from great increase in the industrial productive capacity. In Old China, industrial development was a very slow process. It was not until 1907 that China had for the first time her own steel industry. By 1943, the peak year of pre-liberation steel production, total output was only 923,000 tons. However, in 1956, the newly increased steel-making capacity outstripped that of Old China all told. And not only this: the productive capacity of other industrial branches registered great increase. In addition to the steel making capacity which increased by 2,231,000 tons in these five years, the rapid growth of the productive capacity in electric generating, coal mining, petroleum drilling, iron smelting, synthetic ammonium, cement, paper, sugar, spindles and looms was unprecedented. This great rise in industrial productive capacity has laid a material foundation for the high speed development of industry as a whole.

Thirdly, the establishment of the preliminary groundwork for socialist industrialization is also apparent from the fact that the technical level of Chinese industry has been raised to a considerable extent. Pre-liberation China could not produce aeroplanes or motor vehicles, and the overwhelming proportion of factory equipment was imported. New China is now not only able to manufacture aeroplanes and motor vehicles, but also industrial products which involve much more complicated technique than is necessary for the production of planes or cars. At present, except for some heavy type machines or machines of special precision, China can make use of equipment made at home to build up most of the heavy industry enterprises and an overwhelmingly large part of the light industry enterprises. It can use home-made machines to equip, step by step, its agricultural and transport enterprises and to strengthen its national defence. China is now able to meet a major portion of the needs of its construction projects with domestically produced metals and other raw materials.

China now designs many large-type engineering projects, which involve much complicated technique. Only exceptions are those projects which are extraordinarily large in size and require the most up-to-date and complicated technique. Chinese engineers, unassisted; now design such factories that
as integrated iron and steel works with an annual capacity of 1,500,000 tons, coal mines with an annual capacity of 1,500,000 tons, chemical fertilizer plants with annual production of 50,000 tons of synthetic ammonium, large type hydro-power stations with a generating capacity of 1,000,000 kw, large-type thermo power stations with a capacity of 400,000 kw; also machine-building plants, cotton mills, printing and dyeing plants, paper mills, sugar refineries, etc. Thanks to the continuous raising of the technical level, the socialist industrialization of China is in a favourable position to achieve greater, faster, better and more economical results.

Fourthly; the preliminary groundwork for socialist industrialization is also apparent from the fact that existing industrial bases in coastal areas have been greatly strengthened and other industrial bases in the interior are being built. Original industrial establishments were not only small in number but were irrational in their geographical distribution, as the greater number were located in regions along the coast. During the First Five-Year Plan period, all existing industrial bases were greatly strengthened. The North-east China industrial base, with Anshan as its centre, was basically completed, and industrial bases located in Shanghai, Tientsin and other eastern cities greatly strengthened. At the same time, new industrial bases were and are being built on a large scale in inland China. New industrial centres have now appeared on the Chinese map. The most important new industrial districts include the following: one in North China with Taiyuan, Tatung and Paotow (located in the Inner Mongolian Autonomous Region) as centres; one in Central China with Wuhan as centre; one in Shensi and Kansu Provinces with Sian and Lanchow as centres; one in Szechuan Province with Chengtu and Chungking as centres. All these new industrial bases are rapidly taking shape. New industrial enterprises are being built at some places in South-west China, South China, Chinghai Province and Sinkiang Uighur Autonomous Region. Step by step the unbalanced economic development of various regions will be changed and the economic and cultural level of the economically under developed regions, especially the regions inhabited by national minorities, raised.

These are the main contents of the preliminary groundwork for the socialist industrialization of China --- the qualitative change in the country's industrial development. They will play a gigantic role in the irresistible march to the socialist industrialization of China.

PRESENT INDUSTRIAL LEVEL

In 1957, closing year of the First Five-Year Plan, the output of major industrial products was as follows:

Steel ............................................... 5,340,000 tons
Pig iron ...............................................5,874,000 tons
Coal ...............................................130,599,000 tons
Electricity ...............................................19,330,000,000 KWH
Chemical fertilizers ...............................................800,000 tons
Cement ...............................................6,862,000 tons
Machine tools ...............................................27,105 units
Cotton piece-goods ...............................................5,060,000,000 metres

Compared with Britain, China's industrial development is still meagre. In steel, China's output is less than one-fourth of that of Britain's; in pig iron, less than half; in coal, little more than half; in electric generating, less than one fifth; in chemical fertilizers, less than one-fourth; in cement, slightly more than half; in machines, one-sixth. Only in cotton piece-goods does China produce more than Britain.

However, these figures show only one side of the picture. The other side is important: the speed of China's industrial development is much greater than Britain's. As stated previously, the speed of British industrial development increased less than 2 per cent annually in the past 100 years, while the speed of China in the period of the First Five-Year Plan was 19 per cent annually.

The speed of China's industrial development is about ten times as fast as Britain. In other words, judging by the speed of industrial development, where China takes one year Britain takes about 10 years. This is the basis for the confident declaration that China will be able to surpass Britain industrially within 15 years.
IT IS POSSIBLE TO SURPASS BRITISH INDUSTRIAL PRODUCTION IN 15 YEARS

It can be seen from the foregoing facts and figures that British industry is a long way ahead of China. British industrial development, if calculated from the second half of the 18th century, the beginning of the industrial revolution, covers a period of almost 200 years. In these two centuries British industrial development attained a high level. Chinese industry started a hundred years later than Britain's. Moreover, in Old China, industrial development was negligible and very slow. Steel output, as a criterion of a country's industrial development, was only 920,000 tons in its peak year before liberation, corresponding to Britain's steel output in 1875. Although Chinese industry has shown rapid development since liberation, yet, the present output of steel, iron and other important industrial products, is equal only to the British level at the closing years of the 19th century.

Is there, then, any possibility of China surpassing Britain within 15 years?

Of course. A convincing reply may be obtained from the comparison of the speed of our industrial development since liberation with that of Britain.

During the period of the First Five Year Plan, the industrial total output increased 1.4 times or an annual average increase of 19 per cent. In the period from 1937 to 1956, Britain's total industrial output increased only 50 per cent, or an average annual increase of 2 per cent. In major industrial products in the period from 1913 to 1956, Britain's production of pig-iron increased from 10,424,000 tons to 13,380,000 tons, that is, an increase of 28.4 per cent and an average annual increase of 0.6 per cent; steel increased from 7,783,000 tons to 20,988,000 tons, that is, an increase of 167.7 per cent and an average annual increase of 1.3 per cent; coal output failed to register any increase but dropped from 292,000,000 tons to 225,560,000 tons, a fall of 22.8 per cent. However, in a short span of five years, from 1953 to 1957, production of pig-iron in China rose from 1,878,000 tons to 5,874,000 tons, an increase of 2.1 times, an annual average increase of 25.6 per cent; steel production increased from 1,349,000 tons to 5,340,000 tons, an increase of nearly three times and an annual average increase of 31.8 per cent; coal output increased from 63,530,000 tons to 122,300,000 tons, an increase of almost 100 per cent, and an annual average increase of 14.1 per cent. Judged by the current volume of the chief industrial products, China is still far behind Britain. However, China's rate of increase is so much greater than Britain's that the Chinese people have full confidence that they will surpass Britain in 15 years.

According to our preliminary estimate, by 1972, there is every possibility of China's steel production reaching 40,000,000 tons, an increase of more than six times compared with its current production. Britain produced 22,090,000 tons of steel in 1957. Will its steel production reach the same level in 1972 as the estimated Chinese steel output for that year? The answer can be found in the comparison of the speed of industrial development of China and Britain.

Between 1941 and 1956, the average annual increase of Britain's steel production was 3.5 per cent. Calculated according to this speed of development, Britain's steel production will possibly reach 36,450,000 tons in 1972. In 1956 China produced 4,465,000 tons of steel and if its output reaches the level Britain might reach in 1972, then the annual average increase must be 14 per cent. But between 1952 and 1957, the average annual growth of China's steel production was 31.8 per cent. Therefore, it is possible for China to reach the target of 40,000,000 tons in 1972 while it will be very difficult for Britain to reach that level in the corresponding period.

In 1957, China produced 5,340,000 tons of steel, roughly equal to Britain's steel output in 1903 (5,120,000 tons). If China outstrips Britain in 15 years it will mean that, by 1972 China will have taken only 15 years to cover the journey which took Britain 70 years. Thus, with the determined effort of the Chinese people led by the Communist Party, it will be possible for China to bring such a task to success. In the First Five-Year Plan period, China's iron and steel industry completed the course which took Britain 23 years. In 1958, China's steel and iron output is close to British production on the eve of World War I. By 1962, if China is able to produce 12,000,000 tons of steel, then it will equal the British level of 1936; if she can turn out 15,000,000 tons of steel, the output will be equal to the British level registered in 1948. In other words, in five years China will achieve what Britain took 33 to 45 years to complete. By that time, the gap in iron and steel production between Britain and China will become shorter and shorter. Ten years after the Second Five-Year Plan, China will not only be able to cover the distance but will certainly be able to leave Britain far behind.

In the 15 year period from 1941 to 1956, the annual average increase in Britain's other major industrial products, excluding steel, was as follows: electric power 6.5 per cent, coal 0.5 per cent, pig iron 3.9 per cent, cement 4 per cent, sulphuric acid 4.3 per cent, ammonia 5.6 per cent, aluminium 1.3 per cent and lorries 5.1 per cent. If calculated on the basis of a continuation of those rates, Britain's major industrial products will reach the following levels by 1972: electric power 241,160,000,000 kwh, coal 244,000,000 tons, pig iron 24,760,000 tons, cement 24,270,000 tons, sulphuric acid 4,450,000 tons, ammonia 760,000 tons, aluminium 34,600 tons and 662,000 lorries. If similar industrial products of China are to reach in the corresponding period the levels accredited to Britain, average annual increases required will be as follows: electric power 18.2 per cent, coal 5.3, pig iron 10.8, cement 7.8, sulphuric acid 14.4, ammonia 12.1, aluminium 3.2 and lorries 45.5. Most output increases of these products in China in the past few years have greatly exceeded the rates listed above. Therefore, it will be possible for China to take only 10 instead
of 15 years to catch up with Britain in the productive volume of iron, steel and other important industrial products of which coal, chemical fertilizers and cement will take even less than ten years. However, in such industries as electric power, car manufacture, shipbuilding and plastics, China will necessarily have to make greater efforts so as to catch up with Britain in 15 years.

It should be noted that a new situation has developed in China's national economy with the "great forward leap" movement, and there is every likelihood that China's industrial development will go ahead at a much greater speed than that registered in the First Five-Year Plan period. On the other hand, the rate of British industrial growth given above is the highest speed ever registered in the history of British industry. And it must be remembered that British industrial development is not only restricted by resources and market conditions but will also inevitably be affected by economic crises of a cyclical nature, and, more particularly, by the current American crisis. With the economic crisis in the United States, will come a general economic crisis of the capitalist world as a whole. Under such conditions, it will be extremely difficult for British industry to maintain the rates of development given above. Therefore, it can be affirmed with confidence that China will surpass the British industrial level in 15 years.
Why has China's industry expanded at such a high rate? This is because China enjoys a series of favourable conditions in its socialist industrialization. They are:

First, an advanced political and economic system based on socialism. Categorically different from the capitalist political and economic system of Britain, China's socialist system is the basic guarantee for the rapid growth of its social productive forces. The socialist ownership of the means of production conforms to the social character of production. It can promote the rapid enlargement of the social productive forces and provide the necessary conditions for continuously meeting the material and cultural requirements of the people. That China's socialist system has facilitated the high speed development of its social productive forces is something for everybody to see.

Chairman Mao Tse tung said:

The present social system of our country is far superior to that of the old days. If this were not so, the old system would not have been overthrown and the new system could not have been set up. When we say that socialist relations of production are better suited than the old relations of production to the development of the productive forces, we mean that the former permits the productive forces to develop at a speed unparalleled in the old society, so that production can expand steadily and the constantly growing needs of the people can be met step by step. Under the rule of imperialism, feudalism and bureaucrat capitalism, production in Old China developed very slowly. For more than fifty years before liberation, China produced only a few score thousand tons of steel a year, not counting the output of the north eastern provinces. If we include these provinces, the peak annual output of steel of our country was only something over nine hundred thousand tons. In 1949, the country's output of steel was only something over one hundred thousand tons. Now, only seven years after liberation of the country, our steel output already exceeds four million tons. In Old China, there was hardly any engineering industry to speak of; motor car and aircraft industries were non existent; now, we have them. When the rule of imperialism, feudalism and bureaucrat capitalism was overthrown by the people, many were not clear as to where China was headed to capitalism or socialism. Facts give the answer: Only socialism can save China. The socialist system has promoted the rapid development of the productive forces of our country this is a fact that even our enemies abroad have had to acknowledge. [2]

It is just because China has set up a socialist system that it is possible to put forward the slogan: Surpass Britain in fifteen years in industrial development. China is a country of vigour and vitality; it is like a rising sun. But Britain has long ceased to be the centre of an Empire "on which the sun never sets"; now it is a country on which the sun is setting!

Second, greatest manpower in the world. Apart from the most advanced social system of today, China boasts the strongest productive force of any country more than 600 million industrious and courageous people who have been liberated. People are the creators of social wealth; they are the most precious asset in the world. Britain has a total population of only 50 million, while that of China is twelve times as many. In its manpower, China enjoys a vastly favourable condition for the development of its industry and its national economy. As Chairman Mao Tse tung put it:

In drawing up plans, handling affairs or thinking over problems, we must proceed from the fact that China has a population of six hundred million people. This must never be forgotten . . . and really recognize the fact that we have a population of six hundred million, that this is an objective fact, and that this is our asset. [3]

What counts is not only that China has the greatest manpower but that its people are known for their industriousness and courage. With their keen minds and skilful hands, their forefathers invented the compass in ancient times. Some 1,800 years ago, China made the world's first sheet of paper; it invented the art of printing from blocks and movable types as far as 1,300 and 800 years ago, respectively; it was first in the discovering and use of gun-powder. Among the many other world wonders attributed to the Chinese people are the Great Wall and a wide range of handicraft products that have long won universal acclaim. Writing in Literary Gazette of Moscow, Dr. Hewlett Johnson, Dean of Canterbury, one of the world's outstanding peace fighters, said he believed that China would surely reach its goal because, among other things, its people were endowed with a talented skill that had been handed down generation after generation. He added that when the British were still a primitive people the Chinese had already produced their engineers and artists. Such being the case, could there be anything, he declared, beyond the reach of the 600 million Chinese people recently freed from exploitation and oppression!

At present, however, China is still economically and culturally poor. But it is precisely because of this that the Chinese working class and the overwhelming majority of other sections of the working people and the intellectuals want to follow the revolutionary, socialist road. Ambitious and full of revolutionary drive, the Chinese people have proved themselves more hardworking and determined in their socialist construction; they have turned to the fullest account their enthusiasm and creativeness. Together with the rest of the people, the Chinese working class is striving with determination to surpass Britain in fifteen years in the industrial development, and thus wipe out China's economic and cultural backwardness, achieve a flourishing economy and culture, and improve the people's livelihood.
Coupiled with other conditions, the industriousness and courage of its people ensure that China can build socialism in a way to achieve greater, faster, better and more economical results.

It is quite another story with Britain. The British masses are groaning under the relentless exploitation and oppression of monopoly capital. The ruling class has shifted the crushing burdens resulting from the arms drive and war preparations on to the shoulders of the working class and the petty bourgeoisie; they are trying with every means to cut the wages of the workers, who, in this period of economic crisis, are under constant menace of mass dismissal. The internal contradictions in Britain are growing ever sharper, as can be seen from the fact that the number of strikes has more than doubled compared with pre-war days. All this cannot but seriously hamper the economic development of Britain.

Third, its home market. China has a vast territory and an enormous population that constitutes the biggest domestic market in the world. The continuous and marked expansion in the demand for goods arising from increased living standards; the growth in population these two factors ensure that China's home market will increase steadily. Herein lies an extremely important factor that contributes to the rapid development of the social productive forces, and that greatly promotes the industrial expansion of the country. With overall planning, all round consideration and proper arrangements, there is and will be no difficulty in finding a market for its manufactured goods. For instance, with the beginning of the technical revolution in agriculture, water-pumps and irrigation machinery with a total capacity of four to five million h.p. will be needed this year for irrigation works alone. But such facilities will be available only to the extent of, at most, three million h.p. When China's agriculture is mechanized, it will need annually at least half a million tractors (averaging 15 h.p. each), millions of tractor-drawn farm tools, about ten million tons of oil, tens of millions of tons of chemical fertilizers, thousands of millions of kilowatt hours of electricity, etc. Also, industry itself is undergoing a technical revolution, and expanded reproduction is being carried on on an extensive scale. All this requires more capital goods. Furthermore, side by side with the development of industry and agriculture, the people will need an ever increasing quantity of consumer goods. If each person consumes in a year ten feet more of cloth, it will necessitate an additional supply of 6,000 million tons of piece-goods; if there is an annual per-capita increase of two catties in the consumption of sugar, the state will have to supply 600,000 tons more of this daily necessity; an additional annual per capita consumption of one catty of paper will call for the manufacture of 300,000 tons of paper above the old production target. China's industry suffers no over production, nor will there be any such problem in the future.

It is quite a different case with Britain. As previously mentioned, Britain is small in area, nor has it a large population. Its limited home market cannot be of much help to the development of its national industry. A considerable portion of its industrial goods are produced for export. Parallel with the growth of the national-liberation movement in the colonies and semi-colonies as well as the sharpening of the struggle in the capitalist world for markets, and especially the unceasing efforts of the U.S.A., Western Germany and Japan to eat into Britain's markets, British goods face an ever-narrowing world market. Just as Britain's industry developed from the plundering of its colonies, so will it decline as the colonies break the chains that have bound them to it. "You reap what you sow," says a Chinese proverb. And the British poet Byron wrote:

The thorns which I have reaped are of the tree
I planted; they have torn me, and I bleed.
I should have known what fruit would spring from
such a seed.

Fourth, rich resources and favourable natural features. All over China's immense territory are fabulously rich natural resources and the natural features are favourable. Chairman Mao Tse-tung wrote:

China is one of the largest countries in the world, with a territory almost as large as the whole of Europe. In this vast territory there are large areas of fertile land which provide us with food and clothing; mountain ranges, big and small, traversing the length and breadth of the country, which provide us with extensive forests and rich mineral deposits; many rivers and lakes which provide us with facilities for water transport and irrigation; and a long coast line which provides us with the facility of communicating with other nations beyond the seas. [4]

With regard to mineral wealth, prospecting teams during the First Five-Year Plan discovered new sources of 41 minerals essential to China's industrialization. Known reserves of these particular minerals have surpassed all pre-liberation estimates. According to data available, China now holds first place in the world in reserves of tungsten, tin and molybdenum. Its possible reserves of coal 1,000,000 million tons puts it third in the world, next only to the U.S.S.R. and U.S.A. China's confirmed deposits of iron ore are spread over 560 localities; total deposits in the main localities are estimated to be at least 12,000 million tons, a figure almost five times greater than the pre-liberation estimate, bringing China to seventh place in the world, or second place in Asia. Reserves of manganese, magnesium, copper, aluminium, lead, zinc, sulphur, phosphorus, etc. are also abundant. New oil deposits are being discovered. To cap all, China is a country that possesses enormous water power potential. With all these natural resources, it can proceed ahead with its industrial development at an accelerated pace. Imperialist statements that China was a country poor in iron ore and oil deposits, and lacking the wherewithal to industrialize itself, have been shattered by incontestable facts.

China not only claims innumerable hidden riches, but also enjoys plentiful resources found on its land surface which varies from the sub-tropical and
countries. The most striking characteristic of the present international situation is that "the East wind has prevailed over the West wind." China can

Seventh, the fraternal assistance of the socialist countries headed by the Soviet Union. China's socialist industrialization is being carried out in an

Furthermore, 75 per cent of China's export goods are also agricultural

Sixth, an agriculture that is vigorously developing on co-operative lines, and is a great stimulus to the industrial growth of the country. As far back as

Meanwhile, the vast countryside constitutes not only the main market for light industrial products but also an important buyer of capital goods. Of the

Fifth, a foundation that has already been laid and is being rapidly extended for the country's socialist industrialization.

The industrial groundwork that China has laid is continuously growing and will have an extremely important bearing on the country's socialist

products and processed agricultural products. And over 50 per cent of the state revenue comes from agriculture directly or indirectly. It is thus clear

The Central Committee of the Communist Party and Chairman Mao Tse-tung have paid great attention to the question of making agriculture help

agriculture. Now that extremely favourable conditions have been created for the swift growth of China's agricultural production, it can be said with

Seventh, the fraternal assistance of the socialist countries headed by the Soviet Union. China's socialist industrialization is being carried out in an

In Britain the situation is different. Its territory is confined and natural resources limited. Under such conditions, British industry can be developed

In the period of the First Five-Year Plan, the nation's steel making capacity showed an increase that was 300 per cent of the total steel making capacity of Old China. The technical level has also risen markedly. Now the country is in a position to build, with machinery and equipment it has produced itself, a majority of the heavy industrial enterprises and most of the light industrial enterprises it needs; to equip gradually its agricultural and transport departments and strengthen its national defence with home-made products; to produce most of the metals and other materials needed in national construction. In addition, many of the gigantic, complex projects are now designed by China's own specialists. The existing industrial bases along the coast have been greatly strengthened, and new ones are being built in the interior. In particular, industrial enterprises are springing up like mushrooms all over the country, thanks to the call of Chairman Mao Tse-tung for the simultaneous development of national and local industries and large, small and medium sized enterprises, and for the total output value of local industries to surpass that of local agriculture in five to seven years. This is a very important condition if China is to surpass Britain in its industrial level in fifteen years.

Sixth, an agriculture that is vigorously developing on co-operative lines, and is a great stimulus to the industrial growth of the country. As far back as 1945, Chairman Mao Tse-tung said: "The peasants --- the mainstay of the market for China's industry. Only the peasants can supply the largest amount of foodstuffs and raw materials and consume the largest amount of manufactured goods."[5] Liberation of the peasants and development of agricultural production are of paramount importance to China's socialist industrialization. At present, agriculture supplies about 70 per cent of the raw materials needed by light industry that accounts for nearly 50 per cent of the country's total industrial output. As for consumer goods needed by the people, 85 per cent are agricultural products raw or processed.

The industrial groundwork that China has laid is continuously growing and will have an extremely important bearing on the country's socialist

Seventh, the fraternal assistance of the socialist countries headed by the Soviet Union. China's socialist industrialization is being carried out in an

In Britain the situation is different. Its territory is confined and natural resources limited. Under such conditions, British industry can be developed only by relying on imported raw materials. Such an industry can by no means ensure a stable development.

The central theme of the present international situation is that "the East wind has prevailed over the West wind." China can
take advantage of this and go full steam ahead with its socialist construction. This means not only that it can avoid many detours in its socialist construction by drawing upon, as much as possible, the rich experiences of the Soviet Union and other socialist countries, but also that it can count on many-sided, disinterested assistance from these brotherly countries. Compared with the Soviet Union in the early part of the present century, China is benefited by a far more favourable international situation in its socialist development. The selfless assistance of the fraternal countries in the socialist camp, especially that of the Soviet Union, constitutes an important condition for the high-speed socialist industrialization of China.

Eighth, an era of rapid scientific and technical advance in which China finds itself. The successful launching of the three Soviet sputniks has opened a new era for scientific and technical progress. With the assistance of the various socialist countries, and especially of the Soviet Union, China can make use of the latest scientific and technical achievements of the world to avoid or reduce the many difficulties it may encounter in its march forward. Thus it is possible for the country to develop by leaps and bounds, as Lenin had foreseen. The U.S.A. and Germany, late-comers among the capitalist powers, rapidly developed their industries in the late 19th century and surpassed Britain and France, the then "advanced" capitalist countries, in a fairly brief space of time by relying on the new scientific and technical achievements of that period, especially those in the fields of electrical and chemical engineering. In the twenties and thirties of the present century, the Soviet Union also achieved in thirteen years what had taken the capitalist countries more than a century to accomplish, by relying on its advanced, socialist system and using the new technical achievements in the capitalist world. Since they could do all this, why can't China realize rapidly its socialist industrialization when the present era is one of amazing scientific and technical advances, of atomic energy and of artificial satellites circling the globe; and when it can count on its advanced socialist system, the industriousness and courage and the enthusiasm and creative spirit of its people, and the assistance of the socialist countries headed by the Soviet Union, and make use of the world's latest scientific and technical achievements in its industrial development?

Finally, the wise leadership of the Communist Party and Chairman Mao Tse-tung and the overflowing revolutionary enthusiasm of the people. With the leadership of the steeled Communist Party and Chairman Mao Tse-tung, China can map out a consistently correct line and policy to guide the development of its productive forces and the process of its socialist construction. Its working class is courageous and industrious and has rich revolutionary traditions. Also known for their diligence and thrift, the peasants have stepped on to the road of socialism. The intellectuals of non-working class origin are undergoing a thorough ideological remoulding and striving to become socialist minded and professionally expert. A working class intelligentsia is taking shape. With great revolutionary energy, the people throughout the country are marching towards their common goal socialism. An expression of the superiority of the socialist system, such revolutionary fervour has sprung from the nationwide rectification campaign of 1957-58. It has been like an atomic explosion, destroying everything that bars its advance. Impossible and unheard of in any capitalist country, such popular enthusiasm serves as a basic driving force behind the country's industrial development; serves as an important guarantee for its aim to overtake Britain in output of major industrial products in fifteen years.

So much for the favourable conditions. In point of fact, there are many other favourable conditions and many other positive factors, apart altogether from the fact that all the negative factors will be turned into positive factors. Certainly, difficulties stand in the way, but these are difficulties that contain in themselves the very factors that will permit of their being overcome. What are these difficulties?

The main difficulties lie in the shortage of funds, lack of data pointing to the sources of natural wealth, an insufficient technical personnel, and inadequate experience in economic construction. Neglect of these difficulties and lack of resolution in surmounting them could well damage the effort to catch up with Britain in fifteen years.

Large-scale construction calls for huge funds. But China is a country economically backward. Herein lies a major contradiction and one of the main difficulties. Can this difficulty the lack of funds be overcome? Yes, it can. Chairman Mao Tse-tung made it clear when he said:

One way of resolving this contradiction is to make a sustained effort to practise strict economy in every field . . . . The Chinese Communist Party, the other democratic parties, democrats not affiliated to any party, intellectuals, industrialists and business men, workers, peasants and handicraftsmen in short, all the 600 million people of our country must increase production, practise economy, and combat extravagance and waste.

Unconfirmed knowledge of the natural wealth presents another difficulty. Though China is rich in mineral resources, much lies unascertained because of scientific and technical backwardness. Much has been done and great results have been obtained in the geological survey since liberation. But in terms of all the hidden riches, what has been achieved is insignificant: only a small number of the minerals have been mapped so far and, in particular, known reserves of oil and some non ferrous metals reserves are insufficient in the light of the increasing needs of national construction.

To obtain a sure knowledge and make a comprehensive use of all the mineral wealth in the country, and raise China's technological level presupposes the building of a huge army of technical personnel. Though large numbers of technicians have been trained since liberation, they are...
unable to meet the growing demands of economic construction, both quantitatively and qualitatively. Some of the newest technical departments are in urgent need of personnel. This represents another contradiction in the speedy development of China's industry.

To catch up with Britain in fifteen years in industrial development means a struggle against nature which, unlike the class struggle of the past, necessitates different capabilities. As early as 1949, Chairman Mao Tse-tung pointed out:

A serious task of economic construction confronts us. We shall soon lay aside some of the things that we know well and shall be compelled to take up things that we do not. This means difficulties . . . . We must overcome the difficulties and learn the things we do not know.  

Following Chairman Mao's directive and becoming Red experts --- these are the means of conquering the difficulties caused by inadequate experience.

As said above, a series of difficulties confront China in its determination to surpass Britain. But although there is no necessity to feel diffident or pessimistic, it would be unwise to overlook, and take no effective measures to overcome, the difficulties. The task will not be fulfilled if we stand with folded hands. The correct thing to do is to make a realistic analysis of the situation, taking into consideration both the difficulties and the favourable conditions. This will simultaneously banish blind optimism and unjustified pessimism, and enable the people to work out whatever measures are necessary, develop the positive factors, and overcome all the negative factors so that the set target will be rapidly and successfully fulfilled.
Responding to the call of the Communist Party to surpass Britain's industrial level in fifteen years or in less time, the Chinese people have thrown themselves into a nation wide upsurge of production and construction. They are displaying hitherto unknown enthusiasm and creativeness in their efforts. "Surpass the British industrial level in fifteen years!" this has become a clarion call inspiring the Chinese people to press ahead irresistibly.

But how shall the call be turned into reality?

First, to carry through resolutely the Communist Party's general line of building socialism by exerting the utmost effort, and pressing ahead consistently to achieve greater, faster, better and more economical results. By following this general line drawn up by the Central Committee of the Party and Chairman Mao Tse-tung in the light of the experience of the past eight years or more, it is quite possible for China to overtake the British industrial level in less than fifteen years.

What are the basic points of the general line? According to the directive of the Central Committee, the basic points are: to mobilize all positive factors and correctly handle contradictions among the people; to consolidate the proletarian dictatorship and consolidate and develop socialist ownership, i.e., ownership by the whole people and collective ownership; to develop industry and agriculture simultaneously, while giving priority to heavy industry; with overall planning, proper division of labour and co-ordination, to develop national and local industries, and large, small and medium sized enterprises simultaneously; and to carry out a technical revolution and a cultural revolution step by step, while completing the socialist revolution on the political and ideological fronts. All this is aimed at building China, in the shortest possible time, into a great socialist country with modern industry, modern agriculture and modern science and culture.

Here I shall dwell on the simultaneous development of industry and agriculture while giving priority to heavy industry, and the simultaneous development of national and local industries and large, small and medium sized enterprises with overall planning, proper division of labour and co-ordination, inasmuch as these points have an important bearing on the planned attempt to surpass the British industrial level.

In this respect, what is of first importance is the correct handling of the relationship between the growth of heavy industry, light industry and agriculture. Chairman Mao Tse-tung has this to say:

In discussing our path to industrialization, I am here concerned principally with the relationship between the growth of heavy industry, light industry and agriculture. Heavy industry is the core of China's economic construction. This must be affirmed. But, at the same time, full attention must be paid to the development of agriculture and light industry.

As China is a great agricultural country, with over eighty per cent of its population in the villages, its industry and agriculture must be developed simultaneously. Only then will industry have raw materials and a market, and only so will it be possible to accumulate fairly large funds for the building up of a powerful heavy industry . . . . With the development of agriculture and light industry, heavy industry will be assured of its market and funds, and thus grow faster. Hence what may seem to be a slower pace of industrialization is actually not so, and indeed the tempo may even be speeded up [1].

Why should China's economic construction have heavy industry as its core? Because only with a powerful heavy industry will it be possible to produce various types of modern industrial equipment so as to achieve the technical reconstruction of heavy industry itself and light industry; to mechanize farming, introduce chemical fertilizers to agriculture; to produce modern transport vehicles and bring about the technical reconstruction of the transport systems; and to manufacture modern weapons and further strengthen the national defence. At the same time, only a powerful heavy industry can ensure swiftest rise in the level of production techniques, an increase in labour efficiency, a continuous growth of agricultural production and the production of consumer goods, and thus a steady improvement in the living conditions of the people.

Why in China's economic construction should industry and agriculture be developed simultaneously while giving priority to heavy industry?

Regarding this, Chairman Mao Tse-tung gave a theoretical and factual analysis at a meeting of secretaries of provincial, municipal and autonomous region committees of the Communist Party in July 1955. He said:

. . . . The level of production of marketable grain and industrial raw materials in our country today is very low, whereas the state's demands for these items grow year by year. Therein lies a sharp contradiction. If, in a period of roughly three five year plans, we cannot fundamentally solve the problem of agricultural co operation, if we cannot jump from small scale farming with animal-drawn farm implements to large-scale farming with machinery which includes state-sponsored land reclamation carried out on a large scale by settlers using machinery (the plan being to bring under cultivation 400-500 million mou of virgin land in the course of three five-year plans), we shall fail to resolve the contradiction between the ever increasing demand for marketable grain and industrial raw materials and the present generally poor yield of staple crops. In that case our socialist
industrialization will run into formidable difficulties: we shall not be able to complete socialist industrialization . . . .

He added that the following two factors should be linked:

. . . Heavy industry, which is the most important branch in the work of socialist industrialization and page 54

produces the tractors and other agricultural machinery, the chemical fertilizers, modern means of transport, oil, electric power for the needs of agriculture and so on, and the fact that all these can be found a use for or can be used on a big scale only on the basis of large-scale, co-operative farming. We are carrying out a revolution not only in the social system, changing from private ownership to common ownership, but also in technology, changing from handicraft production to mass production with up to date machinery. These two revolutions interlink . . . . We can see, then, that industry and agriculture, socialist industrialization and the socialist transformation of agriculture, cannot on any account be separated, cannot be dealt with in isolation from each other. Moreover, there must be no attempt to overestimate the one and underrate the other . . . . What is more, there are two other things . . . : the large funds which are needed to complete both national industrialization and the technical reconstruction of agriculture and the fact that a considerable part of these funds is derived from agriculture. Apart from the direct agricultural tax, accumulation of funds comes about by way of developing the production of light industry, which produces large quantities of consumer goods needed by the peasants. The peasants exchange their marketable grain and industrial raw materials for these goods. That satisfies the material demands of both the peasants and the state. It also accumulates funds for the state. But any large scale expansion of light industry requires the development not only of heavy industry but of agriculture too. The rea-

son for this is that you cannot bring about any great expansion of a light industry founded simply on small peasant economy; but only on one based on large scale farming which, in the case of our country, means socialist co-operative agriculture. Only that type of agriculture can give the peasants much greater purchasing power than they have now. [2]

This is the basic theory concerning the simultaneous development of industry and agriculture in China's economic construction, while giving priority to heavy industry. The theory of Mao Tse-tung's with regard to the path of China's industrialization substantiated in his On the Correct Handling of Contradictions Among the People is a development of this.

Now everybody can see that by following the line of industrialization charted by Chairman Mao Tse-tung, China has not only achieved a speedy development of its industry but also made a big leap forward in its agriculture.

Instances quoted elsewhere in this booklet show that China's industry is advancing by leaps and bounds. The same is true of its agriculture. Between October 1957 and April 1958, an additional 350 million mou of farmland were brought under irrigation. This represents an increase of 110 million mou over the total irrigated area cultivated in the past thousands of years. By the end of 1957, already sixty-five counties and municipalities had over-fulfilled, ten years ahead of time, their respective targets of reaping 400, 500 and 800 catties of grain per mou as stipulated by the National Programme for page 56

Agricultural Development (1956-1967). Hundreds more of counties and municipalities are planning to reach this year their respective per-mou targets.

Apart from the correct handling of the relationship between the growth of heavy industry, light industry and agriculture, it is necessary to work out a proper solution to the question of the relationships between the inland areas and those near the coast, between the central and local authorities, and between large-scale industries on the one hand and medium and small-scale industries on the other, etc.

In this connection, the "Resolution of the Eighth National Congress of the Communist Party of China on the Political Report of the Central Committee" said clearly:

In respect of the relationship between the inland areas and those near the coast, it is not only necessary to continue, within rational limits, to move industrial centres to inland areas and develop the economic enterprises of the interior; we must also make full use of the economic enterprises in areas near the coast, and develop them in a rational way. Particularly, we should make full use of existing industrial bases near the coast for the purpose of rapidly promoting the construction of new industrial bases in the interior.

In regard to the relationship between the central and local authorities, it is necessary to give full scope not only to the initiative of all economic departments under the central authority, but also to the initiative of local organs. On the one hand, we should correct the tendency to develop certain page 57

local economic undertakings in a blind way. On the other, the tendency to give insufficient attention to local economic undertakings and to put too many restrictions on them must also be corrected.

In regard to the relationship between large-scale industries on the one hand and medium and small-scale industries on the other, it is not only necessary to make vigorous efforts to construct the large-scale industrial enterprises which will be the mainstay in our economic construction; we should also build and renovate in a planned way the medium or small-scale industrial enterprises which will be auxiliary to the larger ones, or which are suited to management on a comparatively small scale. [3]


After the Eighth National Congress of the Communist Party, the Party and the masses have, in the light of the basic principle of the above-mentioned resolution and their actual practice in the past year or more, mapped out the concrete line for realizing socialist industrialization by building more, faster, better and more economically. This line is: apart from the large industrial enterprises run by the central authority, the provinces, special administrative regions, counties, hsiang and agricultural and handicraft producers' co-operatives should also have their own. By so doing, it will be possible to handle correctly the relationships between the central and local authorities, between the inland areas and those near the coast, and between the large industries on the one hand and medium and small-

scale industries on the other. China has 26 provinces and autonomous regions, 180 special administrative regions, over two thousand counties, tens of thousands of hsiang, and hundreds of thousands of agricultural and handicraft producers' co-operatives. If all of them build their own industrial enterprises in a planned way, China will be able to proceed ahead with its industrialization at a much faster tempo. It is safe to predict that in a few years China's boundless territory will be studded with a myriad of industrial plants.

Secondly, to carry out a technical revolution.

In China, one revolution followed another. The overthrow on a nation-wide scale of the rule of imperialism, feudalism and bureaucrat capitalism and the founding of the people's democratic state in 1949 was followed immediately by the land reform against feudalism. Then came the movement for agricultural co-operation, closely followed by the socialist transformation of capitalist industry and commerce, and handicrafts. After the socialist revolution in the realm of ownership of the means of production was in the main completed in 1956, a socialist revolution began on the political and ideological fronts in 1957 which has also been in the main completed. This means that decisive victories have been won not only on the economic front but also on the political and ideological fronts.

China is, however, still backward economically and, in particular, technically; its material foundation is still very weak. Hence the Chinese people are in need of powerful weapons in their fight against nature. In other words, though they have scored a decisive victory in their socialist revolution, they are still in a passive position in relation to the natural world. In order to alter this situation and strengthen the struggle against nature, a technical revolution must be carried out.

Such a technical revolution is the objective demand of the current socialist construction; it poses a new revolutionary task before the people. This involves the following: to put the national economy, including agriculture and handicrafts, systematically and in a planned way on a new technical basis, i.e., the technical basis of modern, large-scale production; to mechanize farming; to use machinery wherever possible; to bring electrification to all the cities and villages of the country; to turn all the cities, including large numbers of county towns, into industrial cities; to enable the value of industrial output of all the provinces and autonomous regions and even most of the special administrative regions and counties to exceed the value of their agricultural output; and to enable large numbers of hsiang and towns to have their own industries. All this is aimed to overtake the British industrial level, fulfil ahead of schedule the provisions of the National Programme for Agricultural Development (1956-1967) and so enlarge the social productive forces in all fields and further improve the material and cultural well being of the people.

The technical innovation movement now sweeping the country marks the beginning of the great technical revolution. In the industrial and transport enterprises, workers are vying with each other in employing their wisdom and finding new ways of improving their tools, streamlining working methods, making new tools and instruments, introducing mechanization and automation wherever possible. Su Kuang-ming, a miller in the Harbin Locomotive and Rolling-Stock Repair Works,

succeeded in turning an old lathe made in 1928 into something like a multi-purpose lathe by introducing 44 technical innovations. He also learned 14 advanced working methods. That is why by March 1958 he had already fulfilled his quota under the Second Five-Year Plan. Now he is working on his Third Five-Year Plan quota. On the agricultural front, peasants are also racking their brains to invent new water pumping devices, mechanized farm tools and processing machines for agricultural and subsidiary products. The peasants of Changke County, Honan Province, created or improved more than 30,000 farm tools in the short space of four months. At the National Farm Tools Exhibition recently held in Peking, there were on display more than 3,000 new, economical and efficient farm tools devised by the peasants themselves. Such initiative and creativeness on the part of the workers and peasants are in themselves a guarantee for the success of the technical revolution.

Inspired by the enormous expansion of the national economy that followed the victory of the socialist revolution on the political and ideological fronts, numerous localities, departments, productive units and individuals are drawing up their respective plans for a "leap forward" in their own fields. This is a prelude to a new socialist upswing in China's national economy as a whole.

To fulfil the "leap forward" plans and bring about a top speed advance in production and construction, it is not enough merely to rely on the working enthusiasm of the masses and the strengthening of labour intensity; technical innovations and other relevant measures are called for. Improvements in working processes by
Like a social revolution, the technical revolution should be carried out by sticking to the mass line. Some people try to present technique as something mysterious which concerns only the engineers and other technical staff. They, therefore, do not trouble to learn technique; nor are they ready to mobilize the mass of workers to do so. Some technical personnel, too, lay an undue emphasis on the specialty of technique and merely follow slavishly in the steps of others, showing no ambition to introduce anything new. Others hold that technical revolution simply means installing new equipment and machinery and despise physical labour. All these views are erroneous and run counter to the mass line that should be followed in the technical revolution.

Machines are merely a heap of dead things, but human beings are living creatures. Just as man can produce a machine so he can operate it. Man can work miracles so long as he is not a conservative whose brain has become fossilized. For a conservative, an old machine is but a mass of iron parts whereas in the hands of an innovator it takes on a new vitality and does his bidding. The example of Su Kuang-ming cited is a good illustration of this. That is why, in order to make the technical revolution a success, it is necessary, first of all, to get rid of all conservative ideas and rely on the initiative and creative spirit of the masses. True, engineers and other technical personnel have an important role to play in the technical revolution. But what is more important is to rely on the initiative and creativeness of the working masses who are directly engaged in production and use the machines and tools. The combined efforts of the technical staff and the workers will lend an inexhaustible vitality to technique.

Thirdly, to muster the revolutionary drive and press ahead consistently. The socialist revolutionary drive of the Chinese people has behind it adequate material and ideological assurances. The socialist revolution of 1956 in the system of ownership of the means of production has, in the main, banished exploitation of man by man and liberated for good the mass of workers and peasants who were the most oppressed in the old society. It is the most important social change since the fall of the imperialist, feudal and bureaucrat-capitalist regime; it paved the way for the big leap forward in China's national economy in 1956. But by itself the socialist revolution in the ownership of the means of production was not enough. The bourgeois rightists were still attempting to regain their lost ground in the political-ideological field. Even among the working masses there were some people who were still under the influence of bourgeois ideology. That is why a socialist revolution had to be carried out in the political ideological field. The rectification campaign and the anti-rightist struggle waged by the whole people in 1957 has not only thoroughly crushed the attack by bourgeois rightists on the Communist Party and socialism and led to the decisive victory of the socialist revolution in the political-ideological field, but also greatly heightened the level of the socialist consciousness of the people through the general debate on key issues. Many regard this nationwide rectification campaign as another great emancipation of the overwhelming majority of the Chinese people. This is entirely correct. The irresistible revolutionary energy being displayed by the mass of people in every corner of the country is a natural outcome of their great emancipation, ideological, political and economic. The revolutionary impulse has pushed the whole people into the campaign to emulate advanced co-operatives, enterprises and individuals and achieve greater, faster, better and more economical results in socialist construction.

"Emulate, learn from and overtake the advanced!" --- this is a resonant slogan inspiring the 600 million people in their march towards socialism. An emulation drive has been launched among individuals, factories, co-operatives, localities and other units. Emulate whoever is advanced this is the rule of the day. Not a single individual, unit or locality is left out of the upsurge in socialist construction. Not only emulate, but also learn from and overtake the advanced and make the advanced go a step further to achieve even greater results. The advanced and the backward are the two aspects of a contradiction. To emulate means to achieve the unity of opposites. Emulation provides the greatest stimulus to people in their revolutionary efforts, making nobody...
Unity of politics and technique is the unity of opposites. Effort must be made to learn politics because it is the soul, life blood and guide of all kinds of work, the guarantee for the proper employment of professional and technical skill. Failure to do this and exclusive attention to professional and technical matters can only produce a corps of experts working aimlessly, not knowing where to go. Such experts are likely to go astray. On the other hand, efforts must also be made to obtain scientific and technical knowledge because, following the completion of the socialist revolution, the people are confronted with the main task of making nature serve their interests and of further developing the social productive forces. This needs mastery of science and technique. Lack of know-how will make people become politicians superficially "Red" but incapable of doing any practical work. Such politicians tend to rest content with empty talk.

The right thing to do is to strive to become Red specialists. But how? According to the directive of the Central Committee of the Communist Party and Chairman Mao Tse-tung, this can be achieved by working "experimental plots" (leading personnel taking a personal part in the work at grass root levels), which is the best method of combining political work with professional activities and of enabling leading personnel to keep in close touch with the masses.

The Chinese people are living in a great era when the world forces of peace and communism have grown unprecedentedly and prevailed over the forces of war and capitalism. China's socialist construction is fast developing, both extensively and intensively. "Fundamentally change the face of the area with three years of hard work!" this has become the ringing slogan of the people in all parts of the country in their march towards socialism. Everybody can see that the face of China is changing day by day, and that its people are also changing with equal rapidity. With their brilliant efforts, they are reshaping nature and at the same time remoulding themselves. They firmly believe that, with their sustained, creative labour, they can surpass Britain in fifteen years in industrial development and that socialist industrial China, mighty, prosperous and unshakeable, will soon emerge, leaving Britain and even the whole capitalist world far behind! This possibility even China's rivals cannot but think well founded. The Times (London) of December 27, 1957 wrote: "The race against the chosen competitor is, indeed, set as 'the great, glorious and arduous' task for the workers of China. Before fifteen years are out Britain must be beaten." And it added: "We had better watch out. There may soon be a dragon close behind us." Yes, China is a dragon; it is not an ordinary dragon, but a dragon that has the strength of 600 million people knit together, a dragon that can storm everything in its way forward, and a dragon that is not contented merely with following "close behind" Britain but is determined, to outstrip it.
[3] Ibid., p. 46.