

own feet. Naturally this could not be our long-term strategy. From 1958 we decided to make self-reliance our major policy.

It was in order to achieve that self-reliance that Mao embarked on the Great Leap Forward.

2 | The Reform of Industry

Mao resolved to achieve industrial **'lift-off'** for China by harnessing what he regarded as the nation's greatest resource: its massive population. Mao's conviction was that the Chinese people could achieve two great advances:

- First, the collectivised peasants, working in their communes, would produce a surplus of food that could be sold abroad to raise money for the expansion of Chinese industry.
- Second, the workers would create, literally with their own hands, a modern industrial economy, powerful enough to compete with the Soviet Union and the capitalist West.

Mass effort

Mao assumed that simply by an effort of will the increases in output made under the first Five-Year Plan could be vastly increased. The emphasis was on heavy industry and large projects. Mao, like Stalin, was greatly impressed by the grand project. Size mattered. It was the scale of a construction rather than its economic value that appealed to him. He was convinced that by sheer manpower China could solve all the problems of industrial development.

'The emperor of the blue ants'

It is certainly true that prodigious feats were achieved by manual labour alone during the Great Leap Forward. Mechanical diggers were shunned in favour of the earth being moved by the hands of the workers. Giant span bridges, canals and dams were constructed. These were lauded by the CCP as the visible proof of China's resurgence under Communism.

It became a common sight across China to see thousands of workers, men, women and children, dressed in identical blue uniforms and toiling with only the most rudimentary of tools. The government's propaganda newsreels of the day showed them all gaily smiling and singing as they went about their joyful task of reconstructing China. This was in addition to thousands of prisoners forced to work under the gaze of armed guards. A fitting description was that Mao Zedong had become 'the emperor of the blue ants'.

Tiananmen Square

One particular enterprise that captured the public's imagination was the building of Tiananmen Square in Beijing, which was begun in 1957 and completed within 2 years. This was an enormous project that involved clearing a 100-acre site of its

Key question
How did Mao plan to achieve industrial 'lift-off'?

'Lift-off'
Increasing output and production at such a pace as to turn China into a modern industrial power.

Key term

A young girl hauling a heavy load. In what ways might this 1950s' picture be taken to represent the effort of ordinary people in the Great Leap Forward?



teeming homes, shops and markets and laying a vast concrete-paved level space, open to the south, but with two huge new buildings to the east and west and the Forbidden City to the north. Mao frequently asked about the square's dimensions; he did not relax until he was assured it was larger than Moscow's Red Square.

Mao made it a practice to visit some of the major construction sites. This was as much a propaganda exercise as a genuine desire to mix with the workers. His visits provided the government-controlled press with excellent photo opportunities. One such was at the **Ming Tombs** Reservoir outside Beijing, where Mao delighted onlookers by picking up a spade and joining in the digging for half an hour (see page 48).

Key term

Ming Tombs
The burial ground of the emperors of the Ming dynasty (1368–1644).

Key question
How accurate was the term 'plan'?

Key date

Second Five-Year Plan: 1958–62

The second Five-Year Plan 1958–62

The second Five-Year Plan, the centrepiece of the Great Leap Forward, was introduced in 1958 to great fanfares. Yet there was a sense in which the plan was not a plan at all. It was true that targets and quotas were constantly set and reset, but these were not based on sound economic analysis. Rather they were plucked from the air on a whim. They were acts of faith in Communist China's ability to produce, not a hard-headed assessment of what was realistically possible. That is why the projected figures were changed so frequently. They were usually revised upwards by officials in order to impress Mao that they were responding to his call for a mass collective effort.

The minister of finance, Li Hsien-nien, unwittingly admitted how disorganised the whole thing was when he said in 1958, 'At present the central authorities are compiling targets for the



The Chairman lends a hand in the digging of the Ming Tombs reservoir in 1958. Mao's doctor recorded that this was the only time in 20 years that he had seen him physically exert himself. In what respects might this scene have contributed to the development of the cult of Mao?

second Five-Year Plan, but have not been able to catch up with the swift changes in practical conditions that require upward revision of the targets almost every day'.

'General Steel'

Chinese planners liked to speak figuratively of two great soldiers who would lead the nation to economic victory: 'General Grain' and 'General Steel'. They claimed that just as General Grain was triumphing in the battle to increase China's food supplies, so, similarly, General Steel would win the struggle to turn China into a successful industrial economy.

Backyard furnaces

Mao had a naïve belief that simply by producing masses of steel China would somehow solve all its economic problems. The outstanding expression of this was his insistence on the construction of 'backyard furnaces'. China would draw its supplies of iron and steel not only from large foundries and mills, but from small family kilns.

Here was a communal activity in which all the people could participate, conscious that by their own efforts they were helping to build the new society. Everybody, peasants as well as workers,

Backyard furnaces

Primitive smelting devices that every family was encouraged to build on its premises.

Key term



Backyard furnaces: scenes such as these were widespread across China. Why were so many people so willing to join in the production of steel in this localised way?

young children and old people, could be involved. Enthusiasm not skill was the basic requirement. People would develop successful techniques as they went along. It would be a glorious example of 'learning by doing'.

At Mao's command, the Chinese people rushed to build their little furnaces. It became a national movement. The sky at night was reddened by the flames of millions of kilns. In daytime large areas of China were covered by a pall of smoke that sometimes obscured the noonday sun.

Foreigners in China were amazed by the scale and intensity of the people's response. Roderick MacFarquar, a celebrated writer on Chinese affairs who was then living in Beijing, described the 'seething, clattering frenzy' that had overtaken China. 'People carried baskets of ore, people stoked, people goaded buffalo carts, people tipped cauldrons of white-hot metal, people stood on rickety ladders and peered into furnaces, people wheeled barrows of crude steel'.

Even ministers and their families joined in. In **Zhongnanhai**, hundreds of tiny furnaces were to be found, each one turning out its quota of home-made steel. Excited officials reported back to Beijing on how faithfully and successfully the people of China were answering Mao's call.

Weakness of the campaign

The people may have been faithful but they were hardly successful. Goodwill did not necessarily produce good steel. The only steel suitable for industrial use came from the large foundries. The home-made variety was worthless. Most of it was not steel in any recognisable sense. Smelted from such domestic oddments as pots, pans and bicycles, the peasant' steel ended up

Key term

Zhongnanhai

A building compound off Tiananmen Square that housed the government offices and ministers' residences.

as large, hard blobs, ideal, perhaps, for putting in a gallery as a piece of contemporary sculpture, but unusable in any practical way.

The authorities knew this, but dare not let on. As with agriculture, they went on pretending. The steel continued to be regularly gathered from beaming peasants by beaming collectors, who drove it away and dumped it in deep pits which were then covered over. The fate of the worthless steel could be taken as symbolising the Great Leap Forward itself: lots of energy, noise and endeavour; but little substance.

It should be added that there was also a heavy environmental price to pay; so many trees were felled to supply the backyard furnaces with wood that large parts of China were deforested beyond the point of recovery.

State-owned enterprises

An important feature of the Great Leap Forward was the creation of state-owned enterprises (SOEs). This was an attempt to bring industry under total government direction. Existing firms and companies could no longer operate as private, profit-making concerns. Instead, they would work for the state as designated SOEs. The workers could no longer bargain with employers over rates of pay and conditions. Prices, output targets and wages were to be fixed by the state.

Failings of SOEs

In theory, the SOEs fulfilled the Communist notion of centrally controlled industry. But, in practice, they performed less well than anticipated. This was because they were basically inefficient, largely as a result of their abandoning any idea of incentives. Under the Communist system, the SOEs were given state subsidies and the workers received guaranteed wages. This destroyed any motive for the managers or the workers to show initiative. It did not matter whether an SOE was efficiently managed or not since any surplus it earned went straight to the state. Similarly, no matter whether a worker was conscientious or idle he still received the same pay.

Benefits for the workers

In performance terms, the system was stultifying; it destroyed any sense of endeavour. However, for the workers, the positive side of the system was that they had an 'iron rice bowl'. Moreover, the SOEs also provided the workers with accommodation and medical and education benefits for their families.

The plan's underlying weakness

There were some apparently impressive increases in output, as Table 3.1 shows. The picture is one of an initial expansion down to 1960 and then a serious falling away in production in the early 1960s. What needs to be stressed here is that, although some of the figures seem impressive, they relate only to the production of materials. They do not reveal how the materials were then used. The fact is that there was no integrated plan for turning what had

Key question
What was the government's aim in introducing SOEs and what were the major flaws?

Iron rice bowl
The system that provided workers with a guaranteed job and protected their wages

Key question
What prevented Mao from achieving his idea of a Great Leap Forward?

Key term
Manufactured goods
Raw materials turned into sellable products.

been produced into **manufactured goods**. A crippling weakness was that China lacked the following essentials:

- technical skills
- managerial know-how
- efficiently run factories and plants
- an adequate transport system.

Without these, China could not build the modern economy that Mao had promised would overtake the world in a great leap. The failure is evident in Table 3.2. Instead of growing under the Great Leap Forward, the output of industrially produced goods actually fell.

Table 3.1: Production under the second Five-Year Plan

| Industrial production | 1957 | 1958 | 1959 | 1960 | 1961 | 1962 | 1963 | 1964 |
|---|------|------|------|------|------|------|------|------|
| Coal (millions of tonnes) | 131 | 230 | 290 | 270 | 180 | 180 | 190 | 200 |
| Steel (millions of tonnes) | 5.4 | 8 | 10 | 13 | 8 | 8 | 9 | 10 |
| Oil (millions of barrels) | 1.5 | 2.3 | 3.7 | 4.5 | 4.5 | 5.3 | 5.9 | 7 |
| Chemical fertilisers (millions of tonnes) | 0.8 | 1.4 | 2.0 | 2.5 | 1.4 | 2.1 | 3.0 | 3.6 |
| Cotton cloth (billions of metres) | 5.0 | 5.7 | 7.5 | 6.0 | 3.0 | 3.0 | 3.5 | 4.0 |

Table 3.2: Production of manufactured goods

| To an index of 100 | 1959 | 1960 | 1961 | 1962 |
|--------------------|------|------|------|------|
| Light industrial | 100 | 91.2 | 78.4 | 70.0 |
| Heavy industrial | 100 | 90.0 | 66.4 | 44.2 |

What main trends in production are observable from the figures in Tables 3.1 and 3.2?

Key question
What factors prevented the Great Leap Forward from reaching its full targets?

The limitations of the Great Leap Forward

Many of the communal endeavours that took place under the Plan thrilled the Chinese and impressed foreigners, but the plan as a whole did not reach its objective of laying the basis of a modern industrial economy. Among the reasons for this were the following:

- The quality of China's finished products fell a long way short of meeting its domestic industrial needs.
- Political interference made the plan impossible to manage purely as an economic enterprise.
- Officials issued demands and threats aplenty, but hardly any detailed instructions as to how things were actually to be done.
- Despite the setting up of SOEs, so much was left to local initiative that China never really operated an integrated national plan.



Workers constructing a dam in 1958. How does this picture illustrate the notion of Mao Zedong as 'emperor of the blue ants'?

- The result was that effective organisation and **quality control** became difficult to achieve and impossible to sustain.
- The USSR stopped providing technical assistance in 1960. This resulted in the closure of half the 300 industrial plants that the Soviet Union had sponsored in China, including a number of steel mills.

Mao's weakness as an economic planner

The common belief in the CCP was that **applied Communism** would always produce an effective system of production and fair shares for all. This meant that politics always got in the way of proper industrial management. It is remarkable how so much of what passed for planning was really only a set of politically inspired slogans. The reports of the party conferences called to discuss the progress of the Great Leap Forward describe the delegates shouting slogans and counter-slogans at each other instead of addressing the real economic problems.

Quality control

The mechanism for monitoring industrial products so that they always meet a consistent standard.

Applied Communism

Planning according to Marxist principles, involving state direction of the economy and the ending of private ownership.

Key question

What were the major limitations in Mao's economic thinking?

Key terms

Mao's unwillingness to accept responsibility for failure. Mao would not accept that his policies were at fault. He interpreted the lack of economic achievement not as a failure of Communist planning, but as the result of sabotage by bourgeois elements and backsliders. His invariable reaction to the news of failure was to blame the messenger. The first stage was usually to deny the bad results and then, when they could no longer be disputed, to search for the culprits responsible for administering the policies wrongly, through either incompetence or deliberate sabotage.

Mao's basic misunderstanding of economic processes

There is no doubting the ambition that underlay the economic policies that China followed under Mao Zedong. He aimed to place the PRC on a par with the world's major industrial powers. But ambition was not enough. His economic strategy proved to be flawed and misconceived. He believed that by relying on China's unlimited manpower he could bring about the same advances that the Western industrial nations had made. But Mao lacked the knowledge of agricultural science necessary to understand the reports he received from the countryside.

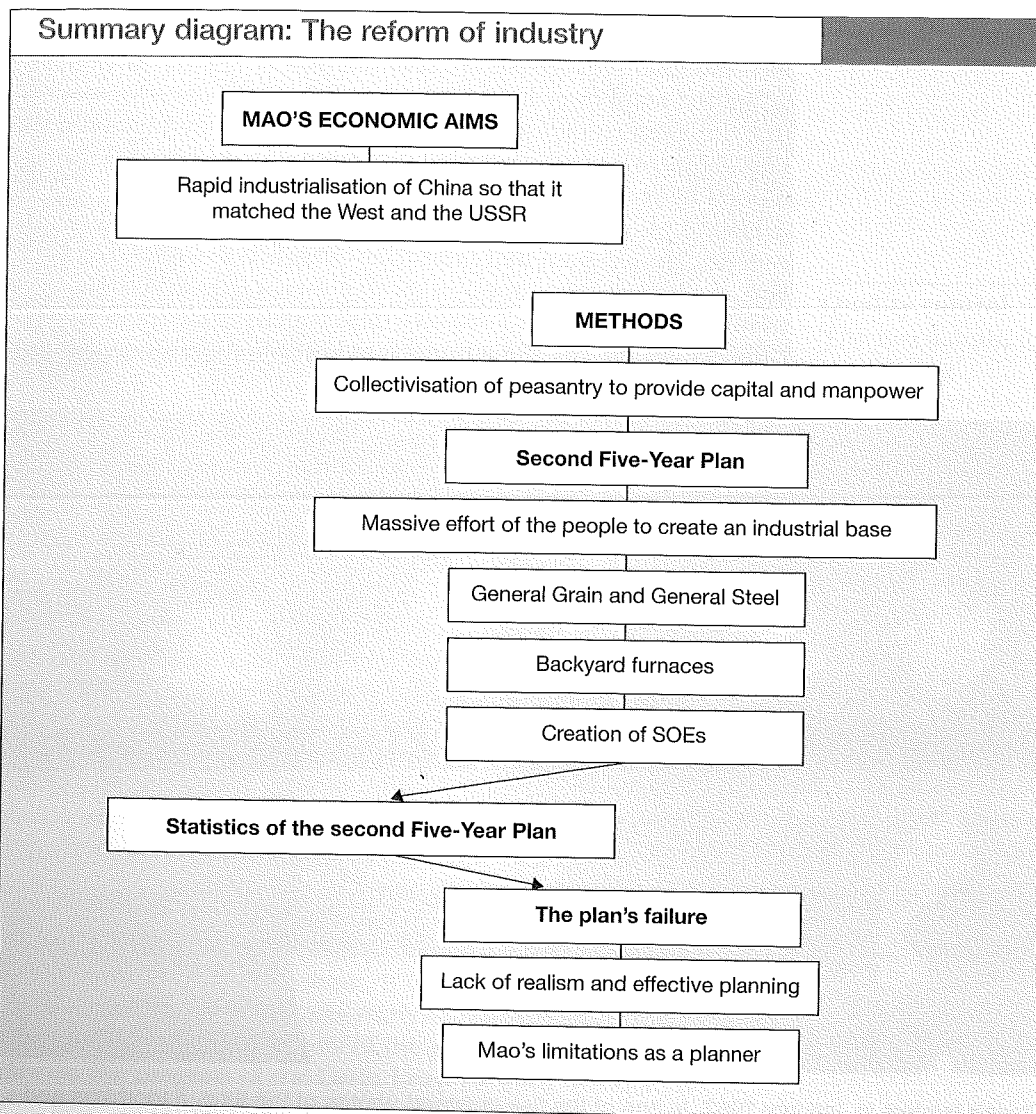
He was also very limited in his understanding of the industrial process. He accepted that industrialisation was essential, but he had a very imperfect idea of what that meant in practice. He simply believed that by a massive deployment of manpower China could achieve the advanced industrialisation it needed.



China's leaders in January 1962. In one of the few unposed photos of the time, a toothless and anxious-looking Mao is captured in apparently earnest conversation with (from left to right) Zhou Enlai, Chen Yun, Liu Shaoqi and Deng Xiaoping. Why were such photos as this one a rarity at the time?

Mao's reliance on intuition

In no sense was Mao qualified as an economic planner. He admitted as much: 'I only understand social sciences but not natural sciences'. For all his adult life he had been a revolutionary. This is what continued to dominate him and consume his energies. His experience as a political in-fighter and military strategist had in no way prepared him for the task of shaping the economy of a vast nation. His approach was necessarily a series of intuitive leaps. The results were calamitous. His collectivisation programme produced not additional food, but famine; his Five-Year Plans wasted rather than successfully exploited China's vast natural and human resources.



3 | The Reform of Agriculture

Collectivisation

The land policy adopted by Mao Zedong has to be seen as a complement to his industrialisation plans. Although he had gained his reputation as leader of a great peasant revolution, he did not allow this to dictate his economic strategy. In his plans for the modernisation of China, the industrialisation programme had priority over all other considerations. By the mid-1950s the organisers of the first Five-Year Plan had become aware that China had a severe labour shortage. Despite the migration from the land that had occurred, those employed in industry were still only a minority of the Chinese working population. The industrial workforce would have to be greatly increased if targets were to be met.

It was also the case that, although the peasants were undoubtedly producing more food, this was not finding its way to the urban workers. The common view among the economic planners was that this was the fault of the peasants: they were indulging themselves by overeating and by having larger families which meant more mouths had to be fed. The authorities were convinced that the peasantry must be brought under strict central control and direction.

Mao himself often became impatient with what he regarded as peasant obstinacy. In one revealing statement he urged his officials: 'Educate peasants to eat less, and have more thin **gruel**. The state should try its hardest to prevent peasants eating too much.'

The PRC's initial land reforms of the early 1950s had been introduced in the euphoria that had accompanied the 1949 revolution. The land had been seized from the landlords and given to the peasants. Yet even at that time the peasants had been urged to pool their resources by joining in farm **collectives**. This was the principle that was now forcibly extended. Between 1956 and 1958 the government directed that the existing 750,000 collectives be amalgamated into a number of large **communes**. In 1958 Mao made this collectivisation process an essential part of the Great Leap Forward:

- China's agricultural land was divided into 70,000 communes.
- Each commune was made up of roughly 750,000 brigades, each brigade containing some 200 households.
- The whole system was under the direct control of PRC's central government; farming methods, the sale and distribution of produce, and the setting of prices were to be dictated from above.
- Private farming would cease to exist.
- The peasants needed internal passports to pass from one commune to another.

Key question
What was the aim of collectivisation?

Key terms

Gruel

A thin, watery porridge.

Collectives

Areas where the peasants farmed communally rather than for themselves individually.

Communes

Organised regions where the collectives were grouped together.

Key date

Collectivisation began: 1956