

RECTIFICATION CAMPAIGN

Comrade Yang Hsien-chen's "Theory of Balanced Development"
Is a Re-Print of Bukharin's "Theory of Equal
Development"

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Comrade Yang Hsien-chen's "theory of balanced development" of the various economic components during the transitional period distorts social reality during the period of transition, propagates his thought in defense of and for developing capitalism, and opposes the general line for the transition period formulated by the Party. He holds that there can be "a balanced and inter-related development" between the socialistic economic components, and that this was the principle on which the first five-year plan was based. He also emphatically points out: The capitalistic system of ownership and the system of private ownership "like the system of state ownership, were stipulated as legal in the Constitution."

These views of Comrade Yang Hsien-chen are certainly nothing new. At the end of the second decade of this century, the right-wing opportunist Bukharin of the Soviet Communist (Bolshevik) Party, during the Soviet agricultural collectivization movement, representing the interests of the bourgeois rich peasant elements, advanced his so-called "theory of equal development" to oppose the Party line. He attempted to use this theory to prove that socialism and capitalism should live in peaceful co-existence, that capitalism and socialism should be in a state of equilibrium, and that these two economies should develop equally without struggle.

Some Bukharinist elements at the time held that this would be like: two boxes moving forward peacefully on different tracks; they would not collide with each other, and socialism would appear when they converged.

They openly proposed that rich peasants "peacefully enter" into socialism. They held: "The cooperative nests of rich peasants can also in similar fashion grow into this system by means of banks, and so forth. But to a certain degree they are in a different category, such as the rented enterprises." (The Complete Works of Stalin, Vol. 12, p. 27)

This means that, although rich peasants and persons who rent enterprises are in a different category to a certain degree, they will still "peacefully grow into" socialism.

If we compare Comrade Yang Hsien-chen's "theory of balanced development" with Bukharin's "theory of equal development," we find that, while different in form, they are similar in essence. They both hold that the socialist economy and the capitalist economy will not interfere with each other, that the two can both exist and develop in a balanced way; they both hold to a bourgeois, landlord, rich peasant viewpoint, oppose the socialist reform movements, extol the free development of capitalism, and oppose the Party's line.

If we say that there is anything different, it would only be a superficial difference. One stresses that rich peasants can "peacefully grow into" socialism, while the other stresses that capitalist economy and socialist economy can both freely develop. From this it can be seen that the same blood runs in both veins, that Comrade Yang Hsien-chen's "theory of balanced development" is a new edition of Bukharin's "theory of equal development."

Well, is it true that socialism and capitalism can both dwell together within one country without mutual interference and that they can develop in a balanced way? In socialist revolutionary activities and construction, do we want to resolve the problem of which will win--the path of socialism or the path of capitalism, the proletariat or the bourgeoisie?

Marxist-Leninists and all sorts of opportunists have consistently taken two basically different attitudes toward solving this. Marxist-Leninists hold that after the proletariat seizes political power by armed force, it must use its own ruling position in politics to serve socialist construction. This means that on the one hand it must actively strive to develop the socialist economy, while on the other hand it must engage in reform toward non-socialist economic components and toward the superstructure (and this includes basic reforms in economy, politics, thought, culture, and so forth). It must gradually reject the system of private ownership of means of production.

But Comrade Yang Hsien-chen proposes that we adopt an anti-Marxist-Leninist attitude of letting the economic components develop equally and the classes peacefully co-exist in handling this basic question.

Let us look first at the condition in the Soviet Union. At the end of the second decade and the start of the third, Bukharin and his followers were loudly propagating the "theory of equality," and extolling the nonsense that capitalism could "peacefully grow into" socialism. At that time Comrade Stalin refuted them.

Stalin said: "Only those persons who have lost their senses could find any solution in Bukharin's childish formula that capitalist elements could peacefully

grow into socialism. Neither in the past nor at present has our country developed according to Bukharin's formula. Rather, it has developed according to Lenin's formula of 'who overcomes whom.' Will we beat and suppress the exploiters, or will they beat and suppress our Soviet workers and peasants?--Comrades, this is the question at issue." (Ibid, p. 267)

Why did Bukharin raise this erroneous theory?

Stalin said: "The purpose of this theory is to protect the position of the individual peasant economy, to use 'new' theoretical weapons to arm the rich peasants so they may oppose collective agriculture, to destroy the position of collective agriculture." (Ibid, p. 128)

Stalin in this way resolutely exposed the evil plots of Bukharin and his followers, engaged in a series of struggles with them, and finally thoroughly smashed Bukharin's erroneous theories in both theory and practice. He thus defeated the right-wing opportunists headed by Bukharin.

Let us speak about our country's situation.

In 1940, Chairman Mao clearly said: "The ultimate future of the Chinese revolution is not capitalism, but rather socialism and communism." (Selected Works of Mao Tse-tung, Vol. 2, p. 645)

On the eve of victory throughout the entire country, the Party center and Chairman Mao pointed out that after the Chinese revolution had won, the primary external contradiction would still be between the Chinese people and the imperialists, while the primary internal one would be the contradiction between the working class and the bourgeoisie, that is, the contradiction between socialism and capitalism, which grew out of the contradiction between the Chinese people and the landlord class and the bureaucratic bourgeoisie.

At the same time, the basic policy raised to resolve this contradiction was: confiscate the wealth of the comprador and bureaucratic bourgeoisie, establish a socialist state economy, and enable the state economy to become the leading factor over the entire economy. This was to be the material basis for all social reforms of all other non-socialist economies, and it therefore required precedence in development. Toward capitalist industry and commerce, the policy was to be utilization, restriction, and reform, while at the same time, a policy of agricultural and small handicraft cooperativization was to be carried out.

At the end of 1952, after the basic completion of the tasks of restoring the national economy and eradicating the feudal elements, the Party center and Chairman Mao again in a timely way advanced the general line for the transition period: "For a rather long period of time, we will gradually implement national socialist industrialization, and gradually undertake socialist reforms of agriculture, handicrafts, and the capitalist sectors of industry and commerce."

This policy was "the line for building the Chinese society from the complex economic structure of socialism, capitalism, and individual economy to the simple economic structure of socialism." (Liu Shao-ch'i: "The Victory of Marxism-Leninism in China.")

The instructions of the Party center and Chairman Mao were thus lucid and concrete.

But during the year 1955 Comrade Yang Hsien-chen dredged up Bukharin's thoroughly discredited theory and advanced his so-called "theory of balanced development," wanting to allow capitalism, individual economic forms and socialism to exist side by side without interference for a long period and to develop equally. He vainly hoped to use this to oppose the Party line for the transition period, vainly hoped to restore and protect capitalism in China. This completely exposes Comrade Yang Hsien-chen's reactionary bourgeois standpoint.

Can a socialist and a capitalist economy develop side by side in a balanced way? We say that they represent two essentially different productive relationships, and fundamentally speaking, the socialist system cannot permit the existence of the system of capitalist exploitation.

In socialist construction, the primary national task is to strive to develop the socialist economy, to guarantee the constant development of the socialist economic priorities in the national economy, to establish and strengthen the economic base for the development of socialism, and finally to eliminate the capitalist economy.

Under the concrete conditions in our country, although for a certain stage during the transition period national capitalism is permitted to exist and develop within a certain scope, the purpose is to use its positive factors to help restore and develop the national economy.

However, this is not equivalent to saying that it should be allowed to develop equally with socialist economy, and that both should develop without mutual interference.

It is in fact impossible that two diametrically opposed economic components should exist for a long time together, not interfere with each other, and develop in a balanced way. If socialism does not win and annihilate capitalism, then capitalism will win and annihilate socialism.

"If China does not become a socialist country, it will become a capitalist country, and it is absolutely impossible that it will not become one or the other." (Liu Shao-ch'i: "Report on the Drafting of the Constitution of the Chinese People's Republic")

Can a socialist economy and an individual economy develop in a balanced way? According to Comrade Yang Hsien-chen, this is possible.

We hold that this is impossible. This is because socialism cannot erect two different foundations, that is, a foundation of socialist heavy industry, and a foundation of a dispersed, backward individual peasant economy.

Chairman Mao said: "Without the socialization of agriculture, there can be no complete, consolidated socialism." (Selected Works of Mao Tse-tung, Vol. 4, p. 1482)

If we do not undertake socialist reform of the individual economy, but let things go as Comrade Yang Hsien-chen wants, if we let it develop in a balanced way with the socialist economy, this will not only not solve the contradiction between the backward nature of the small peasant economy and socialist heavy industry, and not solve the contradiction between the dispersed nature of the individual peasant production and the state-planned economic construction, but it will also create an excess of capitalism in the rural villages. This is because the individual economy consists of backward production relations, and also unstable productive relations during the transition.

Under the capitalist system, it normally produces capitalism spontaneously, and at the same time causes the formation of rural classes, so that large numbers of peasants meet with bankruptcy.

Under the socialist system, if the individual economy is not reformed, this tendency toward spontaneous capitalism and toward class stratification will constantly increase.

In fact, with regard to the position in the villages, if socialism does not occupy the ground, then capitalism will.

However, according to Yang Hsien-chen, we should give up our socialist reform of the villages, give up the socialist position in the villages, and allow the small peasant economy to exist forever. His proposal opens the way for capitalism.

In order to find a legal pretext for his "theory of balanced development," Comrade Yang Hsien-chen stubbornly and intentionally distorts and revises our country's Constitution.

He says: "The system of individual ownership and the capitalist system...similar to the system of state ownership...have been formulated as legal in the Constitution."

Can this statement hold water? In the Constitution it is clearly stated that the state will protect the capitalist system in accordance with the law on the one hand, while on the other hand it adopts policies of using, restricting, and reforming capitalist industry and commerce. Gradually the system of ownership by all the people will replace the capitalist system.

In actuality, when we allow capitalism to exist legally for a certain period of the transition, we mean by "legally" that it accept its own reform as a prerequisite.

Comrade Yang Hsien-chen's "theory of balanced development" on the surface does not resemble Bukharin's idea of capitalism "growing peaceably into" socialism and the "elimination of classes." But in essence, since he admits that within socialist society capitalism can legally exist with socialism for a long period and develop in a balanced way, is this not just the same "theory" as that of Bukharin's which said that capitalists and rich peasants "peacefully growing into" socialism?

Everyone knows that the proletariat can eliminate classes only through cruel class struggle, and in the whole course of socialist construction, the proletariat cannot advance toward socialism except through class struggle.

Therefore, we must not only carry out a complete socialist revolution on the economic front, but also do the same on the political and ideological fronts, so as to thoroughly solve the question of "who overcomes whom" in economics, politics, and ideology.

Historically there has never been a case of a moribund class voluntarily withdrawing from the stage of history, nor is there any reason to expect that the bourgeoisie will "peaceably grow into" socialism, that class struggle will become extinct spontaneously. In every way possible, the bourgeoisie is always trying to hinder or oppose socialism.

We hold that Bukharin's "theory of equality" and Comrade Yang Hsien-chen's "theory of balanced development" are not accidental; they are the products of certain historical conditions and the sharpening of domestic class struggle. Bukharin's erroneous theory appeared when the Soviet Union was implementing overall collectivization and when the internal class struggle was unusually sharp. He represented the interests of the bourgeoisie and the rich peasants and opposed the Party line in order to protect these interests.

In the course of our socialist reform, in similar fashion, the internal class struggle has also been unusually violent, and at that time every sort of erroneous, anti-socialist reform theory appeared, such as for example the proposals to "consolidate the order of the new democracy" and to let capitalism and socialism "roll like two logs." There were also demands for "four great freedoms" and the proposal that for quick cooperativization, we should "firmly withdraw, rapidly get off the horse," and so forth.

Comrade Yang Hsien-chen's theory is a reflection of these sharp class struggles, a concentrated expression of the reactionary theories of the bourgeoisie. Comrade Yang Hsien-chen is, with full awareness, representing the interests of the bourgeoisie, opposing the Party's general line for the transition, and running counter to the thought of Chairman Mao.

If we proceeded according to his methods, capitalism would freely expand and the path would be opened for restoration of capitalism.

The experience of our country's socialist revolution and construction proves that, under the leadership of the Party center and Chairman Mao, with the guidance of the Party's general line for the transition period, there was a smooth completion of the tasks of socialist reform of agriculture, the handicraft industries, and the capitalist sectors of industry and commerce less than seven years after the establishment of the People's Republic.

In 1957, the first five-year plan was victoriously realized, which resulted in a solid base for socialist industrialization. The mere fact of this historically unprecedented brilliant achievement long ago thoroughly smashed Comrade Yang Hsien-chen's "theory of balanced development."

In sum, whether it is Bukharin or Comrade Yang Hsien-chen, all erroneous, right-wing opportunist theories will, in the course of historical development, end up in complete bankruptcy.