

**POLITICAL REPORT BY CHOU EN-LAI AT THE
SECOND SESSION OF THE SECOND NATIONAL
COMMITTEE OF THE CHINESE PEOPLE'S
POLITICAL CONSULTATIVE CONFERENCE**

January 30, 1956

Comrades, Friends:

The second plenary session of the second National Committee of the Chinese People's Political Consultative Conference is now open. This session was originally scheduled to be held in the fourth quarter of 1955 but has been postponed to the present because at that time the task of socialist transformation all over the country was developing rapidly and everybody was busy working and found it difficult to spare any time. The postponement is in a way an advantage, as it has made it possible for us to sum up more easily our experience in the work of socialist transformation.

In this session, in addition to the original 545 members, we have 119 new members, and at the same time 626 persons from various walks of life have been invited to attend — making 1,290 persons in all. This shows that, along with the advance of the cause of socialism, our people's democratic united front has grown broader and stronger than before. People in all walks of life throughout the country, witnessing the flourishing of our great motherland, are displaying an unprecedented patriotic enthusiasm and an unprecedented political activeness and solidarity. This is a phenomenon which calls for congratulation. Relying upon the concerted struggles of all nationalities and people of all walks of life, we will certainly secure more smooth and more speedy progress in all the undertakings of our motherland.

There will be six reports to our session. My political report will deal first of all with the current international situation; with regard to internal matters I shall lay stress on certain aspects in which all of us are most interested.

So far as the international situation is concerned, the past year was a year marked by a trend toward relaxation in international tension.

During the years following the conclusion of the Second World War, the international forces of peace and the international forces of war have been engaged in acute struggles which progress in a seesaw fashion, and the international forces of peace have increasingly gained the initiative. The ranks of the forces defending world peace have developed and grown ever stronger. They embrace the socialist countries headed by the Soviet Union and broadly include as well other peace-loving peoples and countries of the world. Since last year, the "Bandung spirit" for peaceful co-existence and against colonialism and the "Geneva spirit" for the easing of international tension and the settlement of international disputes through negotiation have won growing support among the peoples of the whole world. On the other hand, the so-called "policy of strength" to which the U.S. aggressive circles and their followers still cling—a policy, actually, of war, intimidation and blackmail—has suffered one defeat after another, placing its advocates more and more on the defensive. Generally speaking, the current international situation is favourable to world peace, favourable to our socialist construction and unfavourable to the war schemes and aggressive policy of the aggressive bloc.

After the Second World War, there was formed the camp of peace, democracy and socialism headed by the Soviet Union. During the past ten years the construction work of the countries of our socialist camp in all fields has tremendously developed, thereby constantly increasing and consolidating our strength. The countries of the socialist camp, embracing nine hundred million people, with a contiguous expanse of territories on the European and Asian continents, are in the advantageous position of being able to help and support each other under any cir-

cumstances and have established mutual relations of sincere co-operation and fraternal friendship. In contrast to this prosperous, rapid growth of the socialist camp and its daily strengthening internal unity, the imperialist camp headed by the U.S. aggressive circles is constantly harassed by crises, and its internal contradictions grow ever sharper. The brilliant achievements of the countries of the socialist camp in their construction work and the policy of peaceful co-existence to which they consistently adhere have won wide welcome and support from the peace-loving peoples of all countries of the world. Friendly relations between the socialist countries and all other countries which wish to maintain peace have also been developing from day to day. On the other hand, the policy of aggression and war preparation carried out by the imperialist aggressive bloc has met with ever more resolute opposition from the peace-loving peoples, more and more isolating this bloc in the world.

However, the U.S. aggressive circles and their followers are not willing to recognize all these changes which have already taken place in the world. In order to secure maximum profits for monopoly capital and gain world domination, they still persist in their policy of aggression and war. For the sake of covering up the true character of their policy, the U.S. aggressive circles and their followers have incessantly repeated a series of lies about the so-called Communist menace in order to carry out intimidation and deceit.

Despite all the lies of the U.S. aggressive circles, the peoples of all countries know that it is the imperialist countries, not the socialist countries, that started wars in the past and are even now preparing for new wars. The socialist countries consistently follow a policy of peace and are working untiringly for consolidating peace, easing international tension and developing friendly co-operation among nations. Everybody knows that we socialist countries firmly stand for universal disarmament and the complete prohibition of atomic and hydrogen weapons. On this question, the Soviet Union has made sincere efforts in order to bring about international agreement and has taken concrete action jointly with all the People's Democracies. However, the U.S. aggressive circles and their followers have not only failed to make corresponding efforts but on the contrary have retreated from their original position on disarmament to obstruct an agreement on the disarmament question. The socialist countries are firmly opposed to aggressive military blocs. They advocate the establishment of systems of collective

security and collective peace which do not exclude any country, to guarantee the security and peace of all countries of the world. But the U.S. aggressive circles and their followers have frantically organized exclusive and aggressive military blocs such as NATO, the Western European Union, the Manila Treaty and the Baghdad Treaty, widely establishing and expanding military bases on the territory of other countries. The socialist countries consistently stand for the settlement of international disputes by peaceful means, but the U.S. aggressive circles are carrying out a "brink of war" policy of intimidation and blackmail. Facts are more eloquent than words, and it is clear to all fair-minded people who wants war and who wants peace.

The U.S. aggressive circles are openly engaged in subversive activities against many countries, threatening the security of many countries. This is a fact which has come to be realized by many people who did not realize it before. The U.S. aggressive circles have never stopped their subversive sabotage activities against the socialist countries. Even now they are raving about their blood-thirsty policy of so-called "liberation," vainly seeking to re-impose on the peoples of the People's Democracies the rotten social system and the extremely reactionary rulers that they have long since overthrown. Up to the present time, the U.S. aggressive circles not only refuse to recognize the choice long since made by the Chinese people but are openly interfering in China's internal affairs, encroaching on China's territory and sovereignty by the use and threat of force and vainly attempting to prevent the Chinese people from accomplishing their cause of unifying the whole country. The U.S. aggressive circles have never had any scruples, moreover, about using splitting tactics and armed coups d'état for subversion and sabotage against all those countries in Asia, Africa, Central and South America and other areas of the world which want to safeguard their sovereignty and independence, the allies of the United States not excepted. Such being the facts, the U.S. aggressive circles, reversing right and wrong, have been unscrupulously slandering the socialist countries as carrying out subversive activities. Such lies cannot change facts. We believe in the superiority of the socialist system. But we always maintain that revolution cannot be exported. We advocate peaceful co-existence and peaceful competition between countries having different social systems, and that the people of each country should choose their political and economic systems and their way of life for themselves. We are firmly opposed to the use of force or any other means to interfere in

the internal affairs of another country and to prevent its people from making their own choice. The five principles of mutual respect for sovereignty and territorial integrity, non-aggression, non-interference in each other's internal affairs, equality and mutual benefit, and peaceful co-existence, initiated by China jointly with India and Burma and supported by the Soviet Union, Yugoslavia and many other countries, are a manifestation of this stand of ours.

The whole world sees that the U.S. aggressive circles are not only exerting their utmost to prop up the tottering colonial system, but are themselves the biggest colonialists of the world today. They are striving to extend their colonial rule and establish world domination by such means as setting up a world-wide network of military bases, organizing military blocs and giving so-called "aid" to underdeveloped areas. The United States openly refers to India's Goa and China's Macao as "provinces" of Portugal. In the United Nations, the United States always opposes national self-determination for the colonial peoples. The U.S. aggressive circles have become the main prop of colonial rule in all parts of the world. Yet the U.S. aggressive circles and their followers have the effrontery to prate about socialism being "a form of colonialism." The socialist system is a system under which there is no exploitation of man by man; this system is by its very nature entirely different from the system under which one country enslaves and plunders another. The socialist countries consistently support the struggle of all oppressed nations and are resolutely opposed to colonialism in any form. For more than 30 years, the Soviet Union has always been the most trustworthy and staunchest supporter of the oppressed nations in all parts of the world. During the recent visits of the national leaders of the Soviet Union to India, Burma and Afghanistan, the boundless sympathy and all-out support of the Soviet Union for all the peoples and countries struggling to win and preserve national independence have found expression in a most lively form. We socialist countries hold that all nations and countries of the world, big or small, should be equal, and not categorized into superior and inferior; that the people of every country should have the right of self-determination, and should not be enslaved and plundered by any other country. China and some other socialist countries in past history were in the position of colonies and semi-colonies, and gained their independence precisely in the struggle against colonialism. Among those who have shaken off colonial rule are not only socialist countries, but also countries under the leadership of nationalists.

In the future, there will certainly be more oppressed nations and countries who free themselves from colonial rule, along paths of their own choosing. This is the inexorable trend of historical development, a trend which cannot be blocked by any force.

The U.S. aggressive circles have always enslaved and exploited the underdeveloped countries through so-called aid. In the name of "aid," they dump their surplus goods, thereby snatching other countries' markets and disrupting their economy. They relegate the underdeveloped countries perpetually to the position of suppliers of raw materials and markets for manufactured goods, so as to enslave and exploit them. Through their so-called "aid," the U.S. aggressive circles demand that the recipient countries cede to them military bases and undertake military, political and economic obligations detrimental to themselves, and that the United States supervise the use of the "aid" so as to control the recipient countries. All this is no secret. Diametrically opposite to the policy of the U.S. aggressive circles, the policy pursued by the socialist countries in their aid to each other and their economic co-operation with other countries is first of all to supplement each other. We do not force other countries to accept goods which they do not need or which they can produce in sufficient quantities for themselves. Another characteristic of our policy is to help the economically underdeveloped countries to develop their own industry and achieve economic independence. Moreover, we demand no special privileges from countries accepting our assistance. Regardless of whether the assistance we provide is economic or technical, the principles on which we base ourselves are always equality and mutual benefit and non-interference in each other's internal affairs.

The facts are already very clear. They show that the whole purpose of the United States aggressive circles in putting up the banner of anti-communism and fabricating a whole set of lies is to cover up their own war preparations and acts of aggression. No doubt, the U.S. aggressive circles want to direct its spearhead of war against the socialist countries. Owing to the mighty strength of the socialist countries, however, the U.S. aggressive circles, despite their exhaustion of all possible means including armed intervention and subversive activities, have failed in the course of many encounters to make any gains whatsoever, and have instead suffered heavy blows. Therefore, under the name of anti-communism, the U.S. aggressive circles are actually first expanding their power in the areas where they can penetrate, violating the sovereignty and

national interests of the countries in these areas, and employ all kinds of methods to carry out colonialist enslavement and plunder. This cannot but arouse the people of these areas to fight against this policy of war and aggression; and in this struggle they are greatly encouraged by the growing strength of the socialist camp and the influence of its policy of peace and also by the effect of the policy of peace and neutrality persistently followed by many countries of national independence. The development of this struggle has placed the U.S. aggressive circles in a more and more awkward position.

The surging national liberation movements in Asia, Africa and Central and South America have shaken the hold of colonialism in these areas and vigorously blocked the implementation of the U.S. aggressive circles' policy there. In Southeast Asia, countries like India, Burma, Indonesia and Afghanistan have freed themselves from colonial status and taken the path of independent development. These countries treasure the national independence they have achieved and are determined to safeguard their independence and sovereignty. They condemn antagonistic military blocs and oppose war threats. They firmly maintain a position of neutrality and demand peaceful co-existence among all countries. These countries, particularly India as a great world power, are playing an increasingly great positive role in the peaceful settlement of many major international questions. We have a deep respect for the stand taken by these countries; we have established friendly relations with them on the principles of peaceful co-existence, and are co-operating with them in many respects in the struggle for peace and international security. In Africa and in the Near and Middle East, the Arab countries headed by Egypt are resolutely defending their national independence, courageously resisting the activities of the imperialist aggressive bloc to violate their sovereignty and create division among them. Recently, the struggle of the people of Jordan against the Baghdad Treaty has won the sympathy and support of the broad masses of people throughout the world. We note with pleasure that the Sudan has declared independence and has joined the ranks of the Arab countries for common struggle. We also hope to see the fulfilment of the aspirations of the people of North Africa for national self-determination. At the time of the Asian-African Conference, we established friendly contacts with a number of countries of Africa and the Near and Middle East. Now, our relations with them have further developed. We sympathize with and support all the peoples and countries of Asia, Africa and Central

and South America in their struggle to achieve or safeguard their national independence. Their struggles are just; no power on earth can prevent their victory. Their victory will strengthen the forces of peace and deal a blow to the forces of war.

There are also certain countries in these areas that are under the illusion that they have something to gain from joining aggressive military blocs or following the U.S. policy of aggression. But the facts show that those joining aggressive military blocs and helping the imperialists to create division in these areas only make themselves in the end the victims of the imperialist policy of divide and rule. By hitching its own national interests to the war chariot of the U.S. aggressive circles and following the aggressive policy of the United States, no country can safeguard its national independence, but can only put itself in a more subordinate position politically and economically; nor can it grow strong and prosperous, but only weaker and poorer. The people and far-sighted statesmen in these countries are making ever stronger demands to take another road, that is, to extricate themselves from their present difficult and hamstrung position and, together with the other countries in these areas, make common efforts to win peace, safeguard national independence and develop friendly co-operation among all countries. We wish to maintain friendly relations with these countries. We are glad to see that resumption has begun recently of the once broken ties between the peoples of China and Thailand. We wish to make contact with the leaders and peoples of all these countries in pursuance of the spirit of Bandung, in order to dispel any estrangement that may exist.

Rearming West Germany and Japan is an important component part of the U.S. aggressive circles' scheme of war preparations. But the peoples of Germany and Japan, who were thrown into the holocaust of war by the militarists of their own countries not long ago, are increasingly firm in their opposition to rearmament for the purpose of fighting for the U.S. aggressive circles. The German people have realized that the U.S. aggressive circles' policy of rearming West Germany not only menaces the peace and security of the German people and peoples of other European countries, but also obstructs the unification of Germany and prolongs the subordination of West Germany. In the German Democratic Republic, the German people have already organized their forces for democracy and peace in the form of a state, to struggle for the peaceful and democratic unification of Germany. In West

Germany, the forces against rearmament and for peaceful unification are also growing. We consistently hold that the problem of unification of Germany should be solved by the German people themselves in conformity with their own national interests and the interests of European security. An unbreakable friendship has been formed between China and the German Democratic Republic. For the sake of peace and the reunification of Germany into a peace-loving, democratic state, China would also welcome the normalization of its relations with the German Federal Republic.

Ten years have elapsed since the end of the war. But Japan still remains under U.S. occupation, manacled by various enslaving unequal treaties and agreements. U.S. military bases and installations are all over Japan. The U.S. embargo policy is hampering Japan's normal trade with other countries, making its economic plight even more difficult. The Japanese nation, always independent in the past, is now being interfered with and controlled by the United States in all respects. This situation is becoming more and more intolerable to the Japanese people. Recently in Japan there has been a tremendous growth in the movement to throw off foreign control. The people and far-sighted statesmen of Japan have come out more and more for an independent policy and against going along with and being subservient to the U.S. aggressive circles. They oppose foreign military bases and demand a ban on atomic and hydrogen weapons. They stand for the extension of ties with other countries of the world, first of all the normalization of Sino-Japanese and Soviet-Japanese relations. The Chinese people deeply sympathize with the Japanese people in their difficult situation, and fully support their desire for independence. We have developed political, economic and cultural ties with the Japanese people. We have consistently made efforts to facilitate the normalization of Sino-Japanese relations in accordance with the principle of peaceful co-existence. On August 17 and on November 4, 1955, the Chinese Government twice proposed to the Japanese Government that consultations be conducted between the two Governments on promoting the normalization of Sino-Japanese relations. We regret that no reply has yet been forthcoming from the Japanese Government. The promotion of the normalization of Sino-Japanese relations is an urgent demand of both peoples, and the Chinese Government proposes once again that consultations be held between the two Governments on this question. We hope that Japan will be able to pursue an independent foreign policy, and would welcome Japan back to the big family of Asian countries,

living in peace and friendly co-operation with the countries of Asia and the world.

The U.S. aggressive circles' policy of war preparations and expansion is seriously damaging the interests of its western allies. Because of their participation in the U.S.-controlled military blocs, these countries are forced to bear military expenditures beyond their capacities, thus bringing them mounting economic difficulties. At the same time, the U.S. policy of embargo has seriously obstructed their normal international trade. As a result of all this, their dependence on the United States has increased. If they originally expected that through their alliance with the United States they could hold on to their interests in their colonies and spheres of influence, they should have realized long ago that it is precisely this alliance that the U.S. aggressive circles are utilizing to wrest these interests away from them. Broad masses of the people in the countries allied with the United States are finding their countries' policy of trailing after the U.S. aggressive circles more and more intolerable. They have shown their opposition in action. The results of the recent general elections in France are a vivid demonstration of this. Even within the ruling classes of these countries, there are growing numbers of people who advocate the pursuance of an independent policy. It is obvious that the tendency of many capitalist countries to demand freedom from U.S. domination will continue to develop. This trend conforms with the interests of the people of the countries concerned and the interests of world peace. The good brought to the peoples of Finland, Sweden and Switzerland by the neutrality of their countries is attracting other capitalist countries more and more. Austria's decision to maintain permanent neutrality has paved the way for Austria's peaceful development. We respect Austria's neutral status and would like to see the establishment of relations of peaceful co-operation between China and Austria.

The U.S. aggressive circles' policy of arms expansion and war preparations has likewise evoked growing dissatisfaction and opposition in the United States. The broad masses of the people are worried over the danger of war brought along by the policy of "strength." Their living conditions are continuously worsening and their democratic freedoms and rights are being taken away. The American people have unfolded an extensive struggle to improve their living conditions, defend democratic freedoms, secure peace and oppose war. This situation cannot but influence the U.S. ruling circles. Within the U.S. ruling circles, there are also some more far-sighted persons who

have gradually come to realize that the use of war and the threat of war, the advocacy of going to the "brink of war," and the continued adherence to a rigid policy of reliance on "strength" can only isolate the United States further. Therefore, they are asking for a more sober policy based on the recognition of realities. There are also quite a few people in American industrial and commercial circles who are dissatisfied with the U.S. policy of embargo and demand development of normal international trade. All this is welcome. What the Chinese people firmly oppose is the U.S. aggressive circles' policy of arms expansion and war preparations and their aggressive policy of impeding the complete unification of China and their hostility to the Chinese people. But we have never been hostile to the American people, nor have we ignored any action taken by the U.S. Government that is beneficial to the relaxation of world tension. We are willing to live together in friendship with the American people. We are also willing to improve the relations between us and the United States.

Under powerful pressure from the broad masses of the people of the world and all quarters concerned, the U.S. Government is sometimes obliged to act in a way that objectively is beneficial to the relaxation of world tension. However, the U.S. aggressive circles are not willing to see any genuine relaxation of tension. They are fearful lest relaxation of world tension would reduce the profits which arms expansion and war preparations bring to monopoly capital. They are afraid that relaxation of world tension would cause them to lose their control over other countries. Therefore, each time when there has been a certain relaxation in world tension, they intensify their efforts to create tension and prevent further relaxation. This results in struggles progressing in a seesaw fashion between the people of the world who demand relaxation and the U.S. aggressive circles which create tension. Inasmuch as the people of the world have more and more come to see through these plots to intimidate and blackmail by continuously creating tension, each time the U.S. aggressive circles create tension, they suffer a new failure, and place themselves more on the defensive.

The fact that the U.S. aggressive circles fear relaxation and create tension is clearly manifested in the recent statements of U.S. Secretary of State Dulles. While the people of the whole world demand a further easing of world tension, the U.S. Secretary of State openly flaunts a "brink of war" policy and even boasts of the efficacy of this policy of intimidation in Korea, Indo-China and the Taiwan area. Anyone with

a sound memory knows that the Korean armistice was precisely a result of heavy military blows dealt by the Chinese and the Korean peoples at the aggressors and powerful moral pressure brought to bear on the aggressors by the peace-loving people of the world. Following the Korean armistice, the U.S. aggressive circles attempted to create tension anew by expanding the war in Indo-China. But the momentous victory of the Democratic Republic of Vietnam in the liberation of Dien Bien Phu smashed the war blackmail of the U.S. aggressive circles. The U.S. war policy failed to prevent the restoration of peace in Indo-China; instead, it placed the United States in complete isolation. After the flames of war were stamped out in Indo-China, the U.S. aggressive circles, by means of a so-called congressional resolution and the so-called U.S.-Chiang Kai-shek "Mutual Defence Treaty," openly used the threat of force to interfere with the Chinese people's liberation of Taiwan and other coastal islands in order to maintain and aggravate the tension caused by U.S. occupation of Taiwan. However, the outcome was not that the Chinese people were intimidated, but that they liberated Yikiangshan Island and forced the Chiang Kai-shek clique to withdraw from the Tachens and Nanchi Island. This completely exposed the war blackmail of the U.S. aggressive circles. These circles are not reconciled to this series of failures, but are still continuing to obstruct a peaceful unification of Korea, sabotage the implementation of the Geneva agreements in Indo-China, and intensify their military activities in the Taiwan area, seeking by all means to keep up the tension in the Far East, and continue with their so-called "brink of war" policy. However, the unanimous denunciation of the U.S. Secretary of State's threatening clamour by people throughout the world, including the American people, is eloquent proof of the bankruptcy of the U.S. aggressive circles' war blackmail policy.

We hold that the policy of war blackmail cannot solve any question, that a settlement of the various outstanding questions in Asia and the world should still be sought through negotiation, and that the countries concerned should continue to take measures to bring about the further relaxation of international tension.

China has already proposed and still stands for the convening of a Far Eastern conference with the broad participation of Asian countries to settle the question of peaceful unification of Korea through negotiation.

The provisions of the Geneva agreements regarding consultations on general elections in Vietnam have met with unreasonable sabotage, and

the work of the International Commission in Vietnam has been crudely obstructed. To sit back and allow this situation to continue will entail extremely serious consequences. China proposes to reconvene the Geneva Conference on Indo-China to ensure the implementation of the Geneva agreements in Vietnam. Furthermore, it holds that the three countries on the International Commission in Vietnam—India, Poland and Canada—should be invited to participate in this conference.

Regarding the question of easing and eliminating the tension in the Taiwan area, I would like to speak on the Sino-American ambassadorial talks in Geneva which started on August 1, 1955.

The first item on the agenda at the Sino-American ambassadorial talks is the question of the return of civilians of both sides to their respective countries. From the very outset, China has taken an attitude of seeking a settlement of this question, and after agreement was reached, China has been faithfully complying with the agreement. However, the U.S. Government even after the agreement was reached has not abandoned the use of all kinds of threats and persecution to prevent Chinese nationals from returning home. The U.S. Government is forcing them to apply for "political refugee" status, to apply for "permanent residence" in the United States and has even stipulated that they must get "entrance permits for Taiwan" in an attempt to completely deprive them of the right to return.

These serious violations of the agreement by the U.S. are not to be permitted. The right of all Chinese in the United States to return to China is absolutely inviolable, even if they have been compelled to apply to be "political refugees" or for "permanent residence" in the United States or compelled to get "entrance permits for Taiwan." Should they encounter any obstruction in returning home, they are fully entitled to ask assistance from the Chinese Government or the Indian Embassy in the United States. If the U.S. Government continues to threaten and persecute them, it must bear full responsibility for wrecking the agreement.

The second item on the agenda at the Sino-American ambassadorial talks is other practical matters at issue between the two sides. Under this item, China has raised the question of the embargo and the question of preparations for Sino-American negotiations at a higher level. The United States has refused to hold substantive discussions on these two subjects but has asked that an announcement be issued on the renunciation of the use of force by both sides. China has no objection to issuing such a statement. In fact

China has always advocated a settlement of disputes between China and the United States by means of negotiation without resorting to force. However, inasmuch as the United States has already used force to occupy China's Taiwan, an announcement on the renunciation of the use of force by both sides must lead to the removal of the force already used by the United States and should not be allowed to bring about the legalization of U.S. occupation of Taiwan.

The Chinese Government holds that to realize the principle of renunciation of the use of force by both sides, a Sino-American Conference of the Foreign Ministers must be held to solve the problem of easing and eliminating the tension in the Taiwan area.

However, the attitude taken by the United States in the talks shows that its aim in raising the question of renouncing the use of force is not to ease and eliminate the tension in the Taiwan area, but to maintain and heighten the tension in that area. In the U.S. draft of the Sino-American announcement, the United States even talked of the exercise by the United States on the Chinese territory of Taiwan of the so-called right of individual or collective self-defence. Taiwan is China's territory and only China can exercise the right of self-defence in Taiwan. The U.S. objective is obviously to continue to maintain in the Taiwan area the force which it has already used against China under the pretext of the so-called "right of self-defence" and at the same time to induce China to recognize its occupation of Taiwan as legalized so that it can continue to make use of the Chiang Kai-shek clique to create a so-called "two Chinas" situation. Under no circumstances can China agree to this objective of the U.S. China's stand is very clear: China is willing to continue to strive for an agreement at the talks, but it can by no means agree to this prolonged dragging out of the talks which prevents a solution to the tension in the Taiwan area.

In order to achieve collective peace in Asia and the Pacific region, the Chinese Government wishes to reiterate its proposal of July 30, 1955 that the countries in Asia and the Pacific region, including the United States, should conclude a pact of collective peace to replace the antagonistic military blocs now existing in these areas. China is ready to make joint efforts with all countries concerned to achieve this aim.

Special mention should be made here of the proposal made by the Soviet Government recently to the United States Government to conclude a Soviet-American treaty of friendship and cooperation. This was another great effort made

by the Soviet Union for the relaxation of international tension following the Geneva Conference of the heads of government of the Four Powers. China fully supports this proposal of the Soviet Union. It is regrettable that the U.S. authorities have quickly rejected the Soviet proposal. Improvement of the relations between the Soviet Union and the United States has a close bearing on world peace. The new proposal put forward by the Soviet Union toward this end completely conforms to the urgent demand of the broad masses of people throughout the world and definitely cannot be pushed aside by an off-hand rejection.

Comrades! Friends! The present general trend towards the relaxation of international tension is something which the U.S. aggressive circles cannot block. But we should also mark that the United States has not changed its policy of aggravating international tension. It is still clinging to its so-called policy of "strength" and continuing to step up arms expansion and war preparations. Therefore, while struggling for the further relaxation of international tension, we must also take into account the possibility of the U.S. aggressive circles' embarking on war adventures. On this account, we must continue to strengthen our national defence and augment our strength. Of decisive importance in this connection is to speed up socialist transformation and socialist construction and to fulfil ahead of schedule and overfulfil the first Five-Year Plan. At the same time, we must further strengthen and consolidate the solidarity and co-operation within the socialist camp. The Soviet Union and the People's Democracies in Europe concluded in May 1955 in Warsaw an eight-power Treaty of Friendship, Co-operation and Mutual Assistance, and have recently convened in Prague a Political Consultative Committee meeting of the parties to this Treaty. This is of vital significance both to the strengthening of their solidarity and to the safeguarding of their own security and European peace. The Chinese people will for ever stand together with the Soviet Union and the People's Democracies. No force on earth can undermine the solidarity and friendship between us. We will also strengthen our solidarity with all peace-loving countries and peoples, expand our friendly intercourse and ties in various fields with all nations of the world, actively support the peace movement of the people of the world, and wage a determined struggle against the U.S. policy of aggression and war.

We are convinced that, under circumstances in which the countries in the socialist camp are steadily growing in strength and the people

throughout the world are more and more taking the cause of defending peace into their own hands, the war adventures of the aggressive bloc can be stopped. On the other hand, it should also be pointed out that we want peace, but should the international aggressive bloc impose war on us, we are also not afraid of war. Neither of the two World Wars brought any good to the countries that launched them. The outcome of the First World War was the appearance of the first socialist state in the world. The outcome of the Second World War was again the emergence in Europe and Asia of a series of socialist states and many countries led by nationalists. If the aggressive bloc should dare to unleash a third world war, it can definitely be stated that it will not just be this or that imperialist country that will be defeated, but the entire imperialist system. The lessons of history and the realities of the present should make the bellicose elements a little more sober. War and threats of war can never intimidate the Chinese people into submission. The Chinese people will work steadfastly for the continued relaxation of international tension and consolidation of world peace.

Regarding our present domestic situation, its outstanding feature is that the country, as Chairman Mao Tse-tung said, is "in a high tide of the great socialist revolution."

People throughout the country are advancing rapidly towards socialism. There is happiness and elation everywhere. Hundreds of millions of peasants have gone into action in response to the call of the Chinese Communist Party and Chairman Mao Tse-tung and have taken up co-operative farming. This has given rise to a high tide in the socialist transformation of agriculture. Following this, nationwide handicraft co-operation and the change-over of capitalist industry and commerce by whole trades to joint state-private ownership have also reached a high tide. In the major cities of Peking, Shanghai, Tientsin, Shenyang, Chungking, Sian, Wuhan and Canton, the change-over of capitalist industry and commerce into joint state-private ownership, the handicraft co-operation and agricultural co-operation in the outskirts of these cities have all been completed one after another. The third year's task under the first Five-Year Plan to develop the national economy was successfully completed. The working enthusiasm of our working class has reached an all-time high in the nationwide high tide of socialist revolution. The masses of workers throughout the country have launched extensive socialist emulation to overfulfil the 1956 plan and fulfil ahead of schedule the first Five-Year Plan. At the same time, a struggle to eliminate

thoroughly all counter-revolutionary elements has been launched systematically in government institutions and in society at large. The campaign to study Marxism-Leninism is also progressing on an extensive scale. All this shows that the socialist enthusiasm of the people throughout the country is mounting at an unprecedented tempo. There are grounds for us to believe that the entire first Five-Year Plan to develop the national economy will be fulfilled ahead of schedule and overfulfilled. This will provide our country with more reliable guarantees for the accomplishment of the fundamental task during the transition period.

We can now see clearly that the socialist transformation of agriculture can be completed earlier than schedule. By the end of December 1955, the number of agricultural producers' co-operatives in the country had increased to over 1,900,000, with a total membership of 70,000,000 peasant households, or more than 60 per cent of all peasant households throughout the country. In another year's time, that is in 1956, semi-socialist agricultural co-operation can be completed in the main. After another two years, that is by 1958, socialist agricultural co-operation will in the main be completed.

Agricultural co-operation in our country has had a rather long history. It has passed through three stages. Long before the founding of the People's Republic of China, great numbers of agricultural mutual-aid teams which were an embryonic form of socialism had emerged in many revolutionary bases. In some areas semi-socialist agricultural producers' co-operatives and completely socialist ones had been set up. At present, agricultural producers' co-operation in China is still in its lower stage of development and is in a period of transition from its lower to its higher form, while the absolute majority of agricultural mutual-aid teams have become co-operatives of the lower form. It is easy to understand that the advance of agricultural producers' co-operatives from the lower to the higher form is an inevitable trend. Once the major requirements as defined in the draft National Programme for Agriculture for transforming the co-operatives from the lower to the higher form are fulfilled, the peasants will naturally demand a change from the semi-private ownership of means of production so that the productive forces can be liberated more fully and greater and faster development of production achieved.

In the face of the high tide in agricultural co-operation throughout the country and the nationwide high tide in agricultural production touched off by the former, the Political Bureau of the Central Committee of the Chinese Com-

munist Party has put forward a draft 1956 to 1967 National Programme for Agriculture. Opinions will be solicited from local Party organizations at all levels throughout the country and from workers, peasants, scientists and patriotic people in all walks of life.

There may be two different kinds of misgivings about this draft programme: Some may think that the targets set in this draft programme are conservative and become worried for fear that the targets may hold back the peasants' enthusiasm to increase production; some may think that the tasks specified in the draft programme are too big, and worry that the peasants may be "overburdened." I think there is no need for the first misgiving, because this draft programme is our present minimum programme for agricultural development. If the plan is completed ahead of schedule and overfulfilled as a result of the development of the national economy as a whole and the zeal of the peasant masses in the course of the plan's execution, this is precisely our goal.

As regards the other misgiving, let us briefly consider the strength of the peasantry. At present, there are close on 120,000,000 peasant households in the country. Taking each household as having the labour power of one and a half people, the country's total labour power comes to 180,000,000. If, as the draft Programme for Agriculture provides, a man from each household works 250 workdays and a woman 120 workdays each year, this will be 370 workdays a year for each household, making a total of 44,400,000,000 workdays each year for the whole country. The amount of labour that the peasants use directly in field work roughly comes to two-thirds of all their workdays. Thus, the peasants will still have 14,800,000,000 workdays each year which can be used for various measures to increase production and for political, economic, cultural, educational and health work. At the same time, following the growth of agricultural production, the income of the peasants in co-operatives will increase greatly and the accumulation of the co-operatives' common reserve funds will also expand with each passing day. This will make it possible to invest part of the funds in capital construction in agriculture so as to create the conditions for expanded production. If every working man and woman can reach the annual workday quotas laid down in the draft Programme for Agriculture in a situation in which agricultural co-operation is developing greatly and agricultural production is increasing, then each peasant household will have a monthly income of between thirty and sixty yuan. Therefore, there will be no difficulties in finding capital funds either.

Much scientific research work and full co-operation by every stratum of people in the country as well as co-ordination among the various departments are of course needed to carry out thoroughly this draft Programme for Agriculture. We believe that everyone present at this meeting will spare no effort and contribute to the struggle to complete this great task.

The socialist transformation of handicrafts in the country has also begun to reach a high tide. By the end of December 1955, the number of handicraft producers' co-operatives in China exceeded 70,000 with a total membership of more than 2,000,000, or over one-fourth of all the 7,850,000 handicraft workers and artisans in the country. This year and next, that is by 1957, the socialist transformation of handicrafts will have been completed in the main.

Our country's handicrafts are extensive and have an important place in the national economy. They are a powerful adjunct to modern industry and play a positive role in serving the needs of the state and the people. Handicraft production is more concentrated than agriculture and produces more commodities. It is comparatively easy to change its system of ownership, and the enthusiasm of the mass of handicraft workers for socialism is very high. Therefore the time needed to complete the transformation of handicrafts in social organization and technique can and should be somewhat faster than agriculture.

At the same time, we should note that our handicrafts are characterized by scattered management, dispersion, very varied trades, general technical backwardness and have different social and economic characteristics. Therefore, in drawing up over-all plans for the transformation of handicrafts in social organization and technique, not only must their scale and speed be co-ordinated with those of transforming agriculture and capitalist industry and commerce, but what is even more important is the need to take into account the multifarious conditions in handicraft industry and correctly implement the policy for the socialist transformation of handicrafts. After the handicraft workers are organized, local raw materials, remnants and every scrap should be fully utilized, the variety of items increased, the quality of products improved, production costs reduced, and more and better goods adapted to the needs of the state and the people produced. We should see to it that the good habit of the handicraft workers of showing great interest in the quality of their products and their market should be maintained. Those handicrafts which are not suitable for collective production should continue as individual production after they are

brought into co-operatives. Orders for goods or for processing should be placed by the state only for those items which are suitable for distribution and sale by the state. The main part of the handicrafts should still be marketed by the handicraft co-operatives or the handicraftsmen themselves based on long-standing connections or new market demands. Attention should also be paid to the special characteristics and historical traditions of the skills in certain handicrafts. It is necessary to raise workmanship to a higher level, preserve and carry forward their fine traditions after they join co-operatives. If it is not easy for the time being to organize co-operatives in certain especially fine handicraft arts, then let them work individually. If it is difficult to reorganize them immediately after they join co-operatives, let them remain unchanged and reorganize them after the situation is clearer. All in all, after the transformation of handicrafts, the variety of commodities should increase and not decrease, the quality of goods should be better and not worse, and technique should be raised and not lowered. In the meantime, it is even more necessary to make sure that the supply, production and marketing plans of the handicrafts are brought into the state plan, as far as possible, first and foremost that of local state industry, and that production is not dislocated as a result of transformation. Only in this way can the handicrafts actively play their role as an adjunct to modern industry and the superiority of the socialist system shown.

Under the influence of the rapid development of agricultural co-operation, socialist transformation of our country's capitalist industry and commerce has also entered a new stage. All private enterprises are becoming joint state-private by whole trades in various places throughout the country. By the end of December 1955, more than half of the large-scale capitalist industry, in terms of the value of production, had become joint state-private. More than 30 per cent of capitalist commerce, in terms of the volume of business transactions, had become joint state-private. After 1956 began, a high tide in the socialist transformation of capitalist industry and commerce was reached in big and medium cities throughout the country.

The complete change-over of all private enterprises to joint state-private enterprises by whole trades is the highest form of state capitalism. This is a decisive step in transforming capitalist ownership into socialist ownership. Since the founding of our people's republic, it has adopted a variety of forms of state capitalism to carry out the socialist transformation of capitalist industry and commerce. But most of these forms

are elementary stages of state capitalism, such as the accepting of government contracts for the manufacture and processing of goods by capitalist firms, the purchasing by the state of the output of capitalist enterprises, and state distribution of all finished products of a capitalist firm, and in commerce, the state designating merchants acting on a commission basis as distributors on its behalf and merchants purchasing commodities from state stocks and retailing them at fixed prices. Therefore they do not greatly alter the relations of capitalist production in private enterprises, the productive forces in private enterprise are still fettered by these relations of production. With the planned development of the national economy and the full display of the superiority of the socialist sector of the economy, the contradictions between the productive forces and the relations of production in capitalist enterprise became exposed with particular sharpness. Now that whole trades are completely changed over to joint state-private enterprises and that the state is carrying out planned transformation of enterprises according to the national economic plan and the methods of socialist operation and adopting the fixing of relative share holdings and rates of interest as the main methods to deal with capitalist ownership of the means of production, capitalist relations of production have been changed in the main. The only thing remaining under private ownership is interest for the capitalists.

The policy of the Chinese Communist Party and the state is decisive in enabling China's national industrialists and business men to accept socialist transformation with such enthusiasm. The People's Government has made stupendous efforts and given priority to developing the socialist economy and co-operative economy. At the same time, it has adopted a series of measures to change step by step the capitalist economy into the state-capitalist economy which is under the control of the state, the guidance of the state economy and the supervision of the working class. With the flourishing of the socialist economy the growing demand of the workers and employees in the private enterprises for socialism and the rapid development of the socialist transformation of agriculture, the national industrialists and business men are more and more conscious of the fact that in China they cannot take the road of capitalism and that they can only accept transformation and take the road to socialism through peaceful transition. The method through which our country is carrying out the socialist transformation of capitalist industry and commerce is also acceptable to the national industrialists and

business men. For in dealing with the capitalist ownership, the state pays fixed interest for a certain period to these industrialists and business men; at the same time, the state makes over-all personnel arrangements in the change-over by whole trades to joint state-private ownership.

Thus the national industrialists and business men have come to see that their work and livelihood are fully guaranteed after the capitalist ownership is entirely eliminated in the future. On the political side, the state not only gives the national industrialists and business men the right to vote, but actively gives them ideological education. This is to make them understand that they can take their fate into their own hands only by following the laws of social development and to help them in changing themselves on a voluntary basis so that they can turn from the exploiters that they are today into the working people of tomorrow.

It should be pointed out that the high tide in the socialist transformation of private industry and commerce now sweeping the country is only the beginning of a further and more profound transformation. At present, apart from the big private industrial and commercial firms, there are hundreds of thousands of medium and small industrial and commercial firms scattered all over the country. It has been possible only to complete the legal ratification of their applications for change-over to joint state-private ownership in this short period. A whole series of work including stock-taking, checking capital, economic reshaping, reorganization of the enterprises and over-all personnel and production arrangements remain to be done seriously after the change-over.

In undertaking such work, great care should be taken not to lightly change the original methods of operation and management of the enterprises and all good experience in the original methods of operation and management must be well preserved as historic legacies to be handed down and developed. Small shops, which are numerous and widely spread, should, after their change-over into state-private enterprises, continue, on a commission basis, to purchase commodities from state stocks and retail them at fixed prices. Purchasing commodities from state stocks and retailing them at fixed prices can also be used as a form of state-private enterprise because the sources of the goods are primarily supplied by the state and their plans for purchases and sales are approved by the state. The enterprises are each led by a special company in its own line and the commissions are similar to the piece rate wage system in socialist enterprises. As to those scattered peddlers, it is not advisable to change

their mode of operation in a hurry because this mode of operation is a convenience to the people and is welcomed by them and therefore should be retained for a longer period. In a word, our basic aim in the transformation of capitalist industry and commerce is to change the relations of production and release the productive forces, which will be ultimately demonstrated in the development and increase of production. Thus, in the course of changing over to joint ownership, the most important question is to guarantee the normal course of production and business operation; confusion in production and management that causes loss to the wealth of the state and society is absolutely impermissible. Workers and staff, engineers and technicians, industrialists and business men in joint enterprises must keep up the originally good varieties, assortments and quality of the commodities and must not amalgamate at random factories or shops or readjust commercial networks, or lightly change the system of service and personnel without the approval of the leading organs. The work of transformation in various spheres should be carried out in a planned and systematic manner under the uniform leadership and arrangement of the central government and local governments so as to guarantee that the socialist transformation continues to move forward healthily. I hope members from different quarters concerned present at this session will explain these ideas clearly to the broad masses of workers and staff, engineers and technicians and industrialists and business men and assist the government to make this work successful.

The situation regarding the socialist transformation of agriculture, handicrafts and capitalist industry and commerce shows that our country has taken a big stride forward on its path of socialist revolution, that is, socialist transformation. We can say that it has already been determined which will emerge victorious in the struggle between the two paths, socialism and capitalism. This is just as Chairman Mao Tse-tung said: "The political situation of the country has now undergone a fundamental change."

Marxism-Leninism long ago pointed out that under a regime led by the working class, it is possible for the capitalist system to go over peacefully to socialism, under specific conditions. The experience of our people brilliantly testifies to this possibility. The ever growing consolidation of the power of the state led by the working class, the ever expanding socialist economy, the ever stronger democratic united front of our people founded on the basis of the worker-peasant alliance and participated in by the national bourgeoisie, the existence of the socialist camp led by

the Soviet Union and its tremendous assistance to our country, and other favourable international conditions — all these furnish the conditions and guarantees for our country to be able to go over to a socialist society peacefully.

In speaking of the reason for the recent extraordinarily rapid development of our socialist transformation, it must be pointed out that it is the combined result of all kinds of work carried out by our people in the past six years under the leadership of the Chinese Communist Party and the government. But apart from this, it must be particularly pointed out that it is inseparable from the struggle against rightist, conservative ideas that the Central Committee of the Chinese Communist Party has recently carried out in all spheres of work. The socialist consciousness of the mass of people has matured. But rightist conservatives, rather than seeing this enthusiasm, suppressed it. Since this obstacle has been removed, the movement of socialist transformation has been developing as swiftly as the surging tides and surpasses all our previous estimates. Therefore Chairman Mao Tse-tung said, "The socialist revolution, in the main, can be completed on a national scale within about three more years."

Since the scope and speed of socialist transformation have greatly exceeded the targets set forth in the first Five-Year Plan, favourable conditions have been provided for more speedy progress in our socialist industrialization and for a new upsurge in our national economy.

We have successfully completed the third annual plan under the first Five-Year Plan. According to the statistics now available, the target for the total value of industrial production in 1955 was overfulfilled, that is, 62 per cent more than that of 1952. The bumper harvest in 1955 reached an all-time high with grain produce amounting to 182,500,000 tons, an increase of 18,600,000 tons over the bumper year of 1952. The amount of cotton in 1955 reached 1,503,000 tons, an increase of 198,000 tons over the bumper year of 1952. In 1955, grain and cotton, two staple crops, surpassed the highest annual record production in the history of China by a high margin. Capital construction in 1955 also registered many achievements, especially outstanding in the practice of economy.

The year 1956 will be a particularly active year for China's national economy and also a year in which the national economy is to have an over-all upsurge. According to the draft estimates for 1956, industrial production will increase by 18.6% compared with 1955. In agriculture, grain production will increase by nearly

9% and that of cotton by about 18%. The amount invested in capital construction will increase by about 60%. There will also be a more rapid growth in other economic fields, science, culture, education and health work. So long as there are no extraordinary natural calamities and if we strive to complete the 1956 plan, our country will be able to fulfil the first Five-Year Plan in four years or four and a half years for the essential targets.

The problem now confronting the whole people is how to carry out the work of construction in all fields speedily, satisfactorily, to the maximum possible extent and at the lowest costs, so that its progress may be adjusted to the changed conditions and the requirements of the people and the country. We should strive to do what it is objectively possible to accomplish by making the effort; otherwise we shall fall into the error of rightist conservatism. At the same time, we should take care to avoid going beyond what objective conditions permit and straining to do what is objectively impossible; this would be the error of blind adventurism.

Of course, the Five-Year Plan cannot be fulfilled ahead of schedule or overfulfilled only by slogans, calls and resolutions. This requires adoption of a series of concrete measures for the work of the different departments, improvement in their leadership and carrying out of much practical work among the masses to discover and popularize advanced experience so that the backward may become advanced and the advanced even more advanced. I am not going to dwell on this question. I only want to explain one point. Although many enterprises have found and put into operation methods for pre-schedule fulfilment and over-fulfilment of the Five-Year Plan and many enterprises have advanced far ahead of the original time-table, up till now there are still quite a number of enterprises whose production is lagging far behind. Amidst the high tide against conservatism, the leaders of these enterprises have also revised some of their quotas and these new quotas seem to them quite advanced. But if we seriously ask the masses to discuss these quotas and compare them with really advanced quotas, it will be found that these leaders are still very conservative and have not yet made real efforts to explore their potentialities for production. They have failed to fulfil the planned targets in all respects. They often try to cover up their failure to fulfil the targets in quality, variety and cost of products by the superficial success of having fulfilled targets in quantity and total value of production. When the leaders of some backward enterprises see their own enterprises lagging

behind others, instead of learning from these advanced enterprises, they only show anxiety to find excuses for their own backwardness. They even think that since many other enterprises have fulfilled the Five-Year Plan ahead of schedule and overfulfilled it, the over-all targets of the plan will be surpassed anyhow, even if a small number of enterprises lag behind. The responsibility of the leaders of the various departments is to criticize these people who are satisfied with their backwardness and not to adopt an attitude of compromise. Instead of allowing these people to benefit from the advanced producers, the leaders of the various departments should use the examples of the advanced producers to compel the backward out of their state of backwardness. Only in this way can a leader prove himself no rightist conservative, no defender of the rightist conservatives; and only so has he correctly fulfilled the obligation of leadership entrusted to him by the government. Only so can we really and in all respects fulfil ahead of schedule the Five-Year Plan and overfulfil it.

By accomplishing socialist transformation ahead of schedule and fulfilling ahead of schedule and overfulfilling the first Five-Year Plan, it will be possible for us to overfulfil the state's plan for industrial development during the period of transition and to accelerate the technical reconstruction of the national economy. Recently the State Planning Commission has been collaborating with the various departments and provinces, municipalities and autonomous regions in starting to draw up, on the basis of drafting a 15-year long-term plan, an outline of China's second Five-Year Plan for the development of the national economy that will lead to an acceleration in the development of the varied economic and cultural work.

To complete the aforementioned task, not only must reliance be placed on the creative labour of the working class and the mass of the peasants, but the power of the intelligentsia of our country must be fully mobilized and brought into play. The question of the intelligentsia will be a major item for discussion at the present session. This is why I want to say a few more words about this question.

What is the present problem of the intelligentsia? It is this: the present forces of our country's intelligentsia cannot, either in numbers, professional skill, or political consciousness, meet the growing requirements of the rapid development of the cause of socialism; at the same time, there are still some undesirable aspects in the use and treatment of the intelligentsia in certain government organizations. In varying degrees,

this has made it difficult for the forces of the intelligentsia to be brought into full play. Thus we need to strengthen our leadership, overcome our shortcomings and take a series of effective measures to mobilize and develop to the fullest extent the power of the present intelligentsia, continuously raise their political consciousness and professional skill, and carry out large-scale training of new forces so as to enlarge their ranks and satisfy the ever-increasing requirements of the state for intellectuals.

During the past six years, the intellectuals of our country have changed fundamentally. The overwhelming majority of the present intellectuals have become government workers, served the cause of socialism and become part of the working class. In general they have joined in political study, in the struggles for social reform and the campaign of ideological re-education. In the same period, their ranks have rapidly expanded and been augmented by a considerable number of intellectuals of labouring class origin. In the past six years, thanks to the efforts of the intellectuals, particularly the highly trained specialists, great progress has been made in the sciences, in culture, education, public health and other fields, and the professional standards of the intelligentsia have also shown a marked advance. Generally speaking, however, our science and technique still lag far behind the most advanced levels of the world. We must, therefore, mobilize all the forces of the intelligentsia and overtake the more advanced scientific and cultural levels of the world in the not too distant future. This is a great and glorious fighting task for our people, particularly the intelligentsia.

In the main, the forces of the country's intelligentsia have been mobilized under the leadership of the Chinese Communist Party and the government. And in this respect, the democratic parties and the people's organizations have done a good deal. But it cannot be denied that there are certain things to be desired in the attitude toward the intelligentsia, as a result of the underestimation by certain organs of the state and their personnel of the progress of the intelligentsia and their role in the cause of socialism. Here, the main problems are: first and foremost, to improve the use and placing of intellectuals so that they can apply to the fullest extent their special abilities which are beneficial to the state. Secondly, we must place due trust in the intellectuals and give them support so that they can work with bold initiative. Thirdly, we must provide them with the working conditions and appropriate treatment necessary to allow them to concentrate their main energies on their work.

Modern science and technique are growing by leaps and bounds. The discovery and utilization of atomic energy and the advances in and application of electronics have brought mankind to the threshold of a new industrial revolution. The time has come for the people of our country, above all the intellectuals, to go forward in modern science.

We must draw up an over-all plan for the development of science, strengthen and enlarge our scientific research institutes and train large numbers of scientific research workers and provide all the necessary conditions for the development of science. The State Planning Commission, together with the Academy of Sciences and the various ministries, is now mapping out a 1956-1967 long-term plan for China's scientific development. The prime purpose of this long-term plan is—taking into account the needs and the possibilities—to introduce the world's most advanced scientific achievements into our country and fill in our most urgent gaps in science as quickly as possible, and arrange and plan our scientific research work on the basis of the achievements already made in world science, so that by the end of the third Five-Year Plan our most vital scientific departments will approach the world's most advanced levels.

To help the intellectuals change themselves is of tremendous importance for the full mobilization and development of the forces of the intelligentsia. Most intellectuals in our country are already on the side of socialism, or are going over to it, but bourgeois points of view and attitudes still exist in the thinking and actions of many of them, to a greater or lesser extent. A small number of people in the ranks of the intelligentsia do not understand socialism and are even hostile to it in their thinking. In addition there is still a tiny percentage of counter-revolutionary and other undesirable elements. We must root out thoroughly the active counter-revolutionaries hidden in intellectual circles, reduce to a minimum the number of backward elements, enable as many as possible of the middle-of-the-road elements to become really progressive, and enable the progressives to become full socialist intellectuals. We hope that led by the Chinese Communist Party, the intellectuals of our country will be able to use the method of self-education and, in three inter-related ways—observation and experience in social living, their own work, and the study of Marxism-Leninism—to turn themselves gradually into wholehearted workers for socialism.

We believe that the intellectuals of our country will rally to an even greater degree around the Chinese Communist Party and work for raising our scientific and cultural levels. The alliance

of our workers, peasants and intellectuals in the cause of socialism will grow stronger day by day. Relying on the strength of this alliance, we shall certainly be able to overfulfil our state plan for industrial development and speed up the technical reconstruction of our national economy.

The work of our country's socialist transformation and socialist construction is progressing at a faster pace and on a bigger scale. Before very long, it will be possible for our country to emerge in the world as a great modern socialist industrial power with a high standard of culture, prosperous and strong. What instils pride in the Chinese people is the fact that, as Chairman Mao Tse-tung has said, "We are now engaged in a great and most glorious cause, never undertaken by our forefathers."

But, our people have no right to forget that the imperialists still stand before us, that counter-revolutionaries still carry on subversion, and that our territory of Taiwan is still to be liberated. This requires us to further strengthen the people's democratic dictatorship, to further consolidate the alliance between the workers, peasants and intellectuals, and to further consolidate the people's democratic united front led by the Chinese Communist Party, in order that we can carry out the struggle for the defence of our motherland and the socialist cause with the united strength of the entire people. We must unite as one to continue our fight against the imperialist policy of aggression and war and strive to secure an enduring peaceful international environment for the work of socialism in our country. We must unite as one to continue our struggle to eliminate counter-revolutionaries hidden in government organs and at large in society so as to protect our cause of socialism from being jeopardized by counter-revolutionary action. We must unite as one to continue our struggle for the liberation of Taiwan, to restore Taiwan to the motherland so as to achieve China's complete unification.

Here, I wish to say something about the question of the liberation of Taiwan.

While the people of our great motherland are advancing with great strides towards socialism, our eight million fellow-countrymen in Taiwan are still suffering under the armed rule of a foreign power and are unable to march forward side by side with the people of their motherland. Therefore, it goes without saying that the people of the motherland are constrained to have the utmost concern for the fate of their fellow-countrymen in Taiwan. And the people in Taiwan, watching their motherland grow in prosperity day by day, must of course be excited and looking forward to returning soon to the embrace of their motherland.

Why has Taiwan not been liberated to this day? As I have said, the principal reason is that the United States is occupying Taiwan by force, interfering in China's domestic matter and has turned the island into its military base. This has created the protracted tension in the Taiwan area and obstructed the liberation of Taiwan.

But, in any event, Taiwan is the inviolable territory of China; the people in Taiwan are an integral part of the Chinese population; and the liberation of Taiwan through whatever means is China's domestic matter. All this cannot be denied by anybody. The entire Chinese people, including the people on the mainland and in Taiwan, should unite under the banner of patriotism to strive together for the settlement of this domestic matter of our country. We will never allow interference by any third party in this domestic matter. No third party has a right in any case to interfere in this domestic matter of our country. As is known, in the liberation of the mainland, Peking, Suiyuan, Hunan, Sinkiang and Tibet were all liberated by peaceful means. And the troops which came over peacefully have since become part of the Liberation Army. The generals and commanders who came over peacefully have since been assuming important public posts. In the past year, our Government has pointed out over and over again that apart from liberating Taiwan by means of war, there exists also the possibility of liberating Taiwan by peaceful means. Thus, the people of our country, both on the mainland and in Taiwan, have a common patriotic duty, that is, to strive for the liberation of Taiwan by peaceful means, besides actively preparing for its liberation by means of war if necessary.

The calamities borne by our compatriots in Taiwan are of the gravest nature. Shortly after being unburdened of the old colonial rule, they were hurled into the pit of U.S. armed domination. The United States has already seized control of Taiwan's military, political and economic affairs. It is plundering Taiwan's rich resources, bleeding white our compatriots in Taiwan, and driving them to serve as cannon fodder for the United States. Under this dark foreign reign of force, Taiwan's industry and commerce have shrivelled, agriculture has gone bankrupt, our compatriots are suffering from poverty, hunger and terror. It is our conviction that our compatriots in Taiwan, with their revolutionary traditions of struggle for freedom and liberation, will never resign themselves to such a life of slavery under foreign domination.

At the same time, we are also convinced that under any circumstances, all those Kuomintang

military and political personnel who fled to Taiwan from the mainland cannot for long stretch out their feeble existence by trailing behind the United States. History demonstrates that aggressors are doomed to defeat, and those who rely on the aggressors to prolong their last days of existence will either fall together with the aggressors or become the sacrifice of the aggressors. The Kuomintang military and political personnel, in every echelon high and low, are at present in a state of panic and hopeless pessimism. Internally, the Kuomintang is split and falling to pieces, and its rule is getting shakier every day. This shows that their present situation cannot be maintained for long. In the face of these trends, the Kuomintang military and political personnel can only choose between two alternative paths. One path is to continue to follow the United States, plunging our compatriots in Taiwan into misery under foreign domination and, at the same time, putting themselves on a path leading to momentary doom at any moment. The other path is the path of repenting and turning over a new leaf, of calling up their patriotic conscience, of liberating Taiwan by peaceful means, thus enabling our Taiwan compatriots to return to the embrace of their motherland and at the same time getting themselves an opportunity to be forgiven by the people of their motherland.

Come what may, the Chinese people are determined to liberate Taiwan and Taiwan will surely in the end be restored to China. If the Kuomintang military and political personnel come to see clearly this inevitable trend of developments and are willing to liberate Taiwan by peaceful means, help their motherland to eliminate the tension in the Taiwan area and bring about the complete unification of their great motherland, then they will not only perform a meritorious service to their motherland but also contribute to Asian and world peace.

The Chinese people and the Chinese Communist Party consistently stand for unity of the entire nation against its external enemies. In China's history, the Chinese Communist Party twice co-operated with the Kuomintang. During these two periods of co-operation, the Communists and the Kuomintang members fought shoulder to shoulder against imperialism. Even during China's third revolutionary war, the Chinese Communist Party, while engaging in the war of liberation, never once suspended its efforts for peaceful negotiation. Among the Kuomintang military and political personnel who have fled to Taiwan there must now be many who want to return peacefully to the Chinese mainland. They all have families or relatives and friends on the

mainland, and many hope to return to the mainland and reunite with them. To all the Kuomintang military and political personnel who have fled to Taiwan or abroad, we say: hesitate no longer, quickly take the road of the peaceful liberation of Taiwan. I therefore proclaim on behalf of the Chinese people and the Chinese Government: All those who want to come to the mainland to visit their relatives and friends may come; all those who want to come to the mainland for a tour or for study may also come; all those who want to take the road of peaceful liberation of Taiwan, no matter who they may be, or how serious their past crimes were, will be treated leniently by the Chinese people without questioning their past; all those who perform meritorious services in the peaceful liberation of Taiwan will be duly rewarded by the Chinese people in accordance with the degree of their merits; all those who come back to the motherland peacefully will be provided with appropriate jobs by the Chinese people.

To our compatriots in Taiwan and all those who have fled to Taiwan from the mainland, we say: rally under the banner of patriotism and, together with the people of the motherland, strive for the peaceful liberation of Taiwan and the complete unification of the motherland!

Comrades, Friends, I am about to conclude my report.

Our people are advancing with great strides along the path of socialism. Under the banner of socialism, the Chinese people have begun their march towards the conquest of science, their march towards the elimination of classes and exploitation, the roots of backwardness and poverty. We are winning great victories in the socialist revolution and we can unquestionably achieve complete and thorough victory in this revolution. All of China's nationalities, all democratic classes, all democratic parties and groups, all people's organizations, overseas Chinese and all patriots must unite still more closely to work intensively and engage in creative labour under the leadership of the Chinese Communist Party and Chairman Mao Tse-tung. They must eschew all superficial show and conceit. They must strive for further relaxation of international tension and consolidation of world peace. They must strive for the fulfilment of the fundamental tasks of the state in the transition period and for the raising of China's scientific and cultural level. They must strive for the peaceful liberation of Taiwan and the complete unification of the motherland.

(Hsinhua News Agency)